

TERMS AND CONDITIONS OF CARRIAGE

1. Carrier or the party in possession of any of the property described in this Bill of Lading shall be liable as at common law for any loss, damage, or delay thereto, except as herein provided. Carriers shall be liable for special, incidental, and consequential damages for which they have actual or constructive knowledge.

2. No Carrier or party in possession of all or any portion of the property described in this Bill of Lading shall be liable for any loss of or damage to the said property or for any delay caused solely by an Act of God, act of public enemy, the authority of law, or the act or default of the shipper or owner. Further, no Carrier or party in possession of all or any portion of the said property shall be liable for any natural shrinkage of the property or loss caused solely by the inherent vice of the property. Carrier or the party in possession shall have the burden of proving freedom from negligence and that one of the foregoing exceptions was the sole and proximate cause of the loss, damage, or delay. Carrier's liability shall not be subject to the rule of contributory or comparative negligence.

3. Carrier shall be fully liable solely as a warehouseman for loss, damage or delay occurring after actual or attempted tender of the property for delivery at destination. When tender of the delivery of the property to the party entitled to receive it has been made, but delivery has been refused, or Carrier is unable to make delivery, Carrier's liability as a warehouseman shall begin when Carrier has placed said property in a warehouse or storage facility under reasonable security. Except in the case of negligence of Carrier or the party in possession, Carrier or party in possession shall not be liable for loss, damage, or delay which results when the property is stopped and held in transit upon request of the shipper, owner, or party entitled to make such request.

4. Except in the case of negligence of Carrier, no Carrier or party in possession of all or any of the property described in the Bill of Lading shall be liable for delay caused by highway obstruction, by faulty or impassable highway, or by lack of capacity of any highway, bridge, or ferry. The burden to prove freedom from such negligence is on Carrier or party in possession.

5. No Carrier is bound to transport said property by any particular schedule or vehicle or in time for any particular market or in any manner other than with reasonable dispatch. Every Carrier shall have the right in case of physical necessity, to forward said property by any Carrier or route between the point of shipment and the point of destination, without additional cost to shipper or consignee.

6. Claims for loss, damage or delay must be mailed within nine months of delivery, or in the case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed. In no case shall said reasonable time be deemed to be less than 30 days from the scheduled or anticipated delivery date. Suits for loss, damage, or delay shall be instituted against any Carrier no later than two years and one day from the day when written notice is received by the claimant from Carrier that Carrier has disallowed the claim or any part thereof. An offer of compromise shall not constitute a disallowance of any part of the claim unless Carrier, in writing, informs the claimant that such part of the claim is disallowed and provides reasons for such disallowance, and communications received from a Carrier's insurer shall not constitute a disallowance of any part of the claim unless the insurer, in writing, informs the claimant that such part of the claim is disallowed, provides a lawful reason for such disallowance, and informs the claimant that the insurer is acting on behalf of Carrier. Where a lower value than the actual value of the said property has been stated in writing on the Bill of Lading by the shipper, or has been agreed upon in writing as the released value of the property, such lower value, plus freight charges, if paid, shall be the maximum recoverable amount for loss, damage, or delay, whether or not such loss, damage, or delay occurs from negligence. When such loss, damage or delay is the result of Carrier's willful misconduct, gross negligence, material or fundamental breach, or conversion, said limitation of liability shall not apply, and shipper shall be reimbursed for the actual value of the property, plus freight charges, if paid.

7. Shipper or consignee shall pay the freight and all other lawful charges accruing on said property according to the agreement of the parties. Shipper shall be liable for the freight and all other applicable charges, except that if Shipper stipulates, by signature, in the space provided for that purpose on the face of the Bill of Lading that Carrier shall not make delivery without requiring payment of such charges and Carrier, contrary to such stipulation makes delivery without requiring such payment, Shipper shall not be liable for such charges. Carrier may extend credit to the party responsible for payment of the freight charges, and may charge a commercially reasonable interest rate on the freight bills which remain unpaid for more than 30 days from the date of presentment. There shall be no other penalty or loss of discount allowed for late payment. Shipper may offset unpaid freight charges against unpaid freight claims when said claims are outstanding for more than 90 days. Nothing herein shall limit the right of Carrier to require at the time of shipment the prepayment or guaranty of the charges. If upon inspection, it is ascertained that the articles shipped are not those described in the Bill of Lading, the freight charges must be paid upon the articles actually shipped.

8. Notwithstanding anything to the contrary herein, Carrier assumes the liability required of an interstate motor Carrier for "full actual loss" under 49 U.S.C. § 14706, as in effect on the date hereof, regardless of whether the shipment is interstate, intrastate, or international in nature, for all loss, damage, injury to, or delay of goods tendered to Carrier hereunder. Carrier shall not be liable for any loss, damage, injury to, or delay of a shipment which is caused by an Act of God, the public enemy, the authority of law, the inherent vice of the goods, or the act or default of shipper, provided that Carrier is free from fault and negligence. The measure of damages for loss, damage, injury or delay of goods shall be, but is not limited to, the original invoice value charged to shipper or consignee or the destination market value of the lost or damaged goods, whichever is higher, plus freight charges, administrative

costs, warehousing costs, transportation costs, and all other assessorial charges on loss and damage claims.

9. As full compensation for the transportation services performed by Carrier, shipper shall pay Carrier in accordance with the provisions of the Appendices hereto. Under no circumstance shall any other rate, penalty, loss of discount, late fees, collection fees, or attorney's fees apply provided, however, if shipper requests a service where the charge is not stated in the Appendices hereto and is not agreed upon by the parties in writing prior to Carrier's performance of such services, the rate for said service shall be the lowest competitive market rate for said service. Carrier shall invoice shipper for any and all charges relating to a shipment (including, but not limited to, any "undercharges", accessorial, detention, and loading and unloading charges) within 30 days of the date of the shipment. Any charges of whatsoever nature not billed by Carrier within 30 days of the shipment shall be deemed to be forever waived by Carrier. If shipper seeks to contest the charges billed by Carrier it must do so within 120 days of the date shipper receives the contested bill, except that claims for duplicate or unidentified payments may be asserted within 120 days of the date shipper discovers such payments. "To contest" as used in this subsection means the date on which shipper mails, e-mails or transmits a facsimile to Carrier its objections to the charges billed, including a statement of the authority for such objections. Carrier must begin a civil action for any and all charges (including without limitation undercharge and non-payments) within 12 months after the date of shipment - failing which Carrier will be barred from recovery for such charges. Shipper must begin a civil action to recover overpayments and overcharges from Carrier within 12 months after the date of payment of the overcharges or overpayment - failing which shipper will be barred from recovery for such overcharges or overpayments.

10. In the event that property has been refused by the consignee, or Carrier is unable to deliver the property for any reason, Carrier shall immediately notify shipper by telephone or other electronic communication system in accordance with the instructions for notification given on the face of the Bill of Lading. Said notice shall be confirmed in writing by Carrier, stating the time and date the free time shall expire and the storage charges to be applicable upon expiration of free time. Storage charges shall begin after 48 hours of Carrier's notification exclusive of Saturdays, Sundays and business holidays declared by any of the parties hereto. Shipper shall give disposition instructions to Carrier within 48 hours of its receipt of notice of Carrier's inability to deliver. If disposition is not received within said 48 hours, Carrier shall send a "SECOND AND FINAL NOTICE OF ON-HAND FREIGHT" via facsimile transmission or EDI (Electronic Data Interchange). If disposition instructions are not received within 48 hours of the "Second and Final Notice," Carrier may advertise in two newspapers of general circulation for two consecutive weeks that the goods on hand will be offered for sale at a general auction, stating the time and place of such sale. No later than 10 days prior to the auction sale, Carrier shall send a copy of the auction notice to shipper via facsimile transmission or EDI when published.

11. Where perishable property transported to the destination stated in this Bill of Lading is refused by consignee or party entitled to receive it, or said consignee or party entitled to receive the property fails to receive the property, Carrier may, in its discretion, to prevent deterioration or further deterioration, sell the property to the best advantage at private or public sale, PROVIDED, that if there is sufficient time to notify the shipper or owner of the refusal of the property or the failure to receive it and to request for disposition of the property, such notification shall be given, in such manner as the exercise of due diligence requires, before the property is sold, including telephone or facsimile transmission.

12. The proceeds of any sale made under this Agreement shall be applied by Carrier to the payment of freight, demurrage, storage, and any other lawful charges; to the expense of notice, advertisement, sale, and other necessary expenses; and to the expense of caring for and maintaining the property if proper care of the property requires special expenses. Should there be a balance remaining after all charges and expenses are paid, such balance shall be paid to the shipper or the owner of the property sold hereunder.

13. Notice of loss or damage shall be given to Carrier on the delivery receipt by the consignee, and confirmed by the driver. Concealed loss or damage shall be reported to the delivering Carrier within 15 working days after delivery unless the claimant explains why the loss or damage could not reasonably have been reported within 15 days. When notice has first been given to Carrier after 15 days, the claimant shall offer proof that the loss or damage did not occur after delivery to the consignee, and Carrier shall resolve the claim in light of the said proof.

14. Carrier shall be liable for the number of shipping units or packages noted on the Bill of Lading, and shall deliver them in the same condition or unitized package as tendered at origin. If Carrier's driver is not able or is not given an opportunity to inspect and count the shipment prior to acceptance by Carrier, the Bill of Lading must be noted "SL&C" (Shippers Load & Count). When less-than-truckload shipments are loaded and counted by the shipper, such shipments will be inspected and counted by Carrier at its first breakbulk point and all discrepancies shall be reported immediately to shipper.

15. No Carrier hereunder will carry or be liable in any way for any documents, coin money, or for any articles of extraordinary value unless there is a special agreement to do so and a stipulated value of the articles is endorsed on this Bill of Lading.

16. If transportation is arranged through a broker, Carrier designates broker as its agent for the collection of freight charges. When charges are paid to broker, Carrier agrees not to hold shipper or consignee liable for said charges.