

TERMS & CONDITIONS OF CARRIAGE (SIFTO)

1. The carrier or the party in possession of any of the property described in this bill of lading shall be liable in accordance with all applicable laws for any loss, damage or delay thereto, except as hereinafter provided. Carriers shall be liable for special, incidental and consequential damages for which they have actual or constructive notice.

2. No carrier or party in possession of all or any portion of the property described in this bill of lading shall be liable for any loss of or damage to the said property or for any delay caused solely by an Act of God, the public enemy, the authority of law, or the act or default of the shipper or owner. Further, except as otherwise agreed in a separate written agreement between shipper and carrier, carrier shall not be liable for any natural shrinkage of the property or loss caused solely by the inherent vice of the property. The carrier shall have the burden of proving freedom from negligence and that one of the foregoing exceptions was the sole and proximate cause of the loss, damage or delay. The carrier's liability shall not be subject to the rule of contributory or comparative negligence.

3. The carrier shall be liable as a warehouseman for loss, damage or delay occurring after actual or attempted tender of the property for delivery at destination. When tender of delivery of the property to the party entitled to receive it has been made, but delivery has been refused, or if carrier is unable to make delivery, carrier's liability as a warehouseman will begin when carrier has placed said property in a warehouse or storage facility under reasonable security that is approved by shipper. Except in the case of negligence of the carrier or the 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.

4. Except in the case of negligence of the carrier, no carrier or party in possession of all or any of the property described in the bill of lading shall be liable for delay caused by highway obstruction, by faulty or impassable highway, or by lack of capacity of any highway, bridge or ferry. The burden to prove freedom from such negligence is on the carrier or party in possession.

5. Carrier will transport said property by the particular schedule, vehicle, in time for a particular market, and in any manner agreed upon by the shipper and carrier. Every carrier shall have the right, in case of physical necessity, to forward said property by any carrier or route between the point of shipment and the point of destination, without additional cost to shipper or consignee.

6. Claims for loss, damage or delay must be mailed within nine months of delivery, or in the case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed. In no case shall said reasonable time be deemed to be less than 30 days from the scheduled or anticipated delivery date. Suits for loss, damage or delay shall be instituted against any carrier no later than two years and one day from the day when written notice is received by the claimant from the carrier that the carrier has disallowed the claim or any part thereof. An offer of compromise shall not constitute a disallowance of any part of the claim unless the carrier, in writing, informs the claimant that such part of the claim is disallowed and provides reasons for such disallowance; and communications received from a carrier's insurer shall not constitute a disallowance of any part of the claim unless the insurer, in writing, informs the claimant that such part of the claim is disallowed, provides a lawful reason for such disallowance and informs the claimant that the insurer is acting on behalf of the carrier. Where a lower value than the actual value of the said property has been stated in writing on the bill of lading by the shipper or has been agreed upon in writing as the released value of the property, such lower value, plus freight charges if paid, shall be the maximum recoverable amount for loss, damage, or delay, whether or not such loss, damage, or delay occurs from negligence. When such loss, damage or delay is the result of carrier's willful misconduct, gross

negligence, material or fundamental breach, or conversion, said limitation of liability shall not apply, and shipper shall be reimbursed for the actual value of the property, plus freight charges, if paid.

7. The shipper or consignee shall pay the freight and all other lawful charges accruing on said property according to the agreement of the parties. The shipper shall be liable for the freight and all other applicable charges, except that if the shipper states on the face of the bill of lading that the carrier shall not make delivery without requiring payment of such charges and the carrier, contrary to such stipulation, makes delivery without requiring such payment, the shipper shall not be liable for such charges. The carrier may extend credit to the party responsible for payment of the freight charges, and may charge a commercially reasonable interest rate on freight bills which remain unpaid for more than 30 days from the date of presentment. There shall be no other penalty or loss of discount allowed for late payment. Shipper may offset unpaid freight charges against unpaid freight claims when said claims are outstanding for more than 90 days. Nothing herein shall limit the right of the carrier to require at the time of shipment the prepayment or guaranty of the charges. If upon inspection it is ascertained that the articles shipped are not those described in the bill of lading, the freight charges must be paid upon the articles actually shipped.

8. In the event that property has been refused by the consignee, or carrier is unable to deliver the property for any reason, carrier shall immediately notify shipper by telephone or other electronic communication system in accordance with the instructions for notification given on the face of the bill of lading. Upon receiving said notice, shipper shall provide carrier with further handling instructions for the shipment, and carrier and shipper shall agree on any related transportation and handling charges. If carrier has not received further handling instructions from shipper within one (1) business day after sending notice of non-delivery, then carrier shall immediately return the shipment to its origination point.

9. Notice of loss or damage shall be given to carrier on the delivery receipt by the consignee and confirmed by the driver. Concealed loss or damage shall be reported to the delivering carrier within 60 days unless the claimant explains why the loss or damage could not reasonably have been reported within 60 days. When notice has first been given to carrier after 60 days, claimant shall offer proof that the loss or damage did not occur after delivery to consignee, and carrier shall resolve the claim in light of the said proof.

10. Carrier shall be liable for the number of shipping units or packages noted on the bill of lading, and shall deliver them in the same condition or unitized package as tendered at origin. If carrier's driver is not able or is not given an opportunity to inspect and count the shipment prior to acceptance by the carrier, the bill of lading must be noted "SL & C" (Shippers Load & Count) or with a similar notation. When less-than-truckload shipments are loaded and counted by the shipper, such shipments will be inspected and counted by carrier at its first breakbulk point and all discrepancies shall be reported immediately to shipper.

11. No carrier hereunder will carry or be liable in any way for any documents, coin money, or for any articles of extraordinary value unless a special agreement to do so and a stipulated value of the articles are endorsed on this bill of lading.

12. If transportation is arranged through a broker, Carrier designates broker as its agent for the collection of freight charges. When charges are paid to broker, Carrier agrees not to hold shipper or consignee liable for said charges.