

ARBITRATION AGREEMENT/CLASS ACTION WAIVER

Agreement to Arbitrate Claims

“Claimant” (*i.e.*, the person or entity asserting a claim or seeking recourse arising out of or related to this transaction) and The UPS Store franchisee agree that, except for disputes that qualify for state courts of limited jurisdiction (such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits on their jurisdictions over civil disputes), any controversy or claim between any person or entity, whether at law or equity, arising out of or related to this transaction, regardless of the date of accrual of such dispute, shall be resolved in its entirety by individual (not class-wide nor collective) binding arbitration. The term "transaction," as used herein, means The UPS Store franchisee’s provision of shipment services and the opportunity to add the Claimant's shipment to The UPS Store franchisee’s insurance. This agreement to arbitrate applies to disputes involving not only The UPS Store franchisee but also disputes with any other person or entity arising out of or relating to the transaction, including but not limited to United Parcel Service, Inc. or any of its subsidiaries or affiliates (“Other Parties”).

Arbitration is the submission of a dispute to a neutral arbitrator, instead of a judge or jury, for a final and binding decision, known as an “award.” Arbitration provides for more limited discovery than in court, and is subject to limited review by courts. Each party has an opportunity to present evidence to the arbitrator in writing or through witnesses. An arbitrator can only award the same damages and relief that a court can award under the law and must honor the terms and conditions in the “Shipping Agreement” (collectively, the agreement(s) between the Claimant and The UPS Store franchisee for shipping services including, without limitation, the parcel shipping order and CMS shipment receipt).

Claimant and The UPS Store franchisee agree that their sole relationship is a contractual one governed by the terms of this agreement and the Shipping Agreement. Any controversy or claim between any person or entity, whether at law or equity, arising out of or related to this transaction against shall be resolved solely based on this Agreement and the Shipping Agreement.

Institutional Arbitration

The arbitration shall be conducted by the American Arbitration Association (AAA) in accordance with its Commercial Arbitration Rules and the Supplementary Procedures for Consumer-Related Disputes (the “Rules”), and judgment on the award may be entered in any court of competent jurisdiction. The Rules, including instructions for how to initiate arbitration, are available at <http://www.adr.org> or by calling the AAA at 1-800-778-7879. The arbitrator shall decide all issues of the case on the basis of the applicable law, not equity. If you initiate arbitration, you must serve The UPS Store franchisee or its registered agent for service of process (or as applicable the registered agent for service of process of any Other Party).

Any arbitration under this Agreement will take place on an individual basis; class, mass, consolidated or combined actions or arbitrations or proceeding as a private attorney general are not permitted. Claimant, The UPS Store franchisee and Other Parties are each waiving the right to trial by jury. They are further giving up the ability to participate in a class, mass, consolidated or combined action or arbitration.

Place of Arbitration/Number of Arbitrators/Costs of Arbitration/Governing Law/Survival

Any arbitration will take place in the county where the transaction occurs. If such arbitration is dismissed or stayed on the grounds that the foregoing selection of the place of arbitration is ruled unenforceable, invalid or ineffective for any reason, Claimant and The UPS Store franchisee agree that the place of arbitration will be in the county where Claimant resides. Any arbitration will be determined by a single arbitrator.

Any filing fee or administrative fee required of Claimant by the AAA Rules shall be paid by Claimant to the extent such fee does not exceed the amount of the fee required to commence a similar action in a court that otherwise would have jurisdiction. For all non frivolous complaints, The UPS Store franchisee or Other Parties will pay the amount of such fee in excess of that amount. The arbitrator will allocate the administrative costs and arbitral fees consistent with the applicable rules of the American Arbitration Association. Reasonable attorney's fees and expenses will be allocated or awarded only to the extent such allocation or award is available under applicable law.

All issues are for the arbitrator to decide, except that issues relating to the scope, application, and enforceability of the arbitration provision are for a court to decide. The Federal Arbitration Act ("FAA") governs the interpretation and enforcement of this provision, and the substantive and procedural provisions of the FAA shall apply. This agreement to arbitrate shall survive termination of the Shipping Agreement.

Severability

Notwithstanding anything to the contrary in the AAA Rules, if any part of this arbitration provision is deemed invalid or ineffective for any reason, this shall not affect the validity or enforceability of the remainder of this arbitration provision, and the arbitrator shall have the authority to amend any provisions deemed invalid or ineffective to make the same valid and enforceable.

Desk Arbitration

For all disputes concerning an amount less than fifteen thousand dollars (\$15,000.00), the parties shall submit their arguments and evidence to the arbitrator in writing and the arbitrator shall make an award based only on the documents; no hearing will be held unless the arbitrator in his or her discretion, and upon request of a party, decides it is a necessity to require an in-person hearing. For a dispute governed by the AAA Consumer-Related Disputes Supplementary Procedures, and concerning an award between fifteen thousand dollars (\$15,000.00) and fifty thousand dollars (\$50,000.00), inclusive, The UPS Store franchisee (or Other Parties as applicable) shall pay Claimant's filing fee under the AAA Rules, provided that Claimant agrees that both parties shall submit their arguments and evidence to the arbitrator in writing and that the arbitrator shall make an award based only on the documents, without a hearing being held. Notwithstanding this provision, the parties may agree to proceed with desk arbitration at any time.

Access to Small Claims Courts

All parties shall retain the right to seek adjudication in a state court of limited jurisdiction, such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits on their jurisdiction over civil disputes, for individual disputes within the scope of such court's jurisdiction.

Acknowledgements

Claimant and The UPS Store franchisee acknowledge and agree that pursuant to this Agreement:

CLAIMANT AND THE UPS STORE FRANCHISEE AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, THE UPS STORE FRANCHISEE, OR ANY PERSON OR ENTITY IN CONNECTION WITH THIS TRANSACTION;

CLAIMANT AND THE UPS STORE FRANCHISEE AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT, OTHER THAN A STATE COURT OF LIMITED JURISDICTION AS DEFINED ABOVE, RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, THE UPS STORE FRANCHISEE, OR ANY PERSON OR ENTITY IN CONNECTION WITH THIS TRANSACTION;

CLAIMANT AND THE UPS STORE FRANCHISEE AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT REVIEW ANY DECISION OR AWARD OF AN ARBITRATOR, WHETHER INTERIM OR FINAL,

EXCEPT FOR APPEALS BASED ON THOSE GROUNDS FOR VACATUR EXPRESSLY SET FORTH IN SECTION 10 OF THE FEDERAL ARBITRATION ACT.

CLAIMANT AND THE UPS STORE FRANCHISEE AGREE THAT WE ARE WAIVING THE RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, JOIN AS A CLASS MEMBER, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS IN ANY CLASS, MASS, CONSOLIDATED OR COMBINED ACTION OR ARBITRATION FILED AGAINST CLAIMANT, THE UPS STORE FRANCHISEE, OR ANY PERSON OR ENTITY IN CONNECTION WITH THIS TRANSACTION.

Award

The arbitrator may award money or equitable relief in favor of only the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. Similarly, an arbitration award and any judgment confirming it apply only to that specific case; it cannot be used in any other case except to enforce the award itself. To reduce the time and expense of the arbitration, the arbitrator will not provide a statement of reasons for his or her award unless a brief explanation of the reasons is requested by one of the parties. Unless both Claimant and The UPS Store franchisee agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative, private attorney general or class proceeding.

Confidentiality of Arbitration

Notwithstanding anything to the contrary in the AAA Rules, the Claimant and The UPS Store Franchisee agree that the filing of arbitration, the arbitration proceeding, any documents exchanged or produced during the arbitration proceeding, any briefs or other documents prepared for the arbitration, and the arbitral award shall all be kept fully confidential and shall not be disclosed to any other party, except to the extent necessary to enforce this arbitration provision, arbitral award or other rights of the parties, or as required by law or court order. This confidentiality provision does not foreclose the American Arbitration Association from reporting certain consumer arbitration case information as required by state law.