

PALLETIZED TRUCKING INC.
Harris County, Texas

Rules Tariff (also referred to as Terms and Conditions) – Revised August 8, 2017.

1. APPLICATION. Each provision of this Rules Tariff shall apply to each transportation agreement entered into by Palletized Trucking Inc. ("Carrier"), regardless of the origin or destination, including interstate or intrastate shipments, unless expressly waived in a signed, written agreement. IF THERE IS ANY DISCREPANCY OR CONFLICT BETWEEN THE TERMS AND CONDITIONS HEREIN AND ANY TERMS CONTAINED IN THE BILL OF LADING, INCLUDING THOSE EXECUTED BY CARRIER'S PERSONNEL AND CONTRACTORS, SHIPPER'S TERMS AND CONDITIONS, OR OTHER DOCUMENT, THE TERMS AND CONDITIONS HEREIN SHALL CONTROL, UNLESS CHANGES HAVE BEEN MADE BY OBTAINING WRITTEN APPROVAL BY AN OFFICER OF CARRIER PRIOR TO CARRIER PERFORMING THE TRANSPORTATION.
2. SUBSTITUTED SERVICE. For its operating convenience, Carrier reserves the right to refer shipments to, and Shipper consents to the use of, Carrier's affiliated brokerage entity to provide all or part of given movements. Shipper will not hold Carrier vicariously liable for the actions of the separate freight brokerage entity nor for the actions of any third party motor carrier. In the event of any claim or loss, Shipper must look solely to the independent motor carrier and its insurance providers.
3. BILLS OF LADING. The terms and conditions of Carrier's Bill of Lading shall apply notwithstanding the use by Shipper of any other bill of lading or shipping document. Drivers are not authorized to bind Carrier to non-conforming bills of lading and execute bills of lading with alternative terms and conditions.
4. COMMODITY LIMITATIONS. Carrier does not hold out to transport money, jewelry, manufactured tobacco products, ammunition, objets d'art, currency, documents, items of unusual value, rare metals, or temperature-sensitive goods.
5. HAZARDOUS MATERIALS. Shipper will comply with all U.S. Department of Transportation requirements governing hazardous materials. Shipper must provide a legible bill of lading and Shipper's certificate with proper Hazmat information and affix any required placards before the shipment is tendered. Failure to comply with these requirements will relieve Carrier of any and all liability for loss or damage directly or indirectly caused to or by the hazardous materials.
6. LOADING/UNLOADING. All shipments shall be loaded by the consignor and unloaded by the consignee. Omission of shipper load and count or "SLC" notation on the bills of lading shall not result in a presumption of Carrier liability for shortage or damage. Rates do not include loading or unloading by Carrier personnel unless expressly agreed to in writing.
7. PACKING OR PACKAGING – SHORTAGE. Carrier will not be responsible for shortage on shipments which are banded, strapped, netted, shrink-wrapped or otherwise secured to bins, pallets, platforms or skids when such securing material is found to be intact at the time of unloading by consignee. Carrier will only be responsible for the number of bins, pallets, platforms or skids on such shipments. Carrier shall not be liable for damaged goods not clearly marked fragile or glass.
8. OVERWEIGHT/OVERDIMENSIONAL LOADS. Shipper shall provide weight and measurement for all shipments. Advance written notification of overweight/overdimensional shipments is required. Any fines or expenses resulting from overweight/overdimensional shipments, in addition to any permit fees, will be included in the invoice and charges to be paid to Carrier.
9. CARGO CLAIMS. Cargo claims for interstate shipments shall be governed by 49 C.F.R. 370, 49 U.S.C. §14706, and Carrier's Bill of Lading. Claims are required in writing within 9 months from the date of delivery or a reasonable time at which delivery should have been accomplished. Written notice of any patent damage to cargo shall be provided to Carrier immediately, and not later than 3 days after delivery. Written notice of latent damage shall be provided to Carrier upon discovery, and, in any event, not later than 15 days after delivery. Any suit to recover loss or damage to cargo must be filed no later than two years and one day after the claim is denied. All other claims must be brought within two years from the date the claim accrues. ALL CLAIMS FOR WHICH PROPER AND TIMELY NOTICE ARE NOT GIVEN ARE DEEMED AUTOMATICALLY WAIVED.
10. SALVAGE. If goods are rejected, including overage, Carrier shall have the right to sell or dispose such goods.
11. PAYMENT OF CHARGES & COLLECTION. Payment will be due within 30 days of invoice. If charges are to be paid by a party other than the consignor or consignee and such third party fails to pay the charges within 30 days of invoice, the consignor and consignee shall be liable for the charges. Nonrecourse provisions on bills of lading shall not be given effect. Amounts not received within 30 days of invoice date are subject to 1.5% interest per month or the maximum amount allowed by law, whichever is less, beginning on the 31st day after payment was due. In the event Carrier deems it necessary to retain the services of legal counsel to collect any outstanding indebtedness, Shipper shall pay all attorneys' fees, collection service fees, court filing fees and related expenses to collect such outstanding debt.
12. PAYMENT WITHOUT OFFSET. Shipper, Consignor and/or Consignee shall pay all freight charges when due without offset for any cause. In the event that Shipper or its agents offset charges, Shipper and its agents waive their right to any contested cargo claim that is offset against freight charges.
13. INTERMODAL SHIPMENTS. Carrier is a signatory to the Uniform Intermodal Interchange Agreement (UIIA). All trailer use and per diem charges incurred will be assessed to Shipper and include an additional administration fee. Carrier is not responsible for trailer use, per diem, claims, theft, or loss of/for equipment dropped at Shipper's facilities.

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General Terms and Conditions (cont'd)

14. **ADVANCING CHARGES.** Carrier may advance for collection from Shipper, owner or Consignee, any lawful charges that may be associated with the transportation of the freight. Such charges will be paid by the Carrier and billed to the Shipper or Consignee at actual cost plus a handling fee.
15. **ATTEMPTED PICKUP & DELIVERY.** When Carrier is requested to dispatch a vehicle to a point designated by the Shipper, and such vehicle is furnished but not used, due to no fault of Carrier, an attempted pickup charge and fuel surcharge will be assessed. If, through no fault of Carrier, a shipment is rejected wholly or in part by Consignee, Shipper shall be responsible for all freight charges as though the shipment had been accepted by Consignee. In addition, the rejected shipment will be returned to the point of origin or other location designated by Shipper, and Shipper shall be responsible for freight charges for return transportation.
16. **RECONSIGNMENT OR DIVERSION.** Shipments re-consigned or diverted while in transit may be subject to additional charges in accordance with Carrier's rates and/or rate sheets.
17. **LIEN FOR FREIGHT CHARGES.** Carrier shall have a general and possessory lien on shipments in its dominion and control for the payment of freight charges past and present.
18. **LIMITATION OF CARRIER LIABILITY.**
- a. **CARRIER WILL NOT BE LIABLE TO THE OWNER OF PROPERTY FOR LOSS OR DELAY CAUSED BY** (1) an act of default of the Shipper, owner or consignee; (2) an Act of God, the public enemy, authority of law, quarantine, embargo, riot, strike, perils of navigation, or hazard and danger incident to a state of war; (3) any act of any third party motor carrier; (4) any act of any affiliated or unaffiliated freight broker; (5) freezing or spoiling of any perishable goods or property or for natural shrinkage; and (6) hidden or concealed damage. Carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is responsible to transport a shipment with reasonable dispatch, as that term is defined at common law.
 - b. Notwithstanding any other provision in these terms and conditions, **IN NO EVENT SHALL CARRIER'S LIABILITY FOR CARGO LOSS OR DAMAGE EXCEED THE LESSER OF THOSE SET OUT IN THIS RULE TARIFF OR THE MAXIMUM SET FORTH IN ANY THROUGH BILL OF LADING OR OTHERWISE AGREED TO BETWEEN THE SHIPPER (OR BENEFICIAL OWNER) AND THE PARTY WHICH RETAINS CARRIER'S SERVICES.**
 - c. **RELEASE VALUE.** Cargo is released to, the lesser of, a maximum value of \$2.50 per pound or \$100,000 per shipment, and Carrier shall not be liable for loss or damage to cargo in excess of such released value unless (1) Shipper declares an excess value in writing by requesting excess cargo coverage, (2) receives acknowledgement of declared value from Carrier, and (3) complies with the provisions expressly provided in Carrier's rules tariff and terms and conditions. In no event will Carrier's liability for loss or damage to cargo exceed \$1,000,000, unless Carrier obtains excess insurance coverage for the increased value, in which case Carrier's liability shall not exceed Carrier's insurance coverage available for the shipment; proof of such coverage shall be made available upon request. In no event shall liability be greater than the actual value of lost or damaged articles less salvage. **DRIVERS ARE NOT AUTHORIZED TO AGREE TO HIGHER RELEASE VALUE.** Shipper may obtain rates for shipments with a higher release value than those indicated above from Carrier by calling (713) 225-3303.
 - d. **INADVERTENCE CLAUSE.** If a Shipper declares a value exceeding \$100,000 per truckload, without obtaining written approval from Carrier, the shipment will not be accepted, but if the shipment is inadvertently accepted, it will be considered as being released to a maximum value of \$100,000 per shipment, and the shipment will move subject to such limitation of liability. **DRIVERS ARE NOT AUTHORIZED TO AGREE TO HIGHER RELEASE VALUE.**
 - e. **SPECIAL AND CONSEQUENTIAL DAMAGES.** Carrier shall not be liable for special, incidental, indirect or consequential damages (including without limitation, lost profits or business opportunity, attorney fees or punitive and exemplary damages) under any circumstances.
 - f. **MEXICAN SHIPMENTS.** Carrier assumes no cargo loss responsibility for shortage or damage to shipments while in the Republic of Mexico. In the event it is determined, that Carrier is liable for loss, damage or delay occurring in the Republic of Mexico, Carrier's maximum liability shall be the rate affixed under the laws of the Republic of Mexico for domestic shipments within that country.
19. **VENUE AND JURISDICTION.** This agreement shall be construed to have been entered in Harris County, Texas and performable in Harris County, Texas. All parties consent to the jurisdiction of Texas and to venue in Harris County, Texas. It is expressly acknowledged and agreed that any suit related to Carrier's services or these terms and conditions shall be filed in the appropriate state or federal court in Harris County, Texas.
20. **ENTIRE AGREEMENT.** These terms and conditions and Carrier's Bill of Lading constitute the entire contract between Carrier and Shipper, and only an Officer of Carrier has authority to alter, modify or waive any provision herein, excepting that the rate stated may be modified by Carrier to conform to the services Carrier provides and/or Carrier's general rate schedule which is subject to change.