

Terms and Conditions for the Arrangement of Motor Carrier Transportation by Southland Brokerage Company, Inc. (Freight Broker)

These terms and conditions of service (the “Terms and Conditions”) constitute a legally binding contract among the Parties (defined below), and shall apply solely to services provided by Southland Brokerage Company, Inc. “SOUTHLAND”) for the arrangement of transportation services in North America and Auxiliary Services described herein. SOUTHLAND is bonded and duly-authorized as a property broker with the Federal Motor Carrier Safety Administration under MC-364070. The Terms and Conditions are subject to change by SOUTHLAND upon posting on SOUTHLAND’S website from time to time. The most current and controlling version of the Terms and Conditions are published at <https://www.southlandtransportation.com>.

1. DEFINITIONS:

(a) “Auxiliary Services” are those services which are performed prior or subsequent to transportation such as local cartage, loading, unloading, crating, uncrating, packing, unpacking and storage which are requested by Customer and arranged by SOUTHLAND as an additional service. “Auxiliary Services” shall not include warehousing services or other services provided by SOUTHLAND which are governed by additional terms and conditions of service.

(b) “Bill of Lading” is the reference to the official shipping document, sometimes completed by Customer or in some cases by the Carrier accepting the Shipment, authorizing the Carrier to carry the Shipment to said destination, and containing pertinent information about the Shipment such as piece count, weight, quantity, and the like; the Bill of Lading may include, but not be limited to, shipping documents directly referred to and titled as a Bill of Lading, and also other shipping documents commonly used in the industry such as Shippers Letter of Instruction, Air Waybill, Delivery Receipt, etc., which duly authorize the Carrier to accept the Shipment. Customer’s or any other party’s insertion of SOUTHLAND’S name on the bill of lading shall be for convenience only and shall not change SOUTHLAND’S status as a property broker. Customer understands that even when, for Customer’s convenience, SOUTHLAND is listed on the bill of lading, SOUTHLAND is not a motor or other freight carrier and will not perform transportation of freight.

(c) “Bill to Party” is the person or entity to whom the Bill of Lading instructs SOUTHLAND to issue the invoice to for the Shipment.

(d) “Carrier” is the person or entity actually performing the carriage of the Shipment with its own means of transport as the performing carrier, and subject to carrier liability.

(e) “Consignee” is the person or entity listed as the “ship to” party or to whom the Bill of Lading instructs the Carrier to deliver the Shipment.

(f) “Customer” or “Shipper” includes the Person with whom SOUTHLAND has contracted to arrange to move the Shipment and any Person whom directly benefits from services performed pursuant to the Terms and Conditions.

(g) “Package” or “Packages” are the customary shipping units as listed on the Bill of Lading including, but not limited to, packages, cartons, pallets, tubes, etc.

(h) “Parties” include the Customer, the Consignee, the consignor, SOUTHLAND, and any other Person having a present or future interest in the Shipment or any Person acting on behalf of any of the above-mentioned parties with respect to a Shipment.

(i) “Person” means any individual, corporation, limited liability company, joint venture, trust, partnership or other entity.

(j) “SOUTHLAND” means Southland Brokerage Company, Inc., its respective employees, officers, directors, and agents performing freight brokerage services pursuant to the Terms and Conditions.

(k) "Shipment" is the total of the Packages and their contents listed and described on the Bill of Lading, or as amended in subsequent written documentation provided to SOUTHLAND.

2. **AGREEMENT TO TERMS AND CONDITIONS.** In tendering a Shipment to SOUTHLAND for SOUTHLAND to arrange for the transportation of the Shipment, or otherwise engaging the services of SOUTHLAND in any other fashion, Customer agrees that the version of the Terms and Conditions in effect at the time the shipment is tendered to SOUTHLAND for the arranging of transportation will apply to the Shipment, its transportation and the Auxiliary Services, which no agent or employee of the Parties may alter. To the extent the Terms and Conditions conflict with a Bill of Lading or other shipping document, the Terms and Conditions shall control. If the services provided are for warehousing, intermodal or expedited, then the separate terms and conditions for each respective service shall govern and control. Further, except to the extent the Terms and Conditions conflict with any written agreement between the Parties, the Terms and Conditions shall supersede any alleged or asserted oral agreement, promise, representation, or understanding between the Parties.

3. **CUSTOMER'S WARRANTY.** Customer warrants that each Package and Shipment is properly classified and completely described on the Bill of Lading or other relevant shipping documentation furnished by Customer, that each Package and Shipment is properly marked and addressed, is packaged properly and adequately to protect the contents in the normal course of transportation for surface and air transport, and except as otherwise noted on the Bill of Lading, is in good order and condition. Customer also warrants its compliance with all applicable laws, rules, and regulations including, but not limited to, customs laws, import and export laws, and Hazardous materials laws. Customer shall furnish such information and attach to the Bill of Lading such documents as are necessary for the Carrier performing the transportation of the Shipment to comply with all laws, rules and regulations.

4. **QUOTATIONS NOT BINDING.** Except as set forth in a written agreement between the Customer and SOUTHLAND, quotations as to fees, rates of duty, freight charges, insurance premiums or other charges provided by SOUTHLAND to Customer are for informational purposes only and are subject to change without notice. No quotation shall be binding on SOUTHLAND unless SOUTHLAND agrees in writing to undertake the handling of the Shipment at a specific rate accepted by Customer within five (5) business days from the date of the quote. Customer understands that quotations are provided to Customer in reliance on the information furnished to SOUTHLAND at the time the quotation is provided, and are subject to change based on actual weights, commodity, contents, mode of transportation, dimensions, and volumes tendered by the Customer, as well as due to unforeseen or unanticipated costs, occurrences or events which are beyond the control of SOUTHLAND. Rates are not valid for any residential, inside, or show delivery. If such service is requested, additional charges will apply.

5. **RATES AND CHARGES.** Rates are in USD and include fuel surcharges, and unless noted in the rate confirmation, rates exclude accessorial charges, custom clearance or other international crossing fees. Except as provided in any written agreement between the parties, rates and charges for Shipments will be based on actual or dimensional weight, whichever is greater.

6. **INDEPENDENT CONTRACTORS.** It is understood between SOUTHLAND and Customer that SOUTHLAND is not an agent for the Carrier or Customer and shall remain at all times an independent contractor. CUSTOMER does not exercise or retain any control or supervision over SOUTHLAND or its operations, employees, or carriers. SOUTHLAND does not exercise or retain any control or supervision over the Carrier or over the Carrier's operations or employees. SOUTHLAND does not exercise or retain any control or supervision over Customer or over the Customer's operations or employees.

7. **WAIVER.** Failure of either party to insist upon performance of any of these Terms and Conditions, or to exercise any right or privilege herein, or the waiver of any breach of any of these terms and conditions, shall not be construed as thereafter waiving any such terms, conditions, provisions, rights or privileges, but the same shall continue and remain in full force and effect as if no forbearance or waiver had occurred

8. **CLAIMS AND LIMITATION OF LIABILITY.**

- a. No Liability for Freight Claims. SOUTHLAND is a broker only and not a motor carrier and has no liability for freight claims. SOUTHLAND has no responsibility to transport and deliver Customer's freight but is solely responsible for arranging for transportation of Customer's freight with a motor carrier authorized to transport Customer's freight by applicable regulatory authorities. **SOUTHLAND has no responsibility, liability or involvement in the issuance of insurance, the denial of insurance, or in the payment of claims. Customer's sole remedy for any claims for damage to the cargo is against the Carrier.** Carrier's governing Rules Tariff and/or Carrier's contract with SOUTHLAND determines the Carrier's liability, limitations of liability, and the amount of excess liability available. CUSTOMER is subject to such provisions of the Carrier's Rules Tariff and/or contract with SOUTHLAND. Insurance information will be provided to the CUSTOMER upon request.
- b. Claims Process and Facilitation of Claims. SOUTHLAND will facilitate and attempt to assist in the resolution of freight claims but has no responsibility or liability related to any claim and any involvement by SOUTHLAND in facilitating freight claims shall not be deemed as waiving SOUTHLAND's absolute defense to freight claims. The Carrier is responsible for adjusting, paying, declining, or otherwise resolving freight claims. If the loss or damage to a Shipment is apparent at the time of delivery, Consignee must immediately note such loss or damage on the delivery receipt or other documentation or platform utilized to sign for delivery of a Shipment (i.e. signature on android application, tablet, truck pro, or other shipping documentation utilized as evidence of goods received by Consignee). Apparent loss or damage shall include, without limitation, shortage in the shipment, damage to the package(s), or possible damage to the contents which is ascertainable without inspection of the contents itself. If the loss or damage to a Shipment is not apparent (concealed), SOUTHLAND must be given written notice within 14 days from the date of delivery, or in the case of non-delivery, within 14 days from the date on which delivery should have occurred. Notwithstanding the foregoing, in the case of perishables, SOUTHLAND must be notified of all claims within 48 hours of delivery. If Customer gives SOUTHLAND notice of Customer's intention to make a concealed loss or damage claim, SOUTHLAND, the Carrier, and/or the Carrier's insurer shall have the right to inspect the Shipment and all materials used to package or protect the Shipment for transportation at the location where the Shipment was delivered.
- c. Timeliness of Notice. Unless otherwise provided in an applicable statute, the failure to give timely notice of any loss or damage in accordance with this Section 8 or the failure to permit or arrange inspection as required herein shall constitute an absolute bar to recovery for any claim for loss or damage. Failure to keep all product and packaging of damaged product, unless otherwise instructed in writing by SOUTHLAND, may result in non-payment of claim. Further, it is incumbent upon the claimant and all other interested parties to mitigate the damages to the extent that is reasonably possible under the circumstances.
- d. No Offsetting; Assignment. The filing of a claim does not relieve the responsible party for payment of freight charges. Freight charge payment is necessary in order for the Carrier to process a claim. Customer may not offset claims or any other amounts from freight charges owed to SOUTHLAND or the Carrier. SOUTHLAND may offset freight or other charges owed by Customer from claims or other payments made to Customer by SOUTHLAND or Carrier. If payment of claim is made by SOUTHLAND to Customer, at SOUTHLAND's sole discretion, Customer automatically assigns its rights and interest in the claim to SOUTHLAND so as to allow SOUTHLAND to subrogate its loss.
- e. Exclusions. In no event shall SOUTHLAND or the Carrier be liable for any loss or damage caused by:
 - i. Acts, defaults or omissions of the Customer or Consignee, including but not limited to, inadequate or improper packaging, marking, addressing, or providing incomplete/inaccurate shipping instructions, documents or information; or from the SOUTHLAND's or Carrier's compliance with instructions received by Customer or from any other person authorized to give them;

- ii. The handling, loading, stowage, or unloading when not performed by the Carrier;
 - iii. For Return Shipments, SOUTHLAND and the Carrier shall not be liable for any claims for shipments which have been previously unpackaged by Consignee or Customer, are no longer in their original sealed condition, or where the Carrier did not deliver the original shipment to Consignee; or
 - iv. (for SOUTHLAND only): The selection of Carriers for Shipments or service providers for Auxiliary Services.
- f. Monetary Maximum Liability. In the event that SOUTHLAND is deemed liable for loss or damage, the monetary maximum liabilities set forth herein shall be imposed in all instances, unless the Customer has declared a higher value for the Shipment and paid an excess valuation charge and then only to such declared higher value:
- i. Surface Shipments in the U.S. SOUTHLAND'S liability is limited to \$50.00 per Shipment or USD \$.50 per pound, per package, whichever is greater to a maximum amount of \$100,000 per trailer used.
 - ii. Surface Shipments between the U.S. and Canada. SOUTHLAND'S liability is limited to a maximum of \$2.00 Canadian per pound computed on the total weight of the lost or damaged goods by the Shipper.
- g. Salvage Right. In the event SOUTHLAND pays a claim, SOUTHLAND shall be entitled to possession of the portion of the Shipment for which the claim was made and shall be under no obligation to return any portion of the Shipment to Customer or other Parties. SOUTHLAND shall be entitled to salvage any such portion of the Shipment and shall be under no obligation to return any salvaged proceeds to Customer or other Parties. The failure to provide the salvage shall be a bar to recovery of such claim. Finally, if SOUTHLAND pays a claim and Customer or a third party later salvages that portion of the Shipment for which the claim was made, SOUTHLAND shall be entitled to a refund, up to the amount of the claim paid by SOUTHLAND.
- h. Address for Notice and Claims. ALL COMMUNICATIONS REGARDING A CLAIM, INCLUDING DISPUTED DEBTS AND INSTRUMENTS TENDERED AS FULL SATISFACTION OF A DEBT ARE TO BE SENT IN WRITING TO SOUTHLAND BROKERAGE COMPANY, INC., P.O. Box 99, Boonville, NC 27011, ATTN: CLAIMS MANAGER.

9. PICK UP AND DELIVERY TIMES. Transit times are estimated standard business work days and do not include pick up date, a public holiday, or weekend. Due to the inherent nature of the transportation business, neither SOUTHLAND nor the Carrier guarantees pick up, transportation, or delivery by a stipulated time. If such service is requested, additional charges will apply. Pick up and delivery times are based on standard business hours 8 AM to 5 PM. The Carrier shall not use a lift gate or handle for pick up or delivery. If such service is requested, additional charges will apply.

10. LIMITATION OF LIABILITY; NO CONSEQUENTIAL DAMAGES. **Southland is a broker only and not a motor carrier and has no liability for freight claims. Southland has no responsibility to transport and deliver Customer's freight but is solely responsible for arranging for transportation of Customer's freight with a motor carrier authorized by the FMCSA to operate in interstate commerce as a motor carrier of property.** IN NO EVENT SHALL SOUTHLAND BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR LOSS OF MARKET, LOSS OF INCOME, DAMAGES ARISING FROM LOSS, ATTORNEYS' FEES OR PUNITIVE DAMAGES, WRONG DELIVERY, OR DAMAGE TO PROPERTY, DELAYED DELIVERY OR FAILURE TO ATTEMPT DELIVERY, WHETHER OR NOT SOUTHLAND HAD KNOWLEDGE THAT SUCH DAMAGES OR LOSSES MIGHT OCCUR.

11. BILATERAL CONTRACTS. Customer authorizes SOUTHLAND to negotiate and enter into contracts with carriers that will perform transportation of Customer's freight. Such contracts may include terms that limit the carrier's liability for loss or damage to Customer's freight. Customer understands and agrees that it will be bound by such limitations of liability.

12. FORCE MAJEURE. SOUTHLAND shall not be liable for loss, damage, delay or monetary losses of any type caused by: acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; cyber attacks; weather; mechanical failures; aircraft failures; civil commotions; acts or omissions of customs or quarantine officials; acts of carriers related to security; the nature of the freight or any defects thereof; inherent vice of the goods; public enemies; hazards incident to a state of war; and acts of terrorism.

13. GOVERNING LAW, VENUE, JURISDICTION. The Terms and Conditions, and any action or contract to which they apply, shall be governed and interpreted by federal law, or where federal law does not apply, by the laws of the State of North Carolina, U.S., without reference to its choice of law provisions. All suits to recover a claim must be exclusively submitted to the jurisdiction of a state or federal court located in Yadkin County, North Carolina, to which the Parties irrevocably consent to personal jurisdiction and waive all objections thereto. Where claims are not filed or suits are not instituted in accordance with the foregoing provisions, such claims shall be deemed waived and will not be paid.

14. SEVERABILITY. If any provision of the Terms and Conditions may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of the Terms and Conditions shall be construed according to fair meaning and not strictly construed against any party. The provisions of the Terms and Conditions are severable and shall be interpreted and enforced as if all completely invalid or unenforceable provisions are not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

15. PROHIBITED CARGO. There are certain types of articles that are either on the list of prohibited items which will never be accepted for arranging for transport by SOUTHLAND, or which will not be accepted for arranging for transportation without the prior knowledge and written approval from SOUTHLAND. The following is a list of such prohibited cargo(s) any Shipment prohibited by law; firearms; certain types of dangerous goods; original works of art, antiques; bonds; coins of any kind; currency; currency equivalents; furs; fur clothing; gems or stones (cut or uncut); industrial diamonds; gold or silver; coined concentrates; jewelry (other than costume jewelry); pearls; precious metals; securities (negotiable); time sensitive written material (e.g. bids, contract proposals, etc. when the declared value exceeds USD \$0.50 per pound); one-of-a-kind articles or models; prototypes; valuable rugs (i.e. Oriental rugs, Persian rugs) and prints or lithographs and household goods and/or personal effects when the total declared value of the Shipment exceeds USD \$500 or when the declared value exceeds USD \$0.50 per pound, per piece. SOUTHLAND shall not be liable for any loss, damage, delay, liabilities, penalties or fines resulting from the transportation of any of the foregoing articles, however described or misdescribed in the Bill of Lading (including unacceptable descriptions such as "FAK"), and no employee or agent of SOUTHLAND has any authority to waive the limitations herein contained. SOUTHLAND retains the right to refuse any such Shipment prior to the Carrier's acceptance. In the event the Carrier discovers, after acceptance of a Shipment, that the Shipment contains any of the herein mentioned articles, the Carrier may refuse to transport the Shipment, or if already in transit, the Carrier may refuse to deliver the Shipment to the Consignee. Customer agrees to pay all expenses, freight charges, fines and penalties for said Shipment. Customer further agrees to indemnify and hold harmless SOUTHLAND and the Carrier from any and all loss, damage, delay, liabilities, penalties or fines arising out of or related in any way to Shipments containing any of the items described in this Section 15.

16. COMPLIANCE WITH LAWS. SOUTHLAND conducts its business ethically and in compliance with all laws in the countries where SOUTHLAND does business. Shipments are subject to all applicable international, federal, state and local laws and regulations, including all anti-corruption laws such as the U.S. Foreign Corrupt Practices Act of 1977, as amended and the UK Bribery Act, as amended (collectively, the "Laws"). Exporting Shipments to companies, organizations, or persons listed on the Specially Designated Nationals List, the U.S. Debarred List, the U.S. Entity List, and other governmental lists are prohibited, including those on other lists of denied parties. Customer agrees not to use SOUTHLAND'S services to transport cargo in any manner that violates any embargoes of countries or persons, including without limitation U.S. embargoes against Cuba, Iran, and Syria.

17. C.O.D. SHIPMENTS. SOUTHLAND does not accept collect on delivery (C.O.D.) shipments and Carriers selected by SOUTHLAND shall not transport C.O.D. shipments

18. INSPECTION & SECURITY. All Shipments are subject to inspection by SOUTHLAND, including by the Carrier and by any duly authorized government entities, including but not limited to the U.S. Transportation Security Administration, U.S. Customs and Border Protection, and like entities. Notwithstanding the foregoing right to inspect shipments, neither SOUTHLAND nor the Carrier is obligated to perform such inspection except as mandated by law. Further, the Carrier may unilaterally reject any Shipment that it deems unfit for transport after inspection.

19. INDEMNITY. Customer, Consignor, and Consignee shall be jointly and severally liable for all unpaid charges payable on account of the Shipment pursuant to the Terms and Conditions and shall pay or indemnify SOUTHLAND for claims, fines, penalties, damages, costs (storage, handling, re-consignment, return of freight to shipper, etc.) or other sums which may be incurred by SOUTHLAND by reason of any violation of the Terms and Conditions, or any other default of Customer, Consignor, Consignee. Customer agrees to indemnify, defend, and hold SOUTHLAND harmless for any claims, damages, liabilities, lawsuits, or expenses (including reasonable attorneys' fees), arising out of: (a) Customer's, Consignor's or Consignee's negligent, willful, or wanton acts or omissions in connection with the Shipment; or (b) Customer's breach of these Terms and Conditions.

20. PAYMENT TERMS. All funds will be in USD. Customer shall pay SOUTHLAND within fifteen (15) days of the invoice date unless otherwise agreed by the Parties in writing.

21. COLLECTION EXPENSES. Should the Customer not comply with these terms, the Customer agrees to pay reasonable attorney's fees and all other costs and expenses incurred in the collection of any obligation of the undersigned pursuant hereto, the laws of the State of North Carolina will be applicable to all suits arising under these Terms and Conditions.

22. INSURANCE. Insurance is available to Customer upon request only. The amount and type of available coverage is based on SOUTHLAND'S cargo insurance policy in effect on the date the Shipment is tendered to the Carrier. In order to obtain coverage under that policy; a) Customer must properly notify SOUTHLAND in writing of the need for increased insurance at the time of load offer, b) SOUTHLAND's authorized representative must agree in writing to the higher declared value at, and c) the higher declared value must be inserted on the face of the Bill of Lading or other document that is used for receipt purposes. Failure to insert a full value insurance amount shall reduce any insurance payment proportionately. NOTWITHSTANDING ANYTHING IN THE TERMS AND CONDITIONS TO THE CONTRARY, INSURANCE PROCEEDS SHALL BE LIMITED TO THE LESSER OF (A) THE INSURED VALUE OF THE GOOD(S) AND (B) THE SUM OF THE ACTUAL COST TO THE CUSTOMER OF THE DAMAGED OR LOST GOOD(S) SHIPPED AND FREIGHT CHARGES. Insurance coverage and/or special insuring conditions are subject to the insurance option and related coverage and will be limited thereby.

23. CONFIDENTIALITY. The information contained in any quote or load confirmation sheet is confidential information between the parties and may not be disseminated to other than those Customer employees and agents with a need to know and who are responsible for analyzing its contents and may not be disseminated to any third parties without the express permission of the other party.

24. CUSTOMER USE OF SOUTHLAND SOFTWARE. Customer shall have a limited, personal, revocable, non-transferable and non-exclusive right to use SOUTHLAND Software as set forth in this Section 24. SOUTHLAND shall make the SOUTHLAND Software available to Customer for the sole purpose of allowing Customer to track and obtain information about Shipments during transit and for a reasonable period of time after delivery has been made, and for no other purpose Customer agrees to only use the SOUTHLAND Software for the limited scope of use and purpose described herein. Customer further agrees to keep all passwords to the SOUTHLAND Software confidential and to limit its disclosure only to those employees with a need-to-know and who are bound by written confidentiality obligations for such information. Customer will not provide its login or password to any third party and will not alter or remove any copyright notice or other proprietary rights that may appear in the SOUTHLAND Software. Customer will not reproduce, copy, modify, translate, enhance, decompile, disassemble, reverse engineer, or create derivative works of the SOUTHLAND Software and will not challenge SOUTHLAND's rights in the SOUTHLAND Software. The SOUTHLAND Software shall at all times remain the sole and exclusive property of SOUTHLAND. SOUTHLAND reserves the right to terminate Customer's password

and its access to the SOUTHLAND Software, at its convenience without notice or cause. SOUTHLAND makes no warranties, whether express, implied, or statutory regarding or relating to the SOUTHLAND Software. SOUTHLAND HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND WITH RESPECT TO THE SOUTHLAND SOFTWARE INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR TITLE. SOUTHLAND will not be liable for any indirect, direct, special or consequential losses or damages, including but not limited to, loss of business or lost profits. Customer hereby releases, forever discharges and hold SOUTHLAND harmless from and against all claims, actions, suit, proceedings, obligations, liabilities, losses, costs or expenses resulting from, related to or in connection with Customer's access to or usage of SOUTHLAND Software or breach of this Section 24. As used herein, the term "SOUTHLAND Software" means SOUTHLAND's shipping information system, including without limitation all translations (including translation into any other computer languages), conversions, partitions, corrections, additions, extensions, enhancements, upgrades, improvements, modifications, compilations, abridgements, or other forms in which any portion thereof may be recasted, transformed and/or adapted.

25. LOGO/TRADEMARK. Customer shall not use SOUTHLAND'S name, logo, trademarks or trade names in publicity releases, promotional material, customer lists, advertising, marketing or business generating efforts, whether written or oral, without obtaining SOUTHLAND'S prior written consent, which consent shall be given at SOUTHLAND'S sole discretion.

26. INTERMODAL SHIPMENTS. All charges assessed or incurred by SOUTHLAND or Carrier in connection with Intermodal Shipments are the sole responsibility of the Customer and shall be paid by the Customer immediately upon demand, including without limitation customs charges, demurrage charges, detention charges, and per diem charges, and any terminal charges such as tollage, wharfage, usage, loading or unloading charges, or any other port terminal charges at piers, wharves, dockside terminals or warehouses. SOUTHLAND shall have no liability for such charges. Customer further agrees to indemnify and hold harmless SOUTHLAND from any and all claims for unpaid charges related to intermodal shipments, including without limitation undercharges, demurrage, detention or charges of any nature, in connection with goods so shipped.

27. UNDELIVERED FREIGHT.

(a) If freight cannot be delivered because of the consignee's refusal or inability to accept it, or because the Carrier cannot locate the consignee, or if freight cannot be transported because of an error or omission on the part of the consignor, the Carrier will make a diligent effort to notify the consignor promptly that the freight is being stored and the reason therefor.

(b) Undelivered shipments will be subject to Storage fees and may be deemed on-hand by SOUTHLAND on behalf of the Carrier.

(c) On undelivered shipments, disposition instructions printed on the Bill of Lading, shipping label or container will not be accepted as authority to reship, return or reconsign a shipment or to limit.

28. EQUIPMENT. If Customer requests that Southland arrange for Intermodal Equipment to be dropped at a location for Customer's convenience and left unattended by the Carrier, Customer and its consignors or consignees will not lose, damage or misuse the Intermodal Equipment and Customer will pay for loss or damage to the Intermodal Equipment occurring during or as a result of such possession or use of the Intermodal Equipment if caused by Customer or its consignees or consignor or their agents or employees.

29. SPECIAL PERMITS. When special permits are required for the transportation of oversize and/or overweight shipments, the consignor or owner of the freight to be transported shall procure and furnish such permits, or request the Carrier to secure them. If Southland or the Carrier secures the required permits, the cost of the permit plus a service charge of up to 25% will be assessed per state for each permitted shipment to the Customer paying the freight charges in addition to all other applicable rates and charges. Escort cars or flagmen, when required, shall be paid by Customer and are in addition to all other charges. Southland shall add up to a 25% handling fee for arranging these services.

30. OVERLOAD – OVERWEIGHT.

Any shipment containing an article which measures in excess of legal length, width or height, dimensions shall be subject to additional fees and charges based upon the percentage excess dimension of rate overlength.

31. REFRIGERATED SERVICE AND PROTECT FROM FREEZING SERVICE. If Customer requests Southland arrange refrigerated or protect-from-freezing service, the following applies:

(a) Customer must expressly indicate the correct temperature setting on the bill of lading.

(b) If a refrigerated shipment or protect-from-freezing is rejected for any reason by consignee, Southland will notify Customer and direct Carrier to maintain the shipment at the required temperature until disposition instructions are received from Customer or Consignee.

(c) Customer must expressly inform Southland to any additional requirements for transportation of freight for which refrigerated service or protect-from-freezing service is requested.

32. SHIPPING INSTRUCTIONS. Customer will provide necessary shipping instructions and will properly identify all cargo and its actual value in the bill of lading or other shipping instructions.

33. FOOD SAFETY MODERNIZATION ACT (FSMA). Any required documents to be compliant with the FSMA shall be provided by Shipper to Southland when the shipment is tendered to SOUTHLAND. SOUTHLAND will relay those documents to the Carrier per the FSMA. If Shipper fails to comply with this subsection, Shipper will defend, indemnify, and hold Southland and motor carrier harmless from all fines, penalties, claims, liability, and damages, including reasonable attorney's fees and costs of defense as they are incurred

34. COUNT, LOAD, AND SEAL. . Unless Customer has requested SOUTHLAND to arrange for the Carrier to provide driver count services before dispatch and SOUTHLAND arranges for the Carrier to perform such driver count services, Customer is responsible for causing all contents of shipments moving under these Terms to be properly counted and recorded and to have a protective seal applied to the loaded equipment.

35. INSPECTION OF EQUIPMENT. Customer will cause all empty containers or trailers tendered for loading to be inspected before loading and to reject any equipment that is not in apparent suitable condition to protect and preserve the cargo during transportation. Customer will promptly notify SOUTHLAND of any rejected equipment.

36. BACK SOLICITATION. Customer shall not solicit the services of SOUTHLAND's motor or other freight carriers where the Customer's use of such carrier first occurred through the SOUTHLAND's efforts. If the CUSTOMER breaches this provision, SOUTHLAND shall be entitled, as reasonable damages and not as a penalty, to a commission of fifteen percent of the gross revenue from traffic assigned by Customer to such carrier for a period of fifteen months. CUSTOMER also agrees that the breach of this provision entitles SOUTHLAND to be entitled to obtain an injunction against CUSTOMER in a court of competent jurisdiction, at SOUTHLAND's option.

37. HEIRS AND ASSIGNS; NON-WAIVER. The provisions of these Terms and Conditions shall be binding upon the Customer's heirs, executors, successors and assigns. SOUTHLAND's failure to require strict compliance with any provision of these Terms and Conditions shall not constitute a waiver or estoppel to later demand strict compliance with that or any other provision(s).

38. WAREHOUSING. If Customer requests SOUTHLAND to provide warehousing services, the following provisions apply in addition to the Terms and Conditions set forth above, subject to the Uniform Commercial Code. To the extent any of the following provisions expressly conflict with any of the foregoing paragraphs, the below provisions shall apply to warehousing services provided to Customer. "Warehouseman" refers to SOUTHLAND.

ACCEPTANCE – Sec.1

(a) Any rate quotation including accessorial charges must be accepted within 30 days from the proposal date by signature of Customer. In the absence of written acceptance, the act of tendering goods described herein

for storage or other services by warehouseman within 30 days from the proposal date shall constitute such acceptance by Customer.

(b) In the event that goods tendered for storage or other services do not conform to the description given by Customer, or conforming goods are tendered after 30 days from the proposal date without prior written acceptance by Customer as provided in paragraph (a) of this section, warehouseman may refuse to accept such goods. If warehouseman accepts such goods, Customer agrees to rates and charges as may be assigned and invoiced by warehouseman and to all terms of this contract.

SHIPPING – Sec. 2

Customer agrees not to ship goods to warehouseman as the named consignee. If, in violation of this agreement, goods are shipped to warehouseman as named consignee, Customer agrees to notify carrier in writing prior to such shipment, with copy of such notice to the warehouseman, that warehouseman named as consignee is a warehouseman and has no beneficial title or interest in such property and Customer further agrees to indemnify and hold harmless warehouseman from any and all claims for unpaid transportation charges, including undercharges, demurrage, detention or charges of any nature, in connection with goods so shipped. Customer further agrees that, if it fails to notify carrier as required by the preceding sentence, warehouseman shall have the right to refuse such goods and shall not be liable or responsible for any loss, injury or damage of any nature to, or related to, such goods.

TENDER FOR STORAGE – Sec. 3

(a) All goods for storage shall be delivered at the warehouse properly marked and packaged for handling. The Customer shall furnish at or prior to such delivery, a manifest showing marks, brands, or sizes to be kept and accounted for separately, and the class of storage and other services desired.

(b) Unless agreed otherwise in writing, goods will be stored without temperature or humidity control, and warehouseman will not be liable for damage to goods due to exposure to temperature or humidity variations.

STORAGE PERIOD AND CHARGES – Sec. 4

(a) All charges for storage are per package or other agreed unit per month.

(b) Storage charges become applicable upon the date that warehouseman accepts care, custody and control of the goods, regardless of unloading date or date of issue of warehouse receipt.

(c) Except as provided in paragraph (d) of this section, a full month's storage charge will apply on all goods received between the first and the last day of month, inclusive, of a calendar month, and a full month's storage charge will apply to all goods in storage on the first day of the next and succeeding calendar months. All storage charges are due and payable on the first day of storage for the initial month and thereafter on the first day of the calendar month.

(d) When mutually agreed in writing by the warehouseman and the Customer, a storage month shall extend from a date in one calendar month to, but not including, the same date of the next and all succeeding months. All storage charges are due and payable on the first day of the storage month.

(e) Warehouseman shall have a valid lien on the goods (and on the proceeds thereof) deposited with warehouseman under these terms and conditions for all charges and other amounts owed by Customer for goods deposited. Warehouseman is entitled to all and remedies provided by law to perfect and enforce his lien on the goods.

TRANSFER, TERMINATION OF STORAGE, REMOVAL OF GOODS – Sec. 5

(a) Instructions to transfer goods on the books of the warehouseman are not effective until delivered to and accepted by warehouseman, and all charges up to the time transfer is made are chargeable to Customer of record. If a transfer involves rehandling the goods, such will be subject to a charge. When goods in storage are transferred from one party to another through issuance of a new warehouse receipt, a new storage date is established on the date of transfer.

(b) The warehouseman reserves the right to move, at his expense, 14 days after notice is sent by certified or registered mail to the Customer of record or to the last known holder of the negotiable warehouse receipt, any goods in storage from the warehouse in which they may be stored to any other of his warehouses. Warehouseman will store the goods at, and may without notice move the goods within and between, any one or more of the warehouse buildings which comprise the warehouse complex identified on the front of this warehouse receipt.

(c) The warehouseman may, upon written notice to the Customer and any other person known by the warehouseman to claim an interest in the goods, require the removal of any goods by the end of the next succeeding storage month. Such notice shall be given to the last known place of business or abode of the person to be notified. If goods are not removed before the end of the next succeeding storage month, the warehouseman may sell them in accordance with applicable law.

(d) If warehouseman in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of warehouseman's lien before the end of the next succeeding storage month, the warehouseman may specify in the notification any reasonable shorter time for removal of the goods and in case the goods are not removed, may sell them at public sale held one week after a single advertisement or posting as provided by law.

(e) If as a result of a quality or condition of the goods of which the warehouseman had no notice at the time of deposit the goods are a hazard to other property or to the warehouse or to persons, the warehouseman may sell the goods at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in the goods. If the warehouseman after a reasonable effort is unable to sell the goods he may dispose of them in any lawful manner and shall incur no liability by reason of such disposition. Pending such disposition, sale or return of the goods, the warehouseman may remove the goods from the warehouse and shall incur no liability by reason of such removal.

HANDLING – Sec. 6

(a) The handling charge covers the ordinary labor involved in receiving goods at warehouse door, placing goods in storage, and returning goods to warehouse door. Handling charges are due and payable on receipt of goods.

(b) Unless otherwise agreed, labor for unloading and loading goods will be subject to a charge. Additional expenses incurred by the warehouseman in receiving and handling damaged goods, and additional expense in unloading from or loading into cars or other vehicles not at warehouse door will be charged to the Customer.

(c) Labor and materials used in loading vehicles are chargeable to the Customer.

(d) When goods are ordered out in quantities less than in which received, the warehouseman may make an additional charge for each order or each item of an order.

(e) warehouseman shall not be liable for demurrage or detention, delays in unloading inbound cars, trailers or other containers, or delays in obtaining and loading cars, trailers or other containers for outbound shipment unless warehouseman has failed to exercise reasonable care. If, at Customer's request, goods are left on containers, trailers, or railcars, warehouseman shall not be liable for loss or damage to the goods nor for demurrage or detention charges.

DELIVERY REQUIREMENTS – Sec. 7

(a) No goods shall be delivered or transferred except upon receipt by the warehouseman of complete written instructions. Written instructions shall include, but are not limited to, fax, electronic data, or similar communication, provided warehouseman has no liability when relying on the information contained in the communication as received. However, when no negotiable receipt is outstanding, goods may be delivered upon instruction by telephone in accordance with a prior written authorization, but the warehouseman shall not be responsible for loss or error occasioned thereby.

(b) When a negotiable receipt has been issued, no goods covered by that receipt shall be delivered or transferred on the books of the warehouseman unless the receipt, properly endorsed, is surrendered for cancellation or for endorsement of partial delivery thereon. If a negotiable receipt is lost or destroyed, delivery of goods may be made only upon order of a court of competent jurisdiction and the posting of security approved by the court as provided by law.

(c) When goods are ordered out, a reasonable time shall be given the warehouseman to carry out instructions, and if he is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotions, or any reason beyond the warehouseman's control, or because of loss or destruction of goods for which warehouseman is not liable, or because of any other excuse provided by law, the warehouseman shall not be liable for failure to carry out such instructions and goods remaining in storage will continue to be subject to regular storage charges.

EXTRA SERVICES (SPECIAL SERVICES) – Sec. 8

(a) Warehouseman will not provide any special or extra service unless expressly agreed in writing with Customer. Warehouse labor and other charges required for services other than ordinary handling and storage will be charged to the Customer.

(b) Special services requested by Customer including but not limited to compiling of special stock statements; reporting marked weights, serial numbers or other data from packages; physical check of goods; and handling transit billing will be subject to a charge.

(c) Dunnage, bracing, packing materials or other special supplies may be provided for the Customer at a charge in addition to the warehouseman's cost.

(d) By prior arrangement, goods may be received or delivered during other than usual business hours, subject to a charge.

(e) Communication expense including postage, teletype, facsimile, or telephone will be charged to the Customer if such concern more than normal inventory reporting or if, at the request of the Customer, communications are made by other than regular United States Mail.

BONDED STORAGE – Sec. 9

(a) A charge in addition to regular rates will be made for merchandise in bond.

(b) Where a warehouse receipt covers goods in U.S. Customs bond, such receipt shall be void upon the termination of the storage period fixed by law.

MINIMUM CHARGES – Sec. 10

(a) A minimum handling charge per lot and a minimum storage charge per lot per month will be made. When a warehouse receipt covers more than one lot or when a lot is in assortment, a minimum charge per mark, brand, or variety will be made.

(b) A minimum monthly charge to one account for storage and/or handling will be made. This charge will apply also to each account when one customer has several accounts, each requiring separate records and billing.

LIABILITY AND LIMITATION OF DAMAGES – Sec. 11

(a) The warehouseman shall not be liable for any loss or injury to goods stored however caused unless such loss or injury resulted from the failure by the warehouseman to exercise such care in regard to them as a reasonably careful man would exercise under like circumstances, and warehouseman is not liable for damages which could not have been avoided by the exercise of such care.

(b) Goods are not insured by the warehouseman against loss or injury, however caused.

(c) Customer declares that damages are limited to Two Dollars (\$2.00) per pound, provided, however, that such liability may be increased upon Customer's written request and agreement by warehouseman on part or all of the goods hereunder, in which event an additional monthly charge will be made based upon such increased valuation.

(d) Where loss or injury occurs to stored goods for which the warehouseman is not liable, Customer shall be responsible for the cost of removing and disposing of such goods and the cost of any environmental clean up and site remediation resulting from the loss or injury to the goods.

NOTICE OF CLAIM AND FILING OF SUIT – Sec. 12

(a) Claims by Customer and all other persons must be presented in writing to the warehouseman within a reasonable time and in no event longer than either 60 days after delivery of the goods by the warehouseman or 60 days after Customer or the last known holder of a negotiable warehouse receipt is notified by the warehouseman that loss or injury to part or all of the goods has occurred, whichever time is shorter.

(b) No action may be maintained by Customer or others against the warehouseman for loss or injury to the goods stored unless timely written claim has been given as provided in paragraph (a) of this section and unless such action is commenced either within nine months after date of delivery by warehouseman or within nine months after Customer or the last known holder of a negotiable warehouse receipt is notified that loss or injury to part or all of the goods has occurred, whichever time is shorter.

(c) When goods have not been delivered, notice may be given of known loss or injury to the goods by mailing of a registered or certified letter to Customer or to the last known holder of a negotiable warehouse receipt. Time limitations for presentation of claim in writing and maintaining of action after notice begin on the date of mailing of such notice by warehouseman.

DAMAGES – Sec. 13

Warehouseman shall be liable only for the actual value of the goods, subject to any limitation stated in Section 11, and shall not be liable for any loss of profit or punitive, exemplary, special, indirect, incidental, or consequential damages of any kind.

LIABILITY FOR MISSHIPMENT – Sec. 14

If warehouseman negligently misships goods, the warehouseman shall pay the reasonable transportation charges incurred to return the misshipped goods to the warehouse. If the consignee fails to return the goods, warehouseman's maximum liability shall be for the lost or damaged goods as specified in Section 11 above, and warehouseman shall have no liability for damages due to the consignee's acceptance or use of the goods whether such goods be those of the Customer or another.

MYSTERIOUS DISAPPEARANCE – Sec. 15

Warehouseman shall not be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods unless Customer establishes such loss occurred because of warehouseman's failure to exercise the care required of warehouseman under Section 11 above. Any presumption of conversion imposed by law shall not apply to such loss and a claim by Customer of conversion must be established by affirmative evidence that the warehouseman converted the goods to the warehouseman's own use.

RIGHT TO STORE GOODS – Sec. 16

Customer represents and warrants that Customer is lawfully possessed of the goods and has the right and authority to store them with warehouseman. Customer agrees to indemnify and hold harmless the warehouseman from all loss, cost and expense (including reasonable attorneys' fees) which warehouseman pays or incurs as a result of any dispute or litigation, whether instituted by warehouseman or others, respecting Customer's right, title or interest in the goods. Such amounts shall be charges in relation to the goods and subject to warehouseman's lien.

ACCURATE INFORMATION – Sec. 17

Customer will provide warehouseman with information concerning the stored goods which is accurate, complete and sufficient to allow warehouseman to comply with all laws and regulations concerning the storage, handling and transporting of the stored goods. Customer will indemnify and hold the warehouseman harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) for storage, handling and transporting of the stored goods. Customer will indemnify and hold warehouseman harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) which warehouseman pays or incurs as a result of Customer failing to fully discharge this obligation.