



TERMS AND CONDITIONS OF CONTRACT

In tendering a shipment for carriage, the shipper agrees to these **TERMS AND CONDITIONS OF CONTRACT** which no agent or employee of the parties may alter and that the **BILL OF LADING** is **NON-NEGOTIABLE** and has been prepared by the shipper or on its behalf by **PRIME AMERICA LOGISTICS, INC.**

1. No carrier or party in possession of any or all of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act, omission or order of the shipper or owner, from a defect or inherent vice of the property or any part thereof, including susceptibility to damage because of atmospheric conditions such as temperature and humidity and changes therein or natural shrinkage, an Act of God, the public enemy, the authority of law, strikes, lockouts, labor disturbances, riots, civil commotions or acts of terrorism or any other act or event beyond the control of the carrier. Property taken from or destined to an unmanned location at the direction of the shipper or consignee or owner of such property, shall be entirely at the risk of the owner until loading or after unloading, respectively, except to the extent loss of or damage to the property is caused by Carrier's negligence or intentional wrongdoing, except as otherwise expressly stated herein, carrier's liability shall be governed by the Carmack Amendment to the Interstate Commerce Act, 49 U.S.C. § 14706. Unless otherwise stated on the face of this bill of lading, all shipments will be Shipper "load and count."
 2. In tendering the shipment for carriage, the shipper warrants that the shipment is packaged adequately to protect the enclosed goods and to ensure safe transportation with ordinary care and handling; and that each package is appropriately labeled and is in good order (except as noted) for the carriage specified.
 3. Except as otherwise provided herein, the Carrier has no obligation to commence or complete transportation within a certain time or in accordance with any specific schedule, or to make connections with any other carrier, or for error in any statements of times of arrival or departure.
 4. Carrier routing applies unless shipper inserts specific routing.
 5. (a) As a condition precedent to recovery, claims must be filed in writing with the receiving or delivering carrier, or the carrier issuing this bill of lading, or on the carrier on whose line the loss, or damage, injury or delay occurred, within nine months of delivery of the property, or in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed; all suits shall be instituted against carrier only within two years and one day from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof as specified in the notice. Where claims are not filed and suits not initiated within the time period as provided herein, no carrier shall be liable and no claims shall be paid. Cargo loss, damage and/or delay claims will be handled and processed under and in accordance with the provisions of the applicable U.S. DOT regulations codified at 49 C.F.R. Part 370, Principles and Practices for the Investigation and Voluntary Disposition of Loss and Damage Claims and Processing Salvage.

(b) In any event, in consideration of Carrier's rate for the transportation of any shipment, the maximum amount payable under any claim shall be limited to an amount not exceeding: FOR SHIPMENTS WITHOUT A DECLARED VALUE, \$5.00 PER POUND multiplied by the number of pounds of that part of shipment lost or damaged; FOR SHIPMENTS WITH A DECLARED VALUE, the declared value of the entire shipment, and in the event of loss or damage of part of the shipment, the average declared value per pound of the shipment multiplied by the number of pounds of that part of the shipment lost or damaged; provided, however, that Carrier's liability shall not exceed \$200,000 per shipment per vehicle and \$600,000 per shipment, in the aggregate.
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TERMS AND CONDITIONS OF CONTRACT

Any carrier or party liable on account of 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 avoid the policies or contracts of insurance, PROVIDED, that the carrier or other party shall reimburse the claimant for the premium paid thereon.

6. The shipper, owner or consignee shall pay, and all shall be liable, jointly and severally, (a) for the freight charges and all other lawful charges accruing for the transportation and related services rendered and goods and materials provided by carrier under this bill of lading; and, except in those instances where it may lawfully be authorized or required to do so, no carrier shall deliver or relinquish possession at destination of the property covered by this bill of lading until all lawful rates and charges thereon have been paid, and (b) for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by Carrier by reason of any of the rules contained in applicable tariffs or any other default of the shipper, or other party for whom shipper is responsible, with respect to a shipment transported under this bill of lading and shall indemnify Carrier for same. Furthermore, in the event there are disputed claims to ownership of the goods covered by this Bill of Lading while in carrier's possession, shipper shall indemnify, defend and hold carrier harmless with respect to such claims and liability and all related costs and expenses, including but not limited to court costs, attorney's fees and other costs of defense incurred by carrier as a result of such disputes.

In the event that shipper stipulates by signature, in the space provided for that purpose on the face of this bill of lading, that the Carrier shall not make delivery without requiring payment of all charges including freight charges, and the Carrier, contrary to such stipulation, shall make delivery without requiring payment, the consignor (except as hereafter provided) shall not be legally liable for such charges; PROVIDED, HOWEVER, that, where the carrier has been instructed by the shipper or consignor to deliver said property to the consignee other than the shipper or consignor, such consignee shall not be legally liable for transportation charges in respect of the transportation of said property (beyond those billed against him at the time of delivery for which he is otherwise liable) which may be found to be due after the property has been delivered to said consignee, if the consignee (a) is an agent only and has no beneficial title in said property, and (b) prior to delivery of said property has notified the delivering Carrier in writing of the fact of such agency and the absence of beneficial title, and (c), in the case of a shipment reconsigned or diverted to a point other than that specified in the original bill of lading, has also notified the delivering carrier in writing of the name and address of the beneficial owner of the property. Where the consignee is not liable for certain charges in accordance with this provision and the preceding conditions, the shipper or consignor, or, in the case of a shipment so reconsigned or diverted as specified in condition (c) in the preceding sentence, the beneficial owner, shall be liable for such additional charges. If the consignee has given to the carrier erroneous information as to who the beneficial owner is, such consignee shall himself be liable for such additional charges. Nothing herein shall limit the right of the carrier to require at time of shipment the prepayment or guarantee of the charges. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid on the articles actually shipped.

7. Claims for concealed damages or loss discovered by the consignee after delivery must be reported in writing to the delivering carrier at destination within 15 days after the delivery of the shipment with privilege of the carrier to make inspection of the shipment and container(s) within 20 days of receipt of such notice.
 8. No claim with respect to a shipment, any part of which is received by the consignee, will be entertained until all transportation charges have been paid.
 9. No carrier hereunder will carry or be liable in any way for any documents, specie or any articles of extraordinary value not specifically rated in the published classifications or tariffs unless a special agreement to do so and a stipulated value of the articles is endorsed herein.
 10. Every party, whether principal or agent, shipping explosives, dangerous goods or other hazardous materials without prior full written disclosure to carrier of their nature and full compliance with all laws and regulations applicable to shippers of such hazardous materials, shall be liable for and indemnify carrier against all loss or damage caused by such goods and the goods causing such loss or damage may be warehoused at owner's risk and expense or destroyed without compensation.
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TERMS AND CONDITIONS OF CONTRACT

11. Payment is due within 15 days of invoice. If payment is not paid within 60 days of receipt of invoice, regular tariff rates of Carrier will apply, and all discounts issued for shipment will be revoked.
 12. In the event that it becomes necessary for the Carrier to refer to a collection agency and/or attorney for collection of any amount which is past due, the debtor shall be obligated to pay the actual fees incurred by the carrier, but in no event more than 30 percent of the amount due.
 13. Carrier shall have a general lien on any and all goods now or subsequently delivered or deposited with Carrier by the Shipper for all charges for transportation, storage, preservation of goods, and the performance of other services for the full amount of all outstanding invoices for said services. Such liens shall also extend to such goods for all lawful claims of money advanced interest, insurance, labor and any other charges in relation to such goods or any part thereof, for all charges and expenses for notice and advertisement of sale, and for sale of goods, and for all court costs and reasonable attorney fees in collecting such charges or enforcing such lien or defending Carrier in the event that it is made part to any litigation concerning the goods while they are in its possession. Carrier may bring suit for all delinquent charges stated herein stated without first foreclosing its lien.
 14. If, for any reason other than the fault of the Carrier, delivery cannot be made at the address shown on the face hereof, or at any changed address of which Carrier has been notified, within the free time allowed by the tariff or rate schedule of a delivering carrier, Carrier, at its option, may cause articles contained in the shipment to be stored in Carrier's warehouse or another warehouse selected by it at the point of delivery, or at other available points, at the cost of the owner and held there without liability on the part of Carrier, and subject to a lien for all accrued tariff, contract and other lawful charges, including a reasonable charge for storage. If consignee or other party entitled to receive such shipment fails to receive it or claim it within 15 days after notice of arrival shall have been duly sent or given (or, in the case of perishable or dangerous property, as promptly as Carrier reasonably deems necessary to prevent deterioration or dangerous consequences), Carrier may sell same at public auction to the highest bidder, as such place as may be designated by Carrier, or otherwise dispose of same in such a way as to obtain the greatest value reasonably obtainable for same; provided, however, that the foregoing shall not be construed to abridge Carrier's right, at its option, to sell or otherwise dispose of the shipment under such circumstances and in such manner as may be authorized or permitted by law. The proceeds of any such sale or disposition shall be applied by Carrier to the payment of freight, detention, storage and other lawful charges and to the expense of notice, advertisement, sale and caring and maintenance of the shipment; and any balance remaining thereafter shall be paid to the owner of said shipment.
 15. If the terms and conditions of this bill of lading conflict with the terms and conditions in Carrier's published Rules of Tariff, the terms and conditions of this document shall take precedent. Where the terms and conditions of this document are silent regarding a specific issue, carrier's Rules of Tariff shall apply.
 16. To the extent not governed by Federal Law, this contract of carriage shall be construed and the performance of the transportation furnished hereunder shall be determined in accordance with the laws of the State of California. If any provisions hereof are illegal or are otherwise determined to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
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