

1. APPLICABILITY

This tariff is applicable to all freight accepted for transportation whether in interstate or intrastate commerce. Specific provisions may be identified as applicable only to either interstate or intrastate shipments. This tariff is applicable to freight transportation operations conducted by FREIGHTMASTERS LOGISTICS INC [FRMH, MC-441602, U.S. DOT# 2229822

The tender of freight for transportation to either FREIGHTMASTERS LOGISTICS INC constitutes acceptance of the terms and conditions of this tariff with respect to all such freight shipments.

2. COMMODITIES

This tariff applies to the transportation of freight of all kinds.

2. TERRITORY

This tariff applies to shipments moving to, from or between all points in the United States and to, from and between points in the United States, on the one hand, and, on the other, points in a foreign country.

4. DEFINITIONS

Carrier means FREIGHTMASTERS LOGISTICS INC

Holiday or Holidays means New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day or the days on which they are celebrated, or any officially declared National or State holiday.

Shipment means property made available by one shipper to the Carrier for loading at the same time, at one place of origin destined to one consignee and covered by one bill of lading. The name of only one shipper and one consignee shall appear on one bill of lading, but the bill of lading may also specify the name of a party to notify of the arrival of the shipment destination.

FAK means freight of all kinds or types.

BOL means bill of lading and/Delivery Order.

Delivery Receipt means a document used to acknowledge delivery of a shipment by a carrier to the consignee of the shipment and the condition of the shipment at the time of delivery. A bill of lading may be used as a delivery receipt if the appropriate notations are made thereon at the time of delivery.

DR means delivery receipt.

Freight Bill means an invoice or statement containing Carrier's charges for the transportation of a shipment.

SLC means shipper's load and count; the freight is received by Carrier based upon shipper's written representation of the commodities, condition and quantity of commodities shipped without any independent verification by carrier of the accuracy of shipper's representation. It also means that the shipper is responsible for the adequacy of the loading of a shipment on to Carrier's truck to safely withstand the rigors of transportation.

5. ADVANCES

Charges or monies advanced by the carrier for services of others engaged at the request of shipper or consignee or for services necessary for the safe transportation of the shipment shall be charged back to shipper or consignee. Shipper shall be entitled to receive, on request, a copy of all receipts, invoices or other documents supporting such charges.

6. ARTICLES LIABLE TO CAUSE DAMAGES

Carrier may refuse to transport any freight which, in carrier's sole opinion, is likely to cause damage to other goods being transported or to other property during the transportation of the freight. Shipper shall be liable for all damage caused by its freight to other freight or other property.

7. BILLS OF LADING

a) Unless otherwise provided in a section of this tariff, all property transported by Carrier is required to be transported pursuant to the Uniform Straight Bill of Lading and the terms and conditions thereof as set forth in this tariff. This is to apply regardless of what form the customer or shipper prepares and submits for use with any shipment, including, but not limited to forms identified as a Delivery Order or DO.

b) Carrier's rates are based upon acceptance and use of Carrier's Bill of Lading as provided in this tariff. Consignors may furnish and use their own formatted Bills of Lading if such Bills of Lading meet all the requirements outlined in this tariff and contain such information as identification and location of the consignor and consignee, commodity descriptions and other information pertinent to the shipment. In the event that shipper uses a Bill of Lading form that differs from Carrier's Bill of Lading then any terms or conditions of such shipper's Bill of Lading that differ from those of Carrier's Bill of Lading shall be void and of no effect.

c) The name and address of only one consignor and one consignee must be shown on the Bill of Lading. Commodity word descriptions must be used, appropriate, understandable, abbreviated descriptions may be used. The number of articles, packages or pieces and the kind

of packages must be shown. The weight, volume or measurement of the articles must be shown. If it is not clearly indicated on the non-Carrier bill of lading whether the freight charges are to be prepaid or collect, the shipment will be handled as if the charges are to be collect. Charges to a third party payor may be either prepaid or collect according to the terms indicated on the bill of lading.

d) Only carrier personnel with the title of CEO, President or Vice President are authorized to agree to alternate contract terms and conditions and the use of an alternate Bill of Lading referencing such terms and conditions. No other person(s) is authorized. Where a Bill of Lading other than the Uniform Bill of Lading or the carrier's Bill of Lading, issued by the shipper, is signed for by the carrier's driver or other person, that signature only acknowledges receipt of the freight and identifies the entity to deliver to. It is not a contract for the carriage of freight. Continued use of an unauthorized Bill of Lading by the shipper will not constitute an implied acceptance by the carrier. Reference made to "Tariffs" or "Tariffs on File" mean Tariffs contained in the carrier's files. Such Tariffs shall be available to shippers on request to the extent that they apply to the shipper.

e) As set forth elsewhere in this tariff, Carrier's rates are dependent upon Shipper's declared value of its goods tendered for transportation. Shipper must declare the value of its goods for transportation purposes on the face of the Bill of Lading, in space provided therefore, and sign such declaration. If Shipper fails to make any such declaration of value or leaves that portion of the Bill of Lading blank, then Shipper will be deemed to have declared or released the value of its goods shipped to the lowest valuation level provided for in Carrier's tariffs, which is \$.50 per pound, per article, not to exceed \$250.00 per Shipment.

g) **FAK Shipments.** The shipper must identify the specific commodity or product on the bill of lading for all transportation moving under FAK or Freight, All Kinds rates. If the shipper fails to identify the specific commodity or product, Carrier will not be liable for any damages to or destruction of the product or commodity resulting from it being on the same trailer with other freight that is either incompatible or is prohibited by federal, state or local laws and regulations from being co-loaded on the same trailer with the product or commodity moving under the FAK or Freight, All Kinds rates.

h) **Corrected Bills of Lading**

1. Corrected bills of lading or other instructions to change the freight charges collection status from prepaid to collect will not be accepted after the shipment has been delivered. Any change in collection status will not be permitted after payment has been received.
2. A corrected bill of lading to change the original freight charges collection status from prepaid to collect will not be accepted if Section 7 (the non-recourse clause) of the corrected bill of lading has been signed. If the corrected bill of lading is inadvertently accepted and Section 7 has been signed, the signature will be considered invalid. The party requesting a change in the collection status will guarantee payment of the freight charges should the new debtor fail to pay within the prescribed credit guidelines.

3. A request to change the original freight charges collection status from collect to prepaid will require a corrected bill of lading from the shipper and the shipper must have established credit with Carrier. A request to change the collection status may be submitted by the shipper on the shipper's letterhead in lieu of a corrected bill of lading, subject to all other provisions of this item.
4. Redelivery, storage or other charges that become applicable on shipments that have been refused due to the freight charges collection status will be assessed against the party responsible for payment of the freight charges on the corrected bill of lading.
5. Corrected bills of lading changing the description, density or weight of commodities, released, declared or actual value in a shipment will not be accepted by the carrier without submission of conclusive documentary proof that the description, density or weight is as claimed on the corrected bill of lading. The carrier reserves the right to refuse corrections where the validity of the correction information has not been verified to the satisfaction of the carrier, or where execution of the correction request would violate laws, rules or regulations.
6. A charge of \$25.00 will apply to all corrected Bills of Lading.

j. **Weighing & Inspection of Shipments**

If the description or other information contained on the bill of lading is incomplete or is believed to be incorrect, the carrier or carrier's agent will take necessary actions to determine the correct information. Actions may include: reweighing product to determine gross weights, inspection of the product, computations on density or other such actions necessary to properly establish facts regarding the shipment characteristics.

When an inspection by carrier results in a reclassification of the contents of the shipment and the change results in an additional net freight charge of 10% of revenue or more, a charge of \$16.00 per shipment will be applied. The charge shall be the responsibility of the party responsible for paying the freight charges and shall be in addition to all other applicable charges.

Carrier reserves the right to verify shipment weight and make adjustments as necessary by use of electronic portable scales. Carrier verifies that such scales are "for trade" and meet all local and state laws regarding accurate weight within 1% tolerance of actual weight. If the weight determined by the carrier exceeds 8% from the original weight on the bill of lading, a charge of \$25.00 per shipment will be made for verifying the correct weight. Shipments tendered to carrier with no weight shall be exempt from this provision.

k) **Carrier's Form of Uniform Straight Bill of Lading**

MUST BE PROVIDED BY SHIPPER

e) **BOL Terms and Conditions**

The following terms and conditions are the terms and conditions of Carrier's Bill of Lading whether or not contained on the reverse side thereof. These terms and conditions are incorporated into and made a part of the Bill of Lading for any Shipment transported by Carrier to the same extent as if it were actually printed on the reverse side of the Bill of Lading.

TERMS

Sec. 1. (a) The 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 thereof or damage thereto, except as hereinafter provided.

(b) No carrier shall be liable for any loss or damage to a shipment or for any delay caused by an Act of God, the public enemy, the authority of law, or the act or default of shipper. Except in the case of negligence of the carrier or party in possession, the 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; or from faulty or impassible highway, or by lack of capacity of a highway, bridge, or ferry; or from a defect or vice in the property; or from riots or strikes. The burden to prove freedom from negligence is on the carrier or the party in possession.

Sec. 2. Unless arranged or agreed upon, in writing, prior to shipment, carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is responsible to transport with reasonable dispatch. In case of physical necessity, carrier may forward a shipment via another carrier.

Sec. 3. (a) As a condition precedent to recovery, claims must be filed in writing with: any participating carrier having sufficient information to identify the shipment.

(b) Claims for loss or damage must be filed within, in the case of an interstate shipment, nine months, and in the case of an intrastate shipment, 90 days, after the delivery of the property (or, in the case of export traffic, within nine months after delivery at the port of export), except that claims for failure to make delivery must be filed within nine months, or 90 days, as applicable as set forth hereinabove, after a reasonable time for delivery has elapsed.

(c) Suits for loss, damage, injury or delay shall be instituted against any carrier, in the case of an interstate shipment, no later than two years and one day and, in the case of an intrastate shipment, 90 days, from the day when written notice is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts of the claim specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no carrier shall be liable, or such claims will not be paid.

(d) Any carrier or party liable for loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected, upon or on account of said property, so far as this shall not void the policies or contracts of insurance will reimburse the claimant for the premium paid on the insurance policy or contract.

Sec. 4. (a) If the consignee refuses the shipment tendered for delivery by carrier or if carrier is unable to deliver the shipment because of fault or mistake of the consignor or consignee, the carrier's liability shall then become that of a warehouseman. Carrier shall promptly attempt to provide notice, by the telephone or electronic communication as provided on the face of the bill of lading, if so indicated, to the shipper or the party, if any, designated to receive notice on this bill of lading. Storage charges based on carrier's tariff, shall start no sooner than the next business day following the attempted notification. Storage may be, at the carrier's option, in any location that provides reasonable protection against loss or damage. The carrier may place the shipment in public storage at the owner's expenses and without liability to the carrier.

(b) If the carrier does not receive disposition instruction within 48 hours of the time of carrier's

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Attempted first notification, carrier will attempt to issue a second and final confirmed notification. Such notice shall advise that if carrier does not receive disposition instructions within 10 days of that notification, carrier may offer the shipment for sale at a public auction and the carrier has the right to offer the shipment for sale. The amount of sale will be applied to the carrier's invoice for transportation, storage and other lawful charges, the owner will be responsible for the balance of charges not covered by the sale of goods. If there is a balance remaining after all charges and expenses are paid, such balance will be paid to the owner of the property sold hereunder, upon claim and proof of ownership.

(c) Where carrier has attempted to follow the procedure set forth in subsections 4(a) and (b) above and the procedure provided in this section is not possible, nothing in this section shall be construed to abridge the right of the carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law. When perishable goods cannot be delivered and disposition is not given within a reasonable time, the carrier may dispose of property to the best advantage.

(d) Where a carrier is directed by consignee or consignor to unload or deliver property at a particular location where consignor, consignee, or the agent of either, is not regularly located, the risk after unloading or delivery shall not be that of the carrier.

Sec. 5. (a) In all cases not prohibited by law, where a lower value than the actual value of the said property has been stated in writing by the shipper or has been agreed upon in writing as the released value of the property as determined by the classification or tariffs upon which the rate is based, such lower value plus freight charges if paid shall be the maximum recoverable amount for loss or damage, whether or not such loss or damage occurs from negligence.

(b) No carrier hereunder will carry or be liable in any way for any documents, coin money, or for any article of extraordinary value not specifically rated in the published classification or tariffs unless a special agreement to do so and a stipulated value of the articles are endorsed on this bill of lading.

Sec. 6. Every party, whether principal or agent, who ships explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for and indemnify the carrier against all loss or damage caused by such goods. Such goods may be warehoused at owner's risk and expense or destroyed without compensation.

Sec. 7. (a) The consignor or consignee shall be liable for the freight and other lawful charges accruing on the shipment, as billed or corrected, except that collect shipments may move without recourse to the consignor when the consignor so stipulates by signature or endorsement in the space provided on the face of the bill of lading. Nevertheless, the consignor shall remain liable for transportation charges where there has been an erroneous determination of the freight charges assessed, based upon incomplete or incorrect information provided by the consignor.

(b) Notwithstanding the provisions of subsection (a) above, the consignee's liability for payment of additional charges that may be found to be due after delivery shall be as specified by 49 U.S.C. § 13706, except that the consignee need not provide the specified written notice to the delivering carrier if the consignee is a for-hire carrier.

(c) Nothing in this bill of lading shall limit the right of the carrier to require the prepayment or guarantee of the charges at the time of shipment or prior to delivery. If the description of articles or other information on this bill of lading is found to be incorrect or incomplete, the freight charges must be paid based upon the articles actually shipped.

Sec. 8. If this bill of lading is issued on the order of the shipper, or his agent, in exchange or in substitution for another bill of lading, the shipper's signature on the prior bill of lading or in connection with the prior bill of lading as to the statement of value or otherwise, or as to the election of common law or bill of lading liability shall be considered a part of this bill of lading as fully as if the same were written on or made in connection with this bill of lading.

Sec. 9. If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the terms and provisions and limitations of liability specified by the "Carriage of Goods By Sea Act" and any other pertinent laws applicable to water carriers.

8. PAYMENT OF CHARGES

- a) The Carrier will not deliver or relinquish possession of any property transported by it until all tariff rates and charges thereon have been paid in cash, money order, or certified checks, except where other satisfactory arrangements have been made between the Carrier and the consignor or consignee. Consignor and Consignee shall be jointly and severally liable and responsible for payment of all of Carrier's charges unless Consignor has executed Section & on the face of the Bill of Lading for a shipment.
- b) Nothing herein shall limit the right of the Carrier to require, at time of or before Shipment, the prepayment in part or in full or guarantee of the charges.
- c) In the event that Carrier must resort to formal collection measures to collect any unpaid charges then the party liable for payment of those charges shall be liable for payment of all of Carrier's costs of collection, including, but not limited to, court costs, attorneys' fees, collection and legal expenses.

9. PICKUP OR DELIVERY SERVICE

The rates named in this tariff include pickup and delivery service at all points within the limits of the cities, towns, villages and other points from and to which the rates apply, and include, as to any Shipments, only one pickup and one delivery, except as otherwise provided.

10. RECONSIGNMENT OR DIVERSION

- a) Upon instructions made or confirmed in writing by the consignor, consignee or owner, a Shipment will be reconsigned or diverted subject to the following provisions and additional charges:
- b) The terms "reconsignment or diversion" as used herein means:
 - 1) A change in the name of the consignor.
 - 2) A change in the name of the consignee.
 - 3) A change in the destination.
 - 4) A change in the route at the request of the consignor, consignee or owner.
 - 5) Any other instructions given which are necessary to effect delivery and requiring an addition to or a change in billing or an additional movement of the Shipment, or both.
- c) When an order for reconsignment or diversion under this item is received by Carrier, diligent effort will be made to locate the Shipment and effect the change desired, but the Carrier will not be responsible for failure to effect the change ordered unless such failure is due to the error or negligence of the Carrier or its employee.

d) Charges on a Shipment which has been reconsigned or diverted will be assessed at the lawfully applicable rate from origin to destination plus the charges as provided for in this tariff.

11. RELEASED VALUE - LIABILITY LIMITATION - CHARGES

All rates and charges named in Carrier's tariff are dependent upon value, shippers are required to state specifically in writing on the BOL the agreed or declared value of the property shipped or the property will be transported released to the lowest valuation provided for in Carrier's tariffs. The Released or Declared Value of each Shipment as set forth herein shall be Carrier's maximum liability in the event of any loss or damage to, delay in transport of or non delivery of any Shipment, or for any other claim relating to any Shipment. All Shipments are to be released in accordance with the following provisions:

a) As used in this tariff and Carrier's Bill of Lading, the phrases, "released value", "declared value" and "value declared by the Shipper" shall have the same meaning.

b) Declared value coverage each shipment, up to and including the invoice price of the shipment amount may be obtained if the following conditions exist:

1. The declared value, expressed as a lump sum or in dollars per pound, per article, is shown in the proper place on the Bill of Lading.
2. Additional charges are paid to Carrier in the amount of \$1.50 per each \$100.00 of additional declared value in excess of the base value of the shipment at the released rate of \$.50 per pound, per article. The minimum declared value is \$5,000.00 and the minimum valuation charge is \$75. Valuation thereafter must be purchased in increments of \$5,000.00.
3. All transportation charges due, including excess valuation charges due to Carrier must be paid in full as a condition precedent to the payment of any cargo claim.

c) Prior written notice is required for any declared value for any shipment. In addition to the following written notice required on the BOL, shipper must give carrier the same such written notice communicated to the Carrier's home office prior to the Carrier's pick up of the goods. The released or declared value must be entered on the Bill of Lading for any Shipment accepted for transportation and/or storage in the following form and may be completed only at or before the time the shipment is tendered to carrier for transportation:

"NOTE - All rates are dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property shipped or the property will be transported released to the lowest valuation provided for in carrier's tariffs.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding \$ _____ per _____.
Shipper, Per."

- d) If the Shipper fails to make the entry required in paragraph (c) above, the Shipment will be deemed released to an amount equal to \$.50 per pound, per article, not to exceed \$250.00.

12. CASH ON DELIVERY, (C.O.D.) shipments are the responsibility of the shipper. The shipper must make arrangements with the consignee for payment. Carrier will attempt to obtain payment but will have no liability for non-payment. Carrier does not charge a handling fee for COD shipments and assumes no liability for payment thereof.

13. CARGO CLAIMS

a) All claims for loss or damage to freight shipped or for delay in transportation ("cargo claims") are subject to and limited by the terms and conditions of the Uniform Straight Bill of Lading (front and back) as set forth herein. No cargo claims shall be paid unless and until all charges due to carrier on account of the subject shipment have first been paid.

b) **Administration.** All claims will be administered by Carrier in accordance with the claim rules found at 49 CFR 370. Shippers obligation to file a claim in writing with Carrier as a condition precedent to payment is as set forth in 49 CFR 370.3, as is a description of documents that do not constitute a claim. Claims will not be considered as having been received by Carrier until they have actually been received. Claims may be transmitted to Carrier via U.S. Mail, fax, email with PDF attachment of supporting documents, or private delivery company such as FedEx or UPS.

c) **Salvage.** Carrier is entitled to the benefit of any salvage or salvage proceeds of any damaged freight and shall deduct such salvage from any payment of any claim in the event that shipper does not release such damaged goods to Carrier's custody and ownership. In the event that shipper elects not to sell or salvage any damaged goods then Carrier shall be entitled to have a surveyor of its choosing appraise the salvage value of the goods and carrier shall be entitled to a credit in that amount.

d) **Consequential Damages.** Carrier will not be liable for any Special or Consequential Damages, nor will Carrier be responsible for the payment of any administrative fees in connection with claims for loss, damage or delay.

e) **Packing & Preparation for Shipment.** Shippers are responsible to properly package and prepare their freight for transportation. Carrier will not be responsible for any damage to cargo occurring, in whole or in part, because of the inadequacy of the packaging or preparation of any freight for transportation, including, but not limited to (if applicable) improper loading, blocking and/or bracing of freight.

- f) **Mislabeling/Misdescription.** Carrier will not be liable for any claims on account of shippers' mislabeling or misdescription of any goods shipped.
- g) **Delay.** Unless arranged or agreed upon, in writing, prior to shipment, carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is only responsible to transport with reasonable dispatch. Carrier shall not be liable for any delay claims other than for delays occurring while the goods shipped are in the possession of Carrier. Carrier shall not be liable for any delays in transportation occurring, in whole or in part, on account of any misrouting of any shipment by the shipper thereof. Carrier's liability for claims for delay are further limited by the Terms And Conditions of its Bill of Lading as set forth in this Tariff.
- h) **Shipper Load & Count.** If goods are loaded by shipper and Carrier's driver is not afforded an opportunity to observe the loading then Carrier shall not be responsible for or bound by the accuracy of any piece count on any bill of lading or other shipping document. In the event that shippers are tendered for transportation on pallets and the goods are bound or shrink wrapped to the pallet such that it is not convenient or possible to count or observe the quantity or condition of articles on the pallet, then Carrier shall be responsible for acknowledging the receipt of the specified number of pallets only, not the individual number of articles or their condition.
- i) **Clear Delivery Receipt/Concealed Damage Claims.** In the event that a shipment is delivered with no exception to the condition or quantity of the goods delivered being noted on the delivery receipt for that shipment, then the legal presumption shall be that all goods tendered to Carrier were delivered by Carrier and in the same condition as that which they were when tendered to carrier. In the event that a shipment is delivered with the external packaging for that shipment being in the same condition as when the shipment was tendered to Carrier for transportation, then the legal presumption shall be that all goods tendered to Carrier were delivered by Carrier and in the same condition as that which they were when received by Carrier. Failure to report damage or shortages to Carrier within seven (7) calendar days of delivery, where there is a clear delivery receipt (no exception as to shortage or condition) or there is no visible damage or evidence of tampering to external packaging (concealed damage), shall be conclusive evidence that any claimed loss or damage did not occur while Carrier had possession of the shipment and Carrier shall not be liable for any such alleged shortage or damage.
- j) **Inspection - Repair.** Carrier shall have the absolute right to inspect any shipment for which a claim for loss or damage has been made, which right shall include all packaging, blocking and bracing materials. Anyone making such a claim is required to retain all packaging, blocking and bracing materials and to forgo repairs to the shipment until Carrier or its representative has had an opportunity to make its inspection. No payment or settlement of any claim may be made, nor right to maintain any legal action on account of any such claim, unless and until Carrier or its representative has been afforded an opportunity, at a time and place reasonably acceptable to carrier, to inspect such shipment. If, after inspection, the shipment is determined to be repairable, then, depending upon the declared value of the shipment, Carrier's maximum liability shall be the lesser of the declared value, or the cost of repair.