

## Carrier's Terms and Conditions

1. **Term.** This contract shall continue so long as Carrier provides transportation for shipper and shall be applicable to all such transportation. Either party may terminate this agreement on ten (10) days written notice to the other.
2. **Service.** Carrier shall provide such transportation service as is requested by shipper, but subject to Carrier having the right to refuse to handle any shipments which are outside its system or which it cannot handle in a timely manner due to equipment or driver shortages, or other problems.
3. **Rates.** The rates for each shipment if not previously arranged shall be agreed on by a written agreement between the parties, and shall be reflected on the freight bill or invoice prepared by Carrier and transmitted to shipper; provided, however, shipper may dispute any invoice within ten (10) days of the date thereof, and if not timely disputed then such invoices shall be deemed to set forth the agreed upon rates for all services, transportation or otherwise, provided by Carrier.
4. **Responsibility for Payment.** The party responsible for the charges for any given shipment is the Shipper on the bill of lading if there is not a Bill To party declared. However, if the Shipper or the Bill To party fails to pay freight charges, Carrier reserves the right to pursue collection from the consignor, consignee or other party, subject to section 7 restrictions declared on the Bill of Lading.
5. **Payment of Charges.** If charges are not paid within fifteen (15) days of invoice date, shipper or other party shall be required to pay a finance charge of 1-1/2 percent per month, and any attorney's or other fees or costs incurred to collect such charges.

In the event it becomes necessary to employ the use of a collection agency and/or attorney in the collection of freight charges, an amount equal to all attorney's fees or cost incurred in order to collect whether before or after a lawsuit is filed shall be assessed and paid. To avoid imposition of these charges, shipper must pay invoices within the carrier's authorized credit period.

6. **Limitation of Liability.** Carrier limits its liability to no more than \$100.00 per shipment for any material transported or stored and listed on a freight bill or other contract unless one of the following are met:
  - You declare a higher value in writing before the shipment is transported, notify a Carrier's representative of the value being declared and pay the additional charge by Carrier (merely declaring a higher value does not increase Carrier cargo liability), and document any loss in a timely manner as set forth in Section 10.
  - You have an agreement with Carrier specifying greater cargo limits and conditions and the amount of cargo insurance being provided by Carrier.

7. **Possessory Lien.** In addition to any such statutory liens, shipper or other owner of the freight grants Carrier a possessory lien over any freight shipped for all past or present freight, handling or other charges.
8. **Claims.** Carrier shall not be liable for freight loss or damage unless: (1) the claim for loss or damage is called in to Carrier within 72 hours of delivery; (2) a claim form fully documenting the loss and value of damaged or lost goods is received by Carrier within 30 days of delivery of the shipment for which loss or damage is claimed (claim must meet the requirements and include the information as required by 49 CFR 370); and (3) a legal action is filed within 60 days of Carrier's written declination of the subject loss or damage claim. Carrier shall only be liable for loss or damage where such resulted from its negligence or intentional misconduct. Carrier shall not be liable for more than the replacement cost of lost or damaged freight, and shall not be liable for any consequential damages.
9. **Customer Errors.** Carrier is not liable for errors, acts or omissions by the customer, including but not limited to improper handling, packaging, addressing, faulty instructions, etc.
10. **Acts of God.** Carrier is not liable for Acts of God, civil disturbances, war, weather conditions, natural disasters, "force majeure", strikes or acts of public authorities.
11. **Contract Carriage.** The parties agree that Carrier is acting as a contract carrier. The Carmack Amendment or other similar state law is not applicable to transportation provided hereunder. The parties expressly waive any rights and remedies provided under Part B, Subtitle IV, of Title 49 of the United States Code which conflict with the provisions hereof. This is a contract carriage arrangement as defined in 49 USCA 14101(b) and the parties are waiving rights provided to common carriers by law as set forth in 49 USCA 13101. The provisions of this contract shall take precedence over any conflicting bill of lading or other freight document provisions.
12. **Dispute Resolution.** All disputes under this Agreement shall be submitted to binding arbitration before JAMS/Endispute at its San Francisco office and shall be subject to the then prevailing rules of JAMS.
13. **Carrier's Lien.** Carrier reserves the right to exercise the carrier's lien on freight set forth in Civil Code section 3051.5 and/or Commercial Code section 7307. Shipper's failure to timely pay billed charges may result in a lien on future shipments including cost of storage and appropriate security.