

ADDISON TRANSPORTATION

TERMS AND CONDITIONS OF SERVICE

This Terms and Conditions explains the services provided by ADDISON TRANSPORTATION and the terms, conditions, restrictions and requirements under which those services will be rendered. Except to the extent of a written contract signed by both Customer and Broker, these Terms and Condition of Service supersede and negate any claimed, alleged or asserted oral or written contract, promise, representation or understanding between the parties with respect to any shipment. These terms, conditions, restrictions and requirements have been incorporated through reference on ADDISON TRANSPORTATION's offering to the public via its internet site, and through its documents, including but not limited to initial rate offers, rate confirmation sheets, invoices, service orders, shipping documents, bills of lading and warehouse receipts where applicable.

Though effort has been made to present a uniform and consistent statement of the terms and conditions of service for ADDISON TRANSPORTATION to the extent that any conflict exists or arises between the terms and conditions of the shipping, warehousing or other documents, the provisions of these Terms and Conditions shall control. In tendering a shipment the Customer agrees to these Terms and Conditions of Service, which no agent or employee of the parties may alter. To the extent applicable, and allowable by law, those provisions of the Interstate Commerce Act which are inconsistent with the terms and conditions of these Terms and Conditions are expressly waived.

If any portion of these Terms and Conditions is found unenforceable by the courts or by any other agency having jurisdiction over the parties, terms and conditions, such portions shall be deemed stricken, however, the rest of the Terms and Conditions will remain valid and enforceable.

1. ADDISON TRANSPORTATION ADDISON TRANSPORTATION operates as a transportation broker of general commodities pursuant to US DOT: 2223513, MC:326834. The term "broker" means a person, other than a motor carrier or an employee or agent of a motor carrier, that as a principal or agent sells, offers for sale, negotiates for, or holds itself out by solicitation, advertisement, or otherwise as selling, providing, or arranging for, transportation by motor carrier for compensation. (49 U.S.C. §13102(2)). ADDISON TRANSPORTATION undertakes to operate within the regulations set forth at 49 C.F.R. §371, and as otherwise promulgated by State and Federal authority. As a transportation broker, ADDISON TRANSPORTATION neither owns or operates equipment, employs or contracts with drivers, nor physically performs any transportation related services.

2. ADDISON TRANSPORTATION OPERATIONS. ADDISON TRANSPORTATION personnel, employees and are only authorized to perform, provide or arrange for transportation service consistent with these Terms and Conditions of Service. Customer understands and agrees that any statements, promises, or agreements made by such employees that conflict with the terms and conditions of this Service Guide are not binding upon ADDISON TRANSPORTATION unless approved in writing by an officer of the company.

3. APPLICABILITY. These Terms and Conditions of Service apply to all services provided by ADDISON TRANSPORTATION to or for the Customer, which term shall include the exporter, importer, sender, receiver, owner, consignor, consignee, transferor or transferee of the shipments and can only be altered by written agreement signed by ADDISON TRANSPORTATION prior to shipment.

4. BILLS OF LADING.

The Customer shall prepare the bill of lading or other shipping documents required for carriage, in light of the services being sought, and the pick up or destination requested. The bill of lading or other shipping document is non-negotiable, and Customer certifies and represents that the information inserted on the face of the bill of lading or other shipping document is complete and accurate.

In the event a shipment is tendered to ADDISON TRANSPORTATION on any document other than ADDISON TRANSPORTATION's bill of lading, these Terms and Conditions of Service will supersede any rules and regulations contained on the bill of lading or other shipping document.

In the event the Customer fails to timely and properly complete the appropriate documents, the Customer hereby instructs ADDISON TRANSPORTATION, where permitted by law, and ADDISON TRANSPORTATION may at its option, but without obligation, complete, correct or replace the documents for them at the expense of the Customer. If a substitute form of bill of lading or shipping document is needed to complete delivery of this shipment for any reason and ADDISON TRANSPORTATION completes that document, the terms of the completed document will govern and ADDISON TRANSPORTATION will be exonerated from all liability for undertaking such actions on behalf of the Customer including specifically liability for, in whole or in part, negligence by ADDISON TRANSPORTATION. All bills of lading or other shipping documents are non-negotiable and have been prepared by the Customer or by ADDISON TRANSPORTATION on behalf of the Customer in accordance with the Customer's instructions and approved by the Customer, and shall be deemed, conclusively, to have been prepared by the Customer. The Customer is required to provide the BOL to the Carrier designated by ADDISON TRANSPORTATION. Failure to provide the proper bill of lading or other shipping document to the designated Carrier shall relieve ADDISON TRANSPORTATION of all responsibility and/or liability for such shipment. ADDISON TRANSPORTATION shall have no obligation to make any payments or honor any rate quotes in any of the following instances: (i) the unauthorized alteration or use of the bill of lading, or (ii) tendering of shipments to any carrier other than that designated by ADDISON TRANSPORTATION, or (iii) the use of any bill of lading not authorized or issued by ADDISON TRANSPORTATION.

5. CARGO LOSS OR DAMAGE

ADDISON TRANSPORTATION shall not be liable for loss of or damage to freight except as provided herein. Unless the loss or damage is the direct result of negligence of ADDISON TRANSPORTATION or its employees, ADDISON TRANSPORTATION shall not be liable. Negligence of underlying Carriers shall not be imputed to ADDISON TRANSPORTATION.

In no event shall ADDISON TRANSPORTATION be liable for special, consequential, or punitive damages, or for any amount in excess of actual damage to or loss of the commodity transported subject to the limitations of liability and/or maximum declared values set forth below.

No claim under the minimum claim threshold amount of \$500.00 shall be filed against ADDISON TRANSPORTATION or ADDISON TRANSPORTATION's underlying Carriers.

All freight must be packaged to withstand the rigors of cross-dock handling and motor, air, rail or ocean transport as applicable. The Customer is responsible for packaging, loading, blocking, and bracing of commodities to industry standards such as those published by the NMFC or IATA prior to tendering the shipment to ADDISON TRANSPORTATION. Any devices required to secure the shipment for transport are to be provided by the Customer at the Customer's expense. The Customer is responsible for assuring that the Consignor, Shipper and/or Beneficial Owner comply with all applicable rules and regulations.

Damage of a visible or obvious nature must be documented on delivery. The absence of any notation of damage, broken shrink wrap or lack of seals on the bill of lading, AWB or other shipping document creates a presumption that the shipment was delivered in good condition and the burden of proof will be on the claimant to prove otherwise. However, a broken seal or other "inconsequential failure" by a carrier to meet the shipper's temperature-control or other specifications, will not create a "per se presumption of adulteration." Only a failure to comply with SFT Rule requirements that causes food to be "actually unsafe" will render the food adulterated and is a prohibited act under the Federal Food, Drug, and Cosmetic Act (FDCA). Inspection by a FDA or other qualified inspector can be used to demonstrate that food is safe, unadulterated and fit for consumption

.Neither ADDISON TRANSPORTATION nor the Carrier shall be responsible for shortage on shipments which are shipper load and count "SLC", in sealed containers, or banded, strapped, netted, shrink-wrapped or otherwise where such securing material is found to be intact at the time of unloading by consignee.

Failure of ADDISON TRANSPORTATION and/or Carriers to inspect the shipment or its packaging is not a waiver of any defenses to claims or suits, nor is it an admission of liability. In the event no inspection is made, the claimant is not relieved of any of its obligations to notify, document, and mitigate any losses.

The Carrier's liability for loss of or damage to the shipment shall be \$100,000 per truckload or container shipment, \$1.50 per pound for "LTL" subject to released values, and the provisions for loss or damage as established by such carrier in its tariff or other governing publication. Customers desiring higher liability limits than currently provided by the underlying carriers must declare a higher value in writing at least 48 hours prior to tendering the shipment so that ADDISON TRANSPORTATION has sufficient time to obtain an appropriate rate for the shipment based on the higher valuation – subject to the maximum declared values set forth below and or set forth within the underlying carrier's tariff.

Neither ADDISON TRANSPORTATION, nor the Carriers will be liable for any delay, loss, or damage to freight resulting from act or events outside of its (their) control. Neither ADDISON TRANSPORTATION, nor the Carriers shall be liable for delay, loss, or damage occurring while the freight is stopped in transit, held, or stored at the request of any party entitled to make such request.

Matters relating to loss or damage claims and suits against underlying carriers that are not covered by these Terms and Conditions of Service or such Carrier's applicable tariff or other governing publications of the Carriers are governed by the Uniform Straight Bill of Lading regardless of the terms on the actual bill of lading used.

In the event there is partial loss or damage to a shipment that does not render it worthless, it is the duty of the Consignor to arrange for acceptance of the freight in its damaged condition. The Customer, Consignor, Consignee and/or Beneficial Owner must mitigate the loss or damage and may file a claim only for the amount of damage sustained, subject to any other claim provisions. Shipments that have been only partially damaged and that retain a substantial value may not be abandoned to the carrier. Under no circumstances shall ADDISON TRANSPORTATION be liable for loss and/or damage to external shipping containers of any kind.

ADDISON TRANSPORTATION does not accept certain goods for transportation or distribution as set forth in the "Prohibited Articles" Section. ADDISON TRANSPORTATION assumes no liability whatsoever for such goods if tendered to ADDISON TRANSPORTATION in violation of these Terms and Conditions of Service. Additionally, liquidated damage provisions may apply if prohibited articles are tendered to ADDISON TRANSPORTATION – see Hazardous Materials section. Regardless of whether ADDISON TRANSPORTATION would otherwise have been liable, if Customer, Shipper, Consignor, Beneficial Owner or other party mis-declared or mis-described the freight in a material way, ADDISON TRANSPORTATION shall not have any liability for any loss or damage to that freight.

FILING OF CLAIMS:

Notice of loss or damage should be reported to the ADDISON TRANSPORTATION Sales Representative or Claims Manager immediately, but no later than 48 hours after occurrence. All claims must be filed in writing with ADDISON TRANSPORTATION or the actual carrier, as set forth below in the Motor Carrier Filing Requirements paragraphs, and must include specific information and/or documentation including where applicable:

A signed copy of the Bill of Lading or other origin shipping document, including date of shipment, and date of loss, if known.

For loss or shortage claims on truckload shipments, please provide seal numbers applied by the actual consignor and documents to show the number of pieces that were loaded. Also provide seal numbers that were recorded at the time of unloading as well as documents to show the number of pieces that were unloaded and the quantity and type of product that was noted short.

A copy of the invoice dated prior to the date of the shipment showing all conditions of the sale, discounts, etc., and the actual consignor and consignee's names and locations. Please note that if the shipment moved as a "stock-to-stock" shipment or an "inventory transfer," then "certification" of manufactured cost or shipper's purchase price is required.

A legible copy of the packing list denoting contents and quantities of each of the cartons, crates, boxes, pallets, or shipping units involved in the shipment.

A claim bill or statement of loss defining the individual items either lost or damaged, priced from the shipper's invoice, together with salvage credit or salvage allowance on damaged goods.

Copies of all exception reports, unloading reports/stroke tally sheets, delivery receipt, and inspection and/or survey reports, if any.

Documentation, paid invoices, correspondence, and/or bids relative to charges in connection with reconditioning of goods, when applicable.

Any additional information, records, documentation, photographs, or other data pertinent and helpful to the clear understanding of the claim. If the claim is being filed by a party other than the consignor or consignee shown on the bill of lading, and assignment of claim rights signed by the owner of the merchandise must be furnished.

In regard to truckload or container shipments only, the receiver must immediately notify the carrier when damage or shortage is noted. The carrier must be given a reasonable time to inspect the container, trailer or shipment while still loaded. In certain limited circumstances, ADDISON TRANSPORTATION may accept notification and arrange for inspection on behalf of the carrier.

MOTOR CARRIER FILING REQUIREMENTS

All claims must be filed in writing with ADDISON TRANSPORTATION or the motor carrier within nine (9) months of the date of delivery, or within nine (9) months of when delivery reasonably would have been made in accordance with 49 C.F.R. 370. Suit for loss or damage must be filed within two years of delivery or scheduled delivery. Customers are required to handle their own claims including timely and proper filing and follow-up with the carrier. As a courtesy, ADDISON TRANSPORTATION will reasonably assist and cooperate with Customer, or other party entitled to recover under the bill of lading or shipping order, to investigate and help process freight loss or damage claims against the Carriers. However, in no circumstance will such assistance imply or create a duty from or for ADDISON TRANSPORTATION in regard to claims. If claims are not reported to ADDISON TRANSPORTATION in accordance with the foregoing provisions, ADDISON TRANSPORTATION will not be liable, regardless of ADDISON TRANSPORTATION's actual negligence. To the extent inconsistent with the foregoing terms, the provisions of the Interstate Commerce Act (49 U.S.C. 13101 et seq.) specifically the Carmack Amendment (49 U.S.C. §14706) the regulations promulgated there under (49 C.F.R. §300 et seq.) are hereby waived under 49 U.S.C. '14101(b).

6. CONFIDENTIALITY AND NO BACK SOLICITATION

Customer acknowledges and agrees that the names, routes and pricing of the Carriers and other service providers on offer through ADDISON TRANSPORTATION are confidential information and are in the nature of a trade secret. Customer shall not directly contact or solicit rates, bids or service from any underlying carrier or service provider where (1) the availability of carrier or service provider to perform such services first became known to Customer as a result of ADDISON TRANSPORTATION's efforts, or (2) where Customer's traffic was first tendered to the underlying carrier or service provider by ADDISON TRANSPORTATION. If Customer breaches this provisions and "back-solicits" ADDISON TRANSPORTATION's underlying carriers and/or service providers, and/or tenders traffic to such carriers or service providers, ADDISON TRANSPORTATION is then entitled, for a period of eighteen (18) months after the involved traffic first begins to move, to payment from Customer of 15% of the gross transportation charges for all such traffic, as liquidated damages. Termination of the relationship between ADDISON TRANSPORTATION and Customer shall not affect the enforceability and applicability of the foregoing provisions of this clause for a period of two years after termination.

7. CONSOLIDATION AND DISTRIBUTION OF SHIPMENTS - LESS THAN TRUCKLOAD

Upon instructions from Customer, Consignor or Consignee, ADDISON TRANSPORTATION will arrange for consolidation of shipments picked up from multiple origins into one shipment to one destination or arrange for distribution of shipments from one origin to multiple destinations within a specified route subject to the following conditions:

- a) All shipments to be consolidated or distributed must be tendered together at one time and made available for pick up together from a single origin or must be feasibly picked up the same day if shipped from multiple origins.
- b) A master bill of lading covering all shipments to be distributed must be prepared and available at the point of origin, in addition to individual bills of lading for each stop.
- c) Unless otherwise provided, the aggregate shipment shall be rated at the highest minimum weight column provided for and at the highest rate stated among the points service is requested to or from.
- d) All charges applicable to shipments receiving assembly or consolidation service shall be paid by the Customer or Consignee, if there is more than one consignor; all charges applicable to shipments receiving break-bulk or distribution service shall be paid by the Customer or Consignor, if there is more than one Consignee.
- e) ADDISON TRANSPORTATION will not perform Assembly or Consolidation service in connection with any shipment which is accorded Break-Bulk or Distribution services, nor will it perform Break-Bulk or Distribution services on any shipment which is accorded Assembly or Consolidation services.

8. CONTROL

ADDISON TRANSPORTATION shall arrange for the transportation of customer's goods by motor carrier or other service provider, however such motor carriers and service providers are separately licensed and insured independent contractors and ADDISON TRANSPORTATION exercises no control over carriers' or other service providers' equipment, employees, subcontractors or agents, nor over the route, schedule or manner in which carrier performs. Likewise, ADDISON TRANSPORTATION does not physically accept, supervise or control the freight, or the manner in which it is packaged, loaded or transported.

9. CREDIT and COLLECTIONS

At its discretion ADDISON TRANSPORTATION, may extend credit. Unless otherwise specified in writing, charges are due and payable to ADDISON TRANSPORTATION within 15 days of date of delivery. Bills unpaid after 30 days from due date, including dishonored drafts, will be subject to a service charge of one and one half percent per month (18% per annum) or fraction thereof. Such service charge shall begin to accrue on the 31st day after the date of invoice. Furthermore, ADDISON TRANSPORTATION reserves the right to withhold delivery, or deliveries, at the customer's expense, for payment of all unpaid or past due charges. In such event, ADDISON TRANSPORTATION shall have a possessory lien on all inventory, cargo, freight, shipments and/or tangible commodities tendered to ADDISON TRANSPORTATION, or any of ADDISON TRANSPORTATION's Carriers, for all unpaid, past due and other charges for transportation, distribution or storage. ADDISON TRANSPORTATION may also add its reasonable attorney fees, collection costs or service charges incurred in attempting to collect

transportation, handling or storage charges. ADDISON TRANSPORTATION, at its sole discretion, may revoke any and all discounting associated with a shipping order for non-timely payment if such charges are not paid within 45 days. In the event that a shipping order does not specifically indicate the discount level which has been applied, it shall be deemed that a minimum fifty percent (50%) discount has been applied, and such discount is subject to revocation for the aforementioned reason.

If Customer disputes any charges, including any claim of overcharges, Customer shall pay the amount it deems correct within the normal 15 day time frame and must provide written notice of dispute and documentation supporting its claim within 21 days of receipt of invoice or billing. Customer's failure to dispute charges or assert an overcharge claim in accordance with provisions and time frame set forth above shall be deemed an acknowledgment by Customer that all such charges are correct.

It is understood that any payments rendered are for essential and necessary services and shall, in no way, be considered preferential. Payment of freight or other charges is not subject to deductions, offset or withholding for any reason whatsoever.

10. CUSTOMER AUTHORIZAITON, REPRESENTATIONS AND WARRANTIES

Customer authorizes ADDISON TRANSPORTATION to request bids or offers of service and arrange for motor carriers, brokers, forwarders, customs brokers, shipping agents, warehousemen and others ("service providers") as required, to receive, transport, store, assemble, consolidate, break-bulk and deliver the goods. ADDISON TRANSPORTATION may utilize any available service provider. Customer warrants the accuracy of shipment descriptions, weights, dimensions, written vehicle sanitary or temperature requirements invoices, documents and other information furnished to ADDISON TRANSPORTATION by the Customer or its agent for export, entry or other purposes and the Customer agrees to indemnify and hold harmless ADDISON TRANSPORTATION against any increased rates, charges, duty, penalty, fine or expense including attorneys' fees, resulting from inaccurate, incomplete statement, omission or any failure to make timely presentation, even if not due to any negligence of the Customer.

It is the responsibility of the Customer to know and comply with the marking requirements of the U.S. Customs Service, the regulations of the U.S. Food and Drug Administration and all other requirements, including regulations of Federal, state and/or local agencies pertaining to the merchandise. It is understood and agreed that Customer bears all responsibilities of the "Shipper" and/or "Loader" under the FDA Sanitary Food Transportation regulations, and must provide specific written requirements as to vehicle sanitary requirements and/or temperature requirements to ADDISON TRANSPORTATION prior to shipment and to the motor carrier at the time of physical tender. Any commodity description and temperature instructions on the bill of lading must match precisely with markings on the packages and prior description or instructions provided to ADDISON TRANSPORTATION. Customer is exclusively responsible for assessing vehicle cleanliness and/or trailer temperature, prior shipments, cleaning history or any other shipment requirements at pick-up. ADDISON TRANSPORTATION shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the Customer to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the Customer by any such agency.

Customer represents and warrants to ADDISON TRANSPORTATION that for each and every shipment tendered to ADDISON TRANSPORTATION, it will be in compliance with all applicable laws, rules, and regulations ("Laws") including applicable Laws relating to customs,

import and export required by country to, from, through or over which the shipment may be carried. The Customer agrees to furnish such information and complete and attach to the BOL such documents as are necessary to comply with such Laws. Any individual or entity acting on behalf of the Customer in scheduling shipments or undertaking any other performance hereunder warrants and represents that he, she or it has the right to act on behalf of and legally bind the Customer. ADDISON TRANSPORTATION assumes no liability for any loss or expense due to the failure of the Customer to comply with this paragraph and Customer shall indemnify and hold ADDISON TRANSPORTATION harmless for any claims or damages resulting from violation of this paragraph, including attorney's fees and costs.

11. DEFINITIONS

AIR CARRIER - A person who undertakes directly by lease, or other arrangement, to engage in air transportation

BENEFICIAL OWNER - The person or company to whom the freight belongs.

BLOCKING & BRACING – Refers to the physical securing of freight from longitudinal or lateral movement through the use of wooden blocks, stakes, sideboards, endboards or other device attached, fastened to nailed to trailer/container sides or floor, or use of chains, straps or other means tied down to the floor or side of the trailer/container.

CARRIER - Underlying rail, air or motor carriers – one who physically transports the shipment.

CONSIGNEE - The actual receiver, including its agents or employees; the party designated on the shipping documents as the party to whom delivery should be made.

CONSIGNOR – The party from whom a shipment actually originated; the party designated on the shipping documents as the party from whom a shipment was physically received.

CONSTRUCTIVE PLACEMENT- The holding of a container at a location other than the loading or unloading site due to the inability or failure of the consignor or consignee to accept the container after notification.

CONTAINER – AIR FREIGHT - Aircraft Unit Load devices - cargo loaded in specific loading units which will fit the configuration of the aircraft being used. These units are referred to as Unit Load Devices (ULD). These units vary in size depending on the aircraft type.

CONTAINER – DOMESTIC SURFACE TRANSPORTATION - A reusable shipping conveyance not less than 20 feet and not more than 53 feet long, outside measurement, loaded or empty, with or without chassis, especially designed to facilitate the carriage of goods by one or more modes of transport. The container is fitted with devices permitting its ready transfer from one mode of transport to another and may be constructed so as to enable the attachment of removable chassis for further transportation.

CUSTOMER - The party to whom ADDISON TRANSPORTATION has extended credit or from whom ADDISON TRANSPORTATION receives a request for service.

DEPOSITOR – The party tendering goods to ADDISON TRANSPORTATION for warehousing and/or distribution.

DETENTION – Refers to delay at the Consignor or Consignee’s facility in the loading or unloading of equipment (trailer or container) while attached to a power unit (tractor), or with driver, beyond the stated “free time” allotted. (“Per Diem” refers to any such delay or detention beyond the allotted “free time”, and the additional charges thereon, of equipment when not attached to a power unit or with driver.)

DRAYAGE – Transportation by motor carrier to or from a rail head as part of an intermodal movement. Also known as “Cartage”.

DUNNAGE - Any temporary blocking, flooring or lining, racks, standards, strips, stakes, bracing, or supports (not a part of the original packaging) required to protect and make shipments secured for transportation, and that must be furnished and installed by the shipper at the shipper's expense. (Note: The term dunnage does not include excelsior, hay, sawdust, shavings, shredded paper, straw, packing cushions or pads, or similar packing materials.)

GROSS WEIGHT - Combined weight of lading and container, including converter gear or chassis, if applicable.

HAZARDOUS MATERIAL - A substance or material that has been determined by the U. S. Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce and has been so designated. There is a 49-series Standard Transportation Commodity Code (STCC) designated for each hazardous material.

HOLIDAY - Means the following holidays: New Year's Day, Washington's Birthday (Presidents' Day), Memorial Day, Independence Day; Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Eve Day, and Christmas Day.

Exceptions:

Good Friday is defined as a holiday on SP/SSW Intermodal Circular 1000-A.

Canadian Holidays are New Year’s Day, Victoria Day, Dominion Day, Remembrance Day, Thanksgiving Day, Christmas Day, Boxing Day, Civic Day, Labor Day, and Good Friday.

In the event a holiday occurs on a Sunday, the following Monday may be considered a holiday. Exact dates when holidays are observed should be verified locally.

If carrier’s terminal is open for business on Good Friday or Veteran’s Day, normal detention rules and charges will apply.

Note: Washington’s Birthday (Presidents’ Day) and Memorial Day are observed on the dates designated by the federal government.

IATA – International Air Transportation Association and its publications.

IN & OUT HANDLING – The physical movement of materials and product into and out of storage or temporary holding facilities, (and/or the charges for such, including labor and equipment, maintenance, depreciation and proration of management and overhead.)

LTL – Less than Truckload, LTL shipments are subject to motor carriers limitations of liability and other specific requirements as published in the motor carrier’s rules tariff, terms and conditions, circular or by participation in another governing publication.

NMFC - National Motor Freight Classification and its publications.

SHIPMENT - A shipment is a quantity of freight received from one consignor, at one point or origin, or from places within a single plant, at one time for one consignee at one destination and covered by one bill of lading or written shipping order, for transportation in one vehicle.

SHIPPER - The party from whom the shipment is received, the party who requested the shipment be transported by ADDISON TRANSPORTATION, and/or the party having an interest in the shipment, and any party that acts as an agent for any of the above

SKID – AKA Pallet; a standard skid is no larger than 48” long by 48” wide, and no more than 96” tall. Total weight for any one standard skid shall not exceed 2000#. Any overage on any one of these four variables shall be considered an additional skid.

STORAGE – Means either the retention of vehicles/containers/trailers at a rail terminal or tender to warehouse or warehouseman for storing of the goods, depending on context.

12. DESCRIPTION OF FREIGHT

Customer, shall accurately declare and describe the commodities shipped in terms of freight class if applicable, density, value, airfreight or international shipping classifications, temperature and specific sanitary shipping requirements as applicable. If it is determined that the articles shipped or stored are not those described in the bill of lading, AWB, warehouse receipt, shipping order or other shipping or storage document, the freight and all other charges must be paid on the basis of the commodities or articles actually shipped. Additionally, an administrative fee may, at ADDISON TRANSPORTATION’s discretion, be assessed to Customer, or other party for each mis-declared shipment as follows:

First instance	\$ 25.00	Fourth instance	\$200.00
Second instance	\$ 50.00	Fifth instance	\$400.00
Third instance	\$100.00	Sixth instance+	\$800.00

ADDISON TRANSPORTATION shall have no liability in the event of loss of or damage to the materially mis-declared or mis-described freight regardless of ADDISON TRANSPORTATION’s actual negligence.

Where applicable, charges shall be computed on the gross weight at the time of shipment including weight of packing and preservatives. If the product net weight, rather than the shipment gross weight, is the only weight stated on the bill of lading, ADDISON TRANSPORTATION may add 10% tare weight to the net weight shown before computing final freight charges.

13. DETENTION

MOTOR FREIGHT

In the event that the carrier's equipment (tractor and/or trailer) is detained by the Customer, Consignor or Consignee while loading, unloading, checking freight, or preparing paperwork for the receipt or movement of freight, charges of \$75.00 per hour, billed in quarter hour increments will be assessed for any time beyond the normal free time specified as follows:

- a) Less than Truckload (LTL) shipment the free time is 60 minutes;
- b) Truckload and container shipments the free time is 120 minutes;
- c) In the event of an inside delivery, store door delivery or tailgate delivery the free time allowance will be the amount stated times two.

Computations of time are to be made based on regular business hours, unless loading and unloading is permitted to continue beyond regular business hours until completion. The amounts due ADDISON TRANSPORTATION under the provisions of this rule shall be assessed against the Customer, or any other party responsible for the applicable freight charges. Charges for driver loading and unloading, sorting and segregating of freight by ADDISON TRANSPORTATION or underlying carrier at Consignor's or Consignee's dock, are separate from, and in addition to these charges, if any.

14. DUTY OF CARE

ADDISON TRANSPORTATION undertakes to arrange for the transportation of customers' freight by motor vehicle and other service provider. Prior to tendering Customers' freight to any motor carrier, ADDISON TRANSPORTATION, or its Agent(s), shall obtain a copy of carrier's federal operating authority for interstate shipments and state operating authority for intrastate shipments. ADDISON TRANSPORTATION shall verify carriers' operating authority and federal safety rating via Federal Motor Carrier Safety Administration's ("FMCSA") website "Safersys.org" or other means.

ADDISON TRANSPORTATION will only use carriers with a "Satisfactory", "Conditional" or "unrated" safety rating. ADDISON TRANSPORTATION is in the business of arranging for transportation by motor carrier and is neither trained, licensed nor otherwise qualified to assess, analyze or predict the likelihood of a carrier's safe operations. ADDISON TRANSPORTATION reasonably relies upon the Federal and State Governments to only allow safe carriers to operate on the public roads, and is under no duty to investigate individual carriers' operations.

ADDISON TRANSPORTATION shall obtain an Acord Certificate of Liability Insurance for each carrier. ADDISON TRANSPORTATION shall only use carriers showing a minimum of \$750,000 public liability insurance and \$100,000 cargo insurance. However, ADDISON TRANSPORTATION has no duty to obtain, review or read carriers' insurance policies. Nor does it have any duty to discover policy limitation, exclusions or endorsements not specified on the Acord Certificate. ADDISON TRANSPORTATION has no duty to discover the value of Customers' freight, or arrange for carriers with "adequate insurance coverage" unless specifically requested in writing to do so by Customer prior to shipment on a shipment by shipment basis.

15. EQUIPMENT ORDERED NOT USED

MOTOR FREIGHT – TRUCK LOAD and Less-Than-Truckload (LTL)

In the event pickup is requested then canceled within 24 hours or less of the specified pickup time the party requesting pickup shall be charged a minimum of \$50.00 up to maximum of \$250.00 for the requested pickup. The \$250.00 maximum fee does not include below listed mileage charge. In the event the pickup is canceled the same day that pickup is scheduled to be made, the party requesting pickup shall be charged per mile from the point the vehicle was scheduled to travel from, to the pickup point at a per mile rate of (\$1.50 per mile) provided herein subject to a \$50.00 minimum. If the vehicle arrived for pickup prior to ADDISON TRANSPORTATION being notified of cancellation, a charge of \$150.00 shall be assessed in addition to the mileage charge.

16. FUEL SURCHARGE

When the Department of Transportation national average self-serve fuel price index rises above \$1.00 per gallon a fuel surcharge may be applied by the carrier. ADDISON TRANSPORTATION shall be entitled to pass along the carrier's fuel surcharge on a cost plus basis.

17. GOVERNING LAW

Any action against ADDISON TRANSPORTATION for loss or damage to cargo must be commenced no later than two years from the date of delivery or, in cases where delivery is not made, two years from the date of a reasonable time for delivery. Any other action must be brought within one year of the date on which the cause of action arose.

Any action against ADDISON TRANSPORTATION must be brought in the State or Federal Court for Dallas Texas. Any dispute arising from transportation or services provided under this Terms and Conditions shall be interpreted in accordance with Federal Statutory, Regulatory or common law regarding interstate transportation, and the laws of the State of Texas, where applicable.

18. HAZARDOUS MATERIALS

Shipments of hazardous materials and hazardous substances are subject to 49 Code of Federal Regulations (CFR), Parts 100-179, as amended and supplemented from time to time. **UNDER NO CIRCUMSTANCE WILL ADDISON TRANSPORTATION ACCEPT FOR SHIPMENT, HANDLING OR STORAGE ANY COMMODITY DESIGNATED OR DEFINED AS A HAZARDOUS MATERIAL EXCEPT WHERE THERE IS A SPECIFIC WRITTEN AGREEMENT WITH CUSTOMER SIGNED BY AN OFFICER OF ADDISON TRANSPORTATION.**

As ADDISON TRANSPORTATION does not knowingly accept Hazardous Materials in any circumstance, neither ADDISON TRANSPORTATION nor the Carriers shall have any liability whatsoever for loss or damage to such commodities.

Customer will also be held responsible for the cost of decontamination and/or rehabilitation of the container or any other shipping conveyance. Customer shall further indemnify ADDISON TRANSPORTATION and its Carriers, from the cost of any spill, response, mitigation, fines and penalties, clean up, and ultimate disposal resulting from the transportation, handling or storage of hazardous materials.

Any hazardous material found may be warehoused at the owner's risk and expense or destroyed without compensation. A \$50,000 charge as liquidated damages will be assessed against the shipper and/or consignor for each and every shipment of hazardous materials tendered to ADDISON TRANSPORTATION in violation of this section, and such liquidated damages represent the reasonable approximation of ADDISON TRANSPORTATION's anticipated damages.

19. HOLDING DELIVERIES

When requested and if operating conditions permit, ADDISON TRANSPORTATION will delay delivery of a shipment, at any time prior to or at the point of delivery. The following additional charges will be assessed by ADDISON TRANSPORTATION for each day of delay, including weekends and legal holidays. Chargeable days will be computed on total days from pickup to delivery, minus the scheduled days for transit involved. ADDISON TRANSPORTATION reserves the right to place products into a public warehouse or other storage facilities and, or arrange for interline delivery at the expense of Customer or the party responsible for freight and other charges. When a shipment is held more than three days, ADDISON TRANSPORTATION's and/or the motor carrier's liability, if any (See Liability Section), shall be that of a warehouseman's, or if placed in a public warehouse or other storage facility ADDISON TRANSPORTATION's and/or the motor carrier's liability, if any, shall terminate.

A \$35.00 per standard skid per day with a \$50.00 minimum charge for the first 10 days. After 10 days of storage, storage charges shall increase from \$35.00 per standard skid per day to \$75.00 per standard skid per day.

20. IMPRACTICABLE OPERATIONS

Nothing shall require ADDISON TRANSPORTATION contracted carriers to pick-up or deliver freight at any point at which, on account of conditions of alleys, streets, roads, driveways, or local ordinances, it is impracticable or unsafe to operate motor vehicles.

21. INDEMNIFICATION

The Customer, Shipper, Consignor, Consignee, Beneficial Owner, Shipper's Agent, Broker and/or any other party(s) to the transaction shall be liable, jointly and severally, to pay or indemnify ADDISON TRANSPORTATION for all claims, fines, penalties, damages, reasonable attorney's fees, costs or other sums which may be incurred, suffered or disbursed by ADDISON TRANSPORTATION by reason of any violation of any of the terms and conditions contained in this Terms and Conditions of Service, or the underlying motor carriers' applicable tariffs or publications, or any other default of the Customer, Shipper, Consignor, Consignee, Beneficial Owner, Shipper's Agent or Broker or other such party with respect to a shipment.

Customer agrees to defend, indemnify and hold ADDISON TRANSPORTATION harmless for all costs arising out of any spill, response, mitigation, fine or penalty, clean up (including decontamination and/or rehabilitation of the equipment) or ultimate disposal of cargo, including hazardous materials which result from a failure by the Customer, Shipper, Consignor or Beneficial Owner to properly package, or in regard to truck load shipments, load, secure, placard

or otherwise properly prepare the shipment for transportation. Such a failure shall include, but is not limited to, the failure to properly package, load, block or brace the freight; the failure to properly document or placard or describe the freight. Additionally, Customer agrees to indemnify ADDISON TRANSPORTATION, for any costs, fines or penalties arising out of the transportation of an overweight shipment or container. Though Customer is entitled to seek indemnification from others ultimately responsible, the responsibility of others shall in no way relieve Customer of its duty to indemnify ADDISON TRANSPORTATION. Additionally, ADDISON TRANSPORTATION shall be entitled to reasonable attorney fees and costs for enforcement of these terms.

22. INDEPENDENT CONTRACTORS. All service providers are independent contractors, unless required to act as the agent of Customer for U.S. Customs purposes. Customer's goods shall be tendered to such service providers subject to their rules, tariffs, terms and conditions, including but not limited to limitation of liability for loss, damage, expense. ADDISON TRANSPORTATION will supply or direct Customer to Service Providers' specific rules, tariffs, limitations, terms and conditions upon Customer's written request.

23. INJURY TO PERSONS OR PROPERTY

ADDISON TRANSPORTATION shall not be liable to Customer or any other entity for injury to persons or property unless such injury is solely attributable to ADDISON TRANSPORTATION's acts or omissions. To the extent that Customer causes or contributes to such injury it shall defend, indemnify and hold ADDISON TRANSPORTATION harmless from any claims, suits, causes of action, including reasonable attorney fees and costs. Additionally, ADDISON TRANSPORTATION shall be entitled to reasonable attorney fees and costs for enforcement of these terms.

24. INSIDE DELIVERY AND STORE DOOR DELIVERY

When requested by the Customer, Consignor or Consignee, and operating conditions permit, ADDISON TRANSPORTATION will move or arrange for shipments or portions of shipments to be moved to a position or place other than a truck dock suitable for loading and unloading the vehicles.

- a) For the purposes of this item driver loading, unloading, sorting and segregating are included. Driver and vehicle detention rules however, are not included and will apply in addition to inside delivery.
- b) ADDISON TRANSPORTATION will, at its discretion, put such shipments into temporary storage for later delivery and, or interline such shipments, if such handling will likely result in a delay to ADDISON TRANSPORTATION's operations.
- c) Store door deliveries, deliveries to strip malls, or deliveries into doorways immediately adjacent to the delivery vehicle will be subject to a cost plus charge.
- d) Inside deliveries to places not immediately adjacent to delivery vehicle; deliveries into shopping centers and malls and deliveries to kiosks will be subject to a cost plus charge.
- e) Deliveries to private residences, schools and churches will be subject to a cost plus charge.
- f) Deliveries to floors other than ground floor will subject to a cost plus charge.

25. INTERMODAL

Intermodal services are provided by ADDISON TRANSPORTATION are subject to the Rail Carrier's Circulars, Rules, Tariffs and other terms and conditions, including but not limited to limitations of liability and filing procedures for cargo claims, indemnification, packaging and securing. Customer acknowledges and agrees that the Consignor is primarily responsible for proper loading and securement of all intermodal shipments in accordance with the Intermodal Loading Guide as issued by the Association of American Railroads (AAR), and that Customer shall indemnify Addison and all other parties to the bill of lading contracts for any and all claims arising from including but not limited to failure to properly classify, load, secure, identify shipments.

<http://www.aar.org/Operations/IndustryStandards.aspx>

26. LIABILITY FOR LOSS OR DAMAGE OF EQUIPMENT

The Customer, Consignor or Consignee is responsible for any loss or damage to equipment (trailer, chassis, container) while in their possession or proximately caused by Customer, Consignor or Consignee's acts, including but not limited to improper packaging, loading, bracing, securing or positioning of the freight. Payment for such loss or damage will be the greater of the replacement cost or actual cash value at the time the equipment is damaged or lost. Customer, Consignor or Consignee shall indemnify ADDISON TRANSPORTATION and hold ADDISON TRANSPORTATION harmless for any and all actions resulting from such losses and any resultant action by the damaged carrier.

27. LOADING OR UNLOADING

Loading of shipments onto the trailer or container shall be performed by the consignor and the unloading of shipments shall be performed by the consignee. Upon request of the Customer, or other party responsible for the regular freight charges, Customer may request motor carrier furnish labor to perform loading or unloading. The charge shall be issued with regular freight charges on a cost plus basis.

Shipments loaded by the consignor and unloaded by the consignee are also subject to the following provisions:

The Bill of lading or Shipping Order covering the shipment must contain the notation "Shipper/Consignor to load and/or consignee to unload" the shipment.

In the event the shipment is stopped for partial loading or partial unloading, the party tendering or receiving any portion of the shipment will be subject to the same requirements as to loading or unloading.

28. MARKING SHIPMENTS AND PRODUCT- MOTOR FREIGHT

Every pallet load or container of product tendered for transportation must be clearly marked with the name, city and state of the consignee and in accordance with consignee's specifications. Every pallet or container shall also be numbered and marked with the total number of pallet loads

for each consignee. For example, if a consignee is to receive two pallets the pallets should be numbered "1 of 2" and "2 of 2". Additionally, all packages of product must be labeled such that they are easily identified with the respective shipper or consignor, packing lists, bills of lading and shipping orders. Mixtures of different items must not be packed in the same container, unless each item is listed both on the outside of the container and on the bill of lading with the proper piece count noted. Any commodity description and temperature instructions on the bill of lading must match precisely with markings on the packages. If packages and bill of lading do not match, ADDISON TRANSPORTATION assumes no claim liability whatsoever. Shipments not marked in accordance with these rules will be subject to sort and segregate charges, delay charges and possible delays in transit. In addition, ADDISON TRANSPORTATION may return shipment(s) to Consignor without claim liability, place product in storage and reship product as necessary to reconcile shipping errors at the expense of Customer or other party responsible for freight charges.

29. MAXIMUM DECLARED VALUE

MOTOR FREIGHT

The maximum declared value for any motor carrier shipment tendered to ADDISON TRANSPORTATION is \$100,000.00. Declaration of value in excess of this amount shall be null and void unless specifically agreed to in writing by ADDISON TRANSPORTATION at least 24 hours prior to the time of shipment, and additional fees paid thereon. A notation of value in excess of \$100,000.00 on the bill of lading shall not constitute the requisite notice and agreement

30. MAXIMUM WEIGHT

MOTOR FREIGHT - The maximum allowable weight per shipment shall be 45,000 pounds, gross weight including necessary packing and shipping equipment;
INTERMODAL/RAIL FREIGHT - The maximum allowable weight per containerized shipment shall be 45,000 pounds, gross weight including necessary packing and shipping equipment; Subject to all Federal, State and Local regulations regarding maximum weight.

31. MINIMUM CHARGE

The minimum charge for a straight or mixed shipment will be the applicable rate at the actual weight or minimum weight specified, whichever is greater. Any deficit between actual weight and the minimum weight specified will be charged for at the rate applying to the lowest rated article in the shipment.

Additionally, Commodities with a density of less than 9 pounds per cubic foot and/or tendered on pallets that may not be double stacked or must be top loaded will be charged at a minimum of 2000 pounds per pallet space utilized.

32. NO WAIVER

Failure by ADDISON TRANSPORTATION to invoke or enforce any or all of the provisions of this Terms and Conditions shall not constitute a waiver of any or all such provisions, nor shall any assertion or showing of “custom” or “usage” be deemed a waiver of the written terms and conditions contained in this Terms and Conditions.

33. NO WARRANTIES OR PERFORMANCE GUARANTEES

ADDISON TRANSPORTATION shall attempt to secure on-time, scheduled performance from Carriers in regard to the movement of Customer’s freight, however ADDISON TRANSPORTATION makes no warranties, express or implied, and expressly disclaims any and all warranties. ADDISON TRANSPORTATION is not bound to transport property in any particular vehicle, stack train, aircraft or for any particular market or markets, other than according to reasonable dispatch. Reasonable dispatch shall be dictated, among other things, by the nature of the transportation, safe and legal transportation operating requirements, and multiple shipper, receiver and customer requirements and parameters. Further ADDISON TRANSPORTATION does not warrant that shipments en route will remain in continuous transit. Customer understands and acknowledges that, from time to time, shipments may be delayed while en route.

ADDISON TRANSPORTATION’s offer to arrange, provide or perform transportation service is subject to availability of appropriate equipment, which will be determined by ADDISON TRANSPORTATION, as soon as possible after service is requested. Neither ADDISON TRANSPORTATION, nor the underlying Carriers shall be liable for suspension of service or operations or cargo loss or damage that result from the Shipper/Customer’s Acts, Improper packaging, Inherent Vice, Acts of Public Authority, Acts of God, Acts of War, terrorism, insurrection, strikes, derailment, any Force Majeure or any other cause beyond their control. The service standards for ADDISON TRANSPORTATION’s underlying carriers are not guaranteed, nor shall they be construed as such by any ADDISON TRANSPORTATION Customer, Consignor, or Consignee.

ADDISON TRANSPORTATION will not be responsible for any charges levied by anyone for failure to perform any service as to the timeliness of pick-up or delivery, whether implied by an effort to accommodate the Customer, Consignor and Consignee or not. Such fees may include, but are not limited to a failure to make or meet appointment times or a failure to notify of a change in schedule.

In no event shall ADDISON TRANSPORTATION be liable for any special, incidental, consequential or punitive damages, including without limitation, damages due to delay, loss of profits, rental or income, travel, labor or expense, interest, costs or attorney fees, whether or not ADDISON TRANSPORTATION, the motor or air carrier had knowledge that such damages might be incurred.

34. ORDERING SERVICE

Request for service from ADDISON TRANSPORTATION shall be made by form approved by ADDISON TRANSPORTATION or other mutually agreed format which may include forms electronically transmitted via internet, telephone, or facsimile.

In some cases ADDISON TRANSPORTATION may have submitted an initial rate offer or quotation to Customer prior to shipment. The initial rate offer and subsequent shipping, billing and other documents specifically incorporate by reference the terms and conditions of this Terms and Conditions.

Any change or notation made on the Shipping Documents that is in any way inconsistent with the terms of this Terms and Conditions or the underlying publications or purports to enlarge, modify, or change them will be considered as a notation made for the private benefit and information of consignor or consignee. Such a notation shall not be a part of any contract or agreement with ADDISON TRANSPORTATION. Also any changes made to ADDISON TRANSPORTATION shipping documents without approval that result in additional charges being levied to ADDISON TRANSPORTATION from the underlying carrier shall be chargeable to the Customer, Shipper Consignor, Consignee, or Beneficial Owner with the addition of a 20% administrative fee but not less than \$45.

35. OVERFLOW - CHARGE WHEN SHIPMENT CANNOT BE LOADED INTO ONE VEHICLE

When ADDISON TRANSPORTATION is tendered a shipment on one bill of lading, and at one time, where the lading cannot be loaded in one trailer, or container, the portion of the shipment that cannot be loaded into the first trailer, or container, either because of weight or cubic volume of the lading, will be considered an overflow. The overflow will be treated as a separate shipment and charges will be assessed as such.

36. PACKING AND PACKAGING REQUIREMENTS – SAFE LOADING REQUIREMENTS

Customer is responsible for the proper packing and packaging of freight to withstand the ordinary rigors of transportation to industry standards such as those published by the NMFC or IATA or International specifications and standards as applicable.

Any shipment or part thereof deemed by ADDISON TRANSPORTATION or the Carrier not to be in proper condition for safe transportation will be refused. However, failure of ADDISON TRANSPORTATION or the Carrier(s) to reject a shipment that does not comply will not make ADDISON TRANSPORTATION or such carrier(s) responsible for loss, damage, or injury resulting from improper packaging, loading, packing or securing. Where ADDISON TRANSPORTATION or the Carrier undertakes to re-package, re-wrap, re-load, re-block or re-brace or otherwise re-furbish a shipment, Customer will be responsible for all charges provided for such services, plus a twenty percent (20%) administrative fee.

In no instance should the gross weight of the container or Aircraft Unit Load Device and its contents exceed state, federal or international laws governing weight. Customer has the responsibility to ensure that the Consignor, Shipper and/or Beneficial Owner adequately packages, loads, blocks, and braces the shipment.

Customer, Shipper, Consignor and Beneficial Owner are liable to ADDISON TRANSPORTATION or any other involved party for damages, personal injuries, or death resulting from failure to comply with equipment specifications and loading standards as contained in the Uniform Freight Classification and/or from a failure of the Customer, Consignor, or

Beneficial Owner to load and brace the lading properly, if such defect or failure is a proximate cause of the damage, injury, or death. Acceptance of a sealed trailer or container by any underlying carrier for transportation does not constitute a waiver of ADDISON TRANSPORTATION's right to seek indemnity from Customer, Shipper Consignor or Beneficial Owner for noncompliance with its obligations.

Customer agrees to indemnify and hold ADDISON TRANSPORTATION harmless from the loss or damage described above and for the cost of defending claims or suits filed against ADDISON TRANSPORTATION for such damage, including reasonable attorney fees and costs incurred.

37. PALLET EXCHANGE

Except as otherwise provided, ADDISON TRANSPORTATION will not exchange pallets. Palletized shipments will be accepted for transportation and will be delivered to the consignee as part of the shipment provided that the pallets and pallet weight are included with the shipment description on the bill of lading. Pallets will become the property of the carrier when they are not properly noted on the bill of lading. Upon special request ADDISON TRANSPORTATION will endeavor to furnish pallets for exchange, when available, under the following conditions:

- (a) Pallets may be removed by consignor and consignee, from carrier's vehicle, provided such consignor and consignee replaces in the vehicle a like number of pallets of identical size, construction, loaded or empty.
- (b) When the consignor or consignee desires that ADDISON TRANSPORTATION maintain pallet exchange records and maintain an even pallet balance, exchanges must be clearly noted and initiated by the driver on the bill of lading. Separate pallet slips will not constitute a record of uneven pallet exchanges. ADDISON TRANSPORTATION will maintain a record of uneven exchanges and undertake to return excess pallets received at no charge provided that 1) pallet returns can be accomplished without expense and at ADDISON TRANSPORTATION's convenience and ADDISON TRANSPORTATION is compensated at a rate of \$12.00 per pallet, per shipment, by Customer or other party responsible for freight charges, for pallets supplied to the consignor and not returned by the consignee.
- (c) Under no circumstances will deductions in payment be permitted for outstanding pallet balances owed by ADDISON TRANSPORTATION.
- (d) ADDISON TRANSPORTATION shall be entitled to a pallet exchange charge of \$10.00 per pallet on all LTL and TL shipments to the following destinations:

Such charges shall not apply on "CHEP" or beveled pallets.

38. PAYMENT RESPONSIBILITY

Customer is responsible for all charges and fees relating to a shipment, including but not limited to transportation charges, handling, storage, detention, and service charges, regardless of any payment instructions to the contrary. In the event of default by Customer, and in addition to the lien rights set forth above, (See Credit and Collections Section) ADDISON TRANSPORTATION reserves the right to collect all such charges from the Shipper, Consignor, Consignee, Beneficial Owner or other party to the transaction, and such parties' liability for freight and other charges shall be joint and several, regardless of the payee designated on the bill of lading or other documents. The provisions of "Section 7" of the National Motor Freight Classification's

(“NMFC”) Uniform Straight Bill of Lading shall not apply. ADDISON TRANSPORTATION may, at its sole discretion, initiate collections (with or without discount application) as provided above.

By special arrangement, as a courtesy to the Customer, ADDISON TRANSPORTATION may undertake “Collect” or third party payable shipments, though such shipments may be subject to additional charges or a different scale of rates. Collect or third party freight charges shall be issued to the party specified on the shipping documents, including, but not limited to, bills of lading. Any unpaid collect or third party freight charges remain the responsibility of the Customer regardless of any notations to the contrary on the bill of lading. The Customer warrants payment shall be made to ADDISON TRANSPORTATION within 15 days of presentation of its freight charges.

Payment of freight or other charges is not subject to deductions, offset or withholding for any reason whatsoever.

39. PER DIEM CHARGES and FREE TIME

For empty trailers and/or containers dropped off at origin for loading, free time shall be as set forth in the underlying carriers tariff or governing publication. ADDISON TRANSPORTATION shall be entitled to charge for all additional time at cost plus 20%.

40. PROHIBITED ARTICLES

ADDISON TRANSPORTATION WILL NOT ACCEPT the following articles except as specifically agreed in a written agreement with Customer for each specific commodity:

- Accounts, bills, deeds, evidences of debt, currency, money, securities, notes, letters of credit, passports, tickets or other valuable papers;
- Bullion, precious stones, jewelry or other similar valuables, paintings, statuary, or other works of art, furs, or garments trimmed with fur;
- The following hazardous materials, as described in Bureau of Explosives Tariff 6000 series:
 - Liquid corrosive materials, in excess of 25 percent of total weight
 - Explosives, Class 1.1, 1.2, or 1.5
 - Nitrostarch, wet or dry
 - Radioactive materials (as described in Item UFC 6000-A)
- Sodium compounds (as covered by STCC 28-123 of STCC Tariff 6001-K)
- Poisons
- Metal Coils
- Hazardous Wastes - Regulated by the DOT and EPA, as described in Part 261, Title 40, Code of Federal Regulations – ADDISON TRANSPORTATION DOES NOT HANDLE HAZARDOUS WASTE UNDER ANY CIRCUMSTANCES.
- Corpses, cremated or disinterred remains
- Live Animals or Birds

Additional commodities may also be restricted in individual rail and motor carrier's rules circular(s).

A \$50,000 charge as liquidated damages will be assessed against the shipper and/or consignor for each and every shipment of prohibited articles (excluding hazardous material which are subject to \$50,000 liquidated damages charge) tendered to ADDISON TRANSPORTATION in violation of this section, and such liquidated damages represent the reasonable approximation of ADDISON TRANSPORTATION's anticipated damages.

41. PROTECTIVE SERVICE

ADDISON TRANSPORTATION does not currently offer protective service. Any agreement to provide protective services must be in writing, signed by an Officer of ADDISON TRANSPORTATION and subject to all additional charges as stated by ADDISON TRANSPORTATION.

42. REDELIVERY SERVICE

When, through no fault of ADDISON TRANSPORTATION, a shipment cannot be delivered when tendered for delivery, or after the underlying carrier has made reasonable effort to effect delivery, or redelivery is requested, charges for each additional delivery, or attempted delivery, will be assessed, plus applicable return to terminal or agent charges and storage charges.

43. RECONSIGNMENT OR DIVERSION

Shipments may be diverted or reconsigned at point of original destination or at some intermediate point subject to the following:

- a) Charges on a cost plus basis, but not less than \$50 shall apply in addition to all other applicable charges.
- b) The rate on a shipment diverted in transit or at original destination shall be cost plus 20% but not less than \$50, providing the shipment is reconsigned to the commercial zone of the original destination. A truckload shipment reconsigned to another commercial district shall be rated on the basis of service from origin to the new destination and shall be subject to circuitry via the point of diversion. An LTL shipment reconsigned to another commercial district shall be rated from point of origin to original destination, regardless of point of diversion, plus interline from the point of diversion to new destination.
- c) If reconsignment results in a vehicle delay, refusal, redelivery, additional stop in transit, storage or return then such charges will apply in addition to all other applicable charges.

44. REFUSED OR UNDELIVERED SHIPMENTS

Shipments which have been refused, or which for any reason the motor carrier is unable to deliver, will be placed in storage, at ADDISON TRANSPORTATION's discretion. ADDISON TRANSPORTATION will attempt to contact the Customer or Consignor for alternative instructions at the time delivery is attempted, however ADDISON TRANSPORTATION will notify Customer or Consignor within 24 hours. Unclaimed product will be considered as refused after 3 days from such notification. Such shipments shall be subject to an administrative fee of \$50.00 plus a stop charge of \$50.00 to place product on hold within the original destination commercial zone, plus all applicable detention and storage charges. If the product is placed in a location other than the commercial zone of the original shipment destination charges will apply as

provided herein to reship product to the nearest practical location en route. Shipments shall also be subject to applicable storage, redelivery, reconsignment, or return charges.

45. ROUTING

Unless otherwise specified in writing, the route, mode of transportation and/or particular Carrier utilized shall be at the sole discretion of ADDISON TRANSPORTATION. ADDISON TRANSPORTATION reserves the right to route or re-route shipments via the route, mode of transportation, or Carrier which in its judgment will provide the most expeditious service to destination. ADDISON TRANSPORTATION shall not be obligated to provide advance notice of the means selected to effect delivery.

46. SEALS

Shipper provided and applied Cargo Security Seals may be used at time of loading of Full Truck Load shipments only. When Cargo Security Seals are applied by Shipper, "Shipper Load and Count" will control all claims or issues. LTL shipments are not required to have a Security Seal or Continuous Security Seal Record due to the inherent nature of LTL shipments. (See Claims)

47. SORTING AND SEGREGATING

When requested, the service of sorting or segregating at delivery point according to size, brand, flavor, individual lot, or other distinguishing characteristics, so identified on the bill of lading, or accompanying paper given to motor carrier at time of tender, ADDISON TRANSPORTATION will charge on a cost plus basis, but not less than \$50.00 per skid. The charge named in this item shall be assessed against the party responsible for freight charges irrespective of who requests the service to be performed. Charges shall be in addition to all other lawful charges assessed the shipment.

48. STOPOFFS - TO PARTIALLY LOAD OR UNLOAD

Shipments may be stopped in transit to partially load or complete loading or to partially unload subject to the following provisions:

- a) Stops for partial loading or unloading will be permitted only at points within the scope of carrier's operations.
- b) A shipment with stops in transit must be from one shipper at one point of origin to one consignee at one destination, on one master bill of lading.
- c) The master bill of lading or shipping order must show the point or points at which shipment is to be stopped for partial loading or unloading together with a complete description of the kind and quantity of freight to be loaded or unloaded at each point and the name and address of the party from or to whom each portion is to be received or delivered. If receipt or delivery is made at two or more different locations at the same point (city, town or village) each pick-up or delivery will be considered as a separate stop in the application of this rule.
- d) Stops to partially unload will be permitted only at points beyond those at which the last stop for partial loading is made.

- e) Transportation charges shall be assessed on basis of actual weight of the entire shipment, but not less than the applicable minimum weight, and at the rate or rates, in effect on date of shipment, for the applicable distance from point of origin through the stop-over point or points to the final destination, plus charge provided in paragraph (g).
- f) An additional charge of \$50.00 or cost plus 20%, whichever is higher per stop for the first two additional stops and \$200.00 or cost plus 20%, whichever is higher per stop for the third and subsequent additional stops shall be made for each stop to partially load or unload a shipment, exclusive of the initial pick-up stop and delivery stop.
- g) Freight charges on a shipment stopped to partially unload must be prepaid or guaranteed by the Customer or Consignor. The consignor may show on the bill of lading the name of one party from whom the entire freight charges, including the stop-off charges, shall be collected, which must be a party to whom a portion of the shipment is to be delivered.
- h) Stopping in transit for partial unloading will not be permitted on a shipment when consigned "C.O.D.", "To order", or to be delivered on shipper's written order, or where accompanied by any instructions from the consignor requiring the surrender or presentation of the bill of lading, a written order or any other documents as a condition precedent to delivery at stopoff point.

49. SUIT TO COLLECT CHARGES

In addition to its lien rights, ADDISON TRANSPORTATION shall be entitled to sue in its own name for any and all unpaid freight and other charges, including discount revocation. In the event that ADDISON TRANSPORTATION determines that suit must be filed to collect charges, the amount sued upon shall include interest, reasonable attorney fees and other collection costs set forth above. (See Credit and Collections section). The parties acknowledge and agree that the limitations period set forth at 49 U.S.C. §14705 is not applicable to ADDISON TRANSPORTATION, and to the extent applicable to ADDISON TRANSPORTATION is expressly waived. The time period for bringing any action to collect its charges shall be governed by the laws of the State of Texas regarding actions upon a written contract.

50. TAILGATE SERVICE

Unloading is the responsibility of the consignee. When requested by the consignor or consignee, and when safe and practicable operating conditions permit, motor carrier may move shipments or portions of shipments from or to the rear of the trailer to accommodate loading or unloading on a cost plus basis but not less than \$35.00 per skid. Motor carrier shall be permitted to interline or put such shipments into temporary storage for later delivery pick up or delivery, at Customer's expense, if such handling will result in a delay to motor carrier's operations. The charges provided in this item will be in addition to all other lawful charges and shall be paid by the Customer or other party responsible for the regular freight charges.

51. UNCLAIMED OR REFUSED FREIGHT

Freight not removed by the receiver after the freight has been made available and notice of the arrival at destination has been sent may be kept by ADDISON TRANSPORTATION and will be subject to storage charges. At the option of ADDISON TRANSPORTATION, the freight may be stored in a warehouse at the expense of the Customer, Consignor, Consignee, Beneficial Owner, or other party liable for freight and other charges. In this case, the freight will be held without

liability to ADDISON TRANSPORTATION, and subject to ADDISON TRANSPORTATION's lien for all charges, including a reasonable charge for storage.

If the receiver of nonperishable freight fails or refuses to accept deliver within a reasonable time after notice of arrival has been given, ADDISON TRANSPORTATION may sell the freight to the highest bidder. Before such a sale is made, ADDISON TRANSPORTATION will first give formal notice to the Customer, Consignor, or Beneficial Owner that the freight has been refused or unclaimed, and that the freight will be subject to sale if disposition is not made within three (3) business days. On perishable freight, ADDISON TRANSPORTATION may sell the freight to the best advantage to protect its interest and prevent deterioration. Where the procedures outlined are not possible, ADDISON TRANSPORTATION may sell the freight in a commercially reasonable manner consistent with the circumstances. The proceeds of any sale made under this section will be applied by ADDISON TRANSPORTATION to payment of freight and accessorial charges, interest and attorney fees, costs of sale and other necessary expenses. Any balance will be paid to the Customer or Beneficial Owner of the freight.

For questions or comments regarding this ADDISON TRANSPORTATION Terms and Conditions of Service, please contact: Gallagher & Howarth, P.C. at: (860) 254-5434