

## **Contractual Service Terms and Conditions**

Unless otherwise agreed in a signed written agreement, the following contractual terms and conditions shall be incorporated into any load confirmation agreement and pursuant to 49 C.F.R. 14101(b) shall expressly waive any other duties or obligations inconsistent with this agreement.

1. Application. These contractual terms and conditions shall apply to all services provided by named carrier in intrastate and interstate commerce.

2. Governing Publications and Definitions. The terms and conditions of the standard truckload bill of lading shall apply to all shipments. Carrier shall be listed as the carrier of record on all shipping documents. Nonconforming shipping receipts are issued as evidence of origin, destination, commodity and piece count only.

Mileage rates are predicated on the following mileage guide. Rates will be established by a signed written addendum or reflected on the load confirmation sheet at time of booking.

3. Scope of Operation.

***[Describe nature of service offerings and geographical area in which carrier operates.]***

4. These terms apply to both regulated and exempt shipments. Carrier does not transport hazardous materials unless otherwise agreed in writing. Appointments are made for shipper's convenience only. Carrier is required to provide reasonable dispatch only. Truckload shipments will be considered as shipper load, consignee unload unless live loaded and unloaded in the presence of the driver.

5. Accessorial Charges.

(a) Consignor and consignee shall be allowed free time of \_\_\_\_\_ minutes after delivery for loading and unloading. Detention shall commence after the expiration of free time at the rate of \$\_\_\_\_\_ per hour. Pallet exchange is not provided unless otherwise agreed.

(b) Shipments may be re-consigned at the request of customer subject to customer's agreement to pay a reconsignment fee reflective of out-of-route mileage and time required.

(c) Unless expedited service is requested and reflected on rate confirmation sheets, service will be provided consistent with the transit times available from a single driver in accordance with hours of service requirements.

(d) Any miscellaneous charge or fuel surcharge will be reflected in a signed written addendum or on the load confirmation sheet at time of booking.

(e) Customer agrees to pay a fee of \$\_\_\_\_\_ for a truck ordered and dispatched but not used.

6. Claims Liability and Limitation. All claims shall be subject to carrier's legal liability under general principles of federal transportation law. The Carmack Amendment (49 U.S.C. 14706) shall apply subject to a maximum limitation of \$\_\_\_\_\_ per truckload or \$\_\_\_\_\_ per pound. Any increased valuation must be agreed to in writing at time of booking with a higher rate reflected on the load confirmation sheet.

7. Insurance. Carrier warrants to customer that it meets the following criteria: (a) Carrier shall maintain all risk cargo insurance in the amount of not less than \$100,000.00 per shipment; (b) Carrier shall maintain public liability insurance in the amount of not less than \$750,000.00 as required by federal regulation (BMC-91 on file); (c) Carrier shall maintain workers compensation insurance as required by state law; (d) Carrier shall agree to provide certificates of insurance upon request; (e) Carrier shall maintain satisfactory U.S. DOT safety ratings and is otherwise authorized to provide the proposed services; and (f) Carrier shall be in compliance with all applicable laws.

8. Claims Processing and Salvage. The beneficial owner of the cargo shall file claims in accordance with the requirements of 49 C.F.R. 370 within 9 months of occurrence. Claims rules governing investigation, disposition, salvage, and mitigation shall apply.

9. Collection and Payment of Freight Charges. All freight charges shall be paid by customer within 30 days of invoice without offset. In the event customer offsets cargo claims against freight charges, it agrees to waive its right to collect cargo claims. Interest at the rate of 1½% per month plus collection fees in the amount of 30% shall apply to past due freight charges not paid within 10 days of notice of default. Carrier preserves recourse to consignor on prepaid or consignee on collect in the event payment is not received from third parties acting on their behalf. Carrier preserves a lien on cargo in its possession for payment of outstanding freight charges upon customer's default.

10. Indemnification. Carrier agrees to indemnify and hold harmless Shipper from any claims or loss caused solely by any act or omission of the Carrier, its employees or agents in the performance of this Agreement or the services provided hereunder. Carrier accepts no liability for special or consequential damages. Customer warrants that all shipments will be properly packed and accurately described and fit for transportation. Customer agrees to indemnify and hold Carrier harmless from any loss or damage resulting from its negligent act or breach of this warranty.

11. Venue and Jurisdiction. This agreement shall be governed by general principles of federal transportation law with respect to venue and jurisdiction. Any dispute between the parties, other than undisputed freight charges, may be

submitted at the request of either party to binding arbitration before the Transportation Lawyers Association Alternative Dispute Resolution (ADR) Council.

12. Law and Integration. This written Agreement and governing rules, together with any load confirmation, contain the entire agreement between the parties and may only be modified by signed written agreement. General principles of federal transportation apply.