

BILL OF LADING CONTRACT TERMS

1. DEFINITIONS

"Carrier" means PureFreight, Inc.

"Bill of Lading" means the Carrier's non-negotiable Bill of Lading, front and reverse pages.

"Customer" includes the consignor, shipper, consignee, owner of the Goods, and any person lawfully acting on behalf of any of the aforementioned persons, including, without limitation, brokers of property.

"Goods" means articles of every kind and description, including their packaging, containers, or other shipping units or materials, that Customer has tendered to the Carrier for transportation from the place of receipt to the place of delivery (the "Carriage"), all as stated on the front page of this Bill of Lading.

"Charges" includes freight, Excess Liability Coverage charges, all expenses, costs, detention, demurrage, and any other money obligations incurred and payable by Customer, and all collection costs for freight and other amounts due from Customer, whether as to the Goods or otherwise, including attorneys' fees, experts' and consultants' fees, and court costs.

2. AGREEMENT TO BILL OF LADING CONTRACT TERMS

By Customer's tender of the Goods for Carriage, Customer agrees to these Bill of Lading Contract Terms, which no agent or employee of the parties may alter. This Bill of Lading is non-negotiable. Customer has prepared this Bill of Lading or the Carrier or its authorized agents have done so on Customer's behalf. Customer agrees that the Carriage is subject to these Bill of Lading Contract Terms and those stated on the front page of this Bill of Lading, the applicable tariff or tariffs, which is or are available for inspection upon request, and which is or are expressly incorporated herein by reference. The defenses and limits of liability stated in this Bill of Lading shall apply in any action against the Carrier under any legal theory whatsoever, whether the action is in contract, tort, bailment, indemnity, contribution, or otherwise.

3. CARRIER ACTING AS AGENT FOR NON-CARRIAGE UNDERTAKINGS

Whenever the Carrier undertakes to accomplish any act, operation, or service outside the Carriage undertaking or one not initially agreed to or stated on this Bill of Lading, the Carrier shall act as Customer's agent and perform such non-Carriage acts, operations, or services subject to the PureFreight, Inc. Terms and Conditions of Service.

4. NOTICE OF CLAIM AND TIME-BAR

(a) As a condition to the Carrier's processing of a cargo claim, all freight charges must have been paid in full.

(b) Any cargo claims must be filed against the Carrier within 90 days after the delivery of the Goods, except that claims for non-delivery must be filed within 90 days after a reasonable time for delivery has elapsed. The failure to file a claim within the above 90-day periods shall result in the claim's being time-barred and the Carrier's discharge from any liability, whether in contract, tort, or otherwise. The Carrier shall not pay any time-barred claims. A timely notice of claim is a condition to the right to file a timely lawsuit against the Carrier, as set forth below in sub-paragraph (c).

(c) Any lawsuits for cargo claims shall be filed in court against the Carrier no later than one year and one day from the day on which the Carrier has given written notice to the claimant that the Carrier has disallowed the claim or any part or parts of the claim specified in the timely notice of claim. The failure to file a timely lawsuit within the aforementioned one-year-and-one-day period shall result in the claim's being time-barred and the Carrier's discharge from any liability, whether in contract, tort, or otherwise. The Carrier shall not pay any time-barred claims.

5. SPECIAL SECURITY/PROTECTIVE SERVICES

The Carrier's failure to arrange any agreed-to special security services or requirements, including, without limitation, team drivers, shall not negate the Carrier's limitation of liability, which is set forth below in paragraph 7.

6. HIJACKING/ASSAILING THIEVES DISCLAIMER

The Carrier shall have no liability whatsoever arising out of or in connection with the acts of any person who unlawfully, by use of force or threats of any kind, damages, seizes, or exercises control over the Goods, over any sub-contractor, connecting carrier, or over any means of transportation or storage of the Goods. Customer understands and agrees that it accepts and assumes the risk of loss for the foregoing acts.

7. RATES BASED ON AGREED VALUATION OF THE GOODS; OPPORTUNITY TO REQUEST EXCESS LIABILITY COVERAGE

(a) Carrier's liability for loss of or damage to the Goods is limited to their agreed value of \$.50 per pound, unless Customer has requested Excess Liability Coverage according to section 7(b).

(b) As an alternative to rates based on the Goods' above agreed valuation, Customer may request Excess Liability Coverage to increase the Goods' agreed value of \$.50 per pound and Carrier's corresponding liability. To request Excess Liability Coverage, at the time of shipment a Customer must write the following on the front page of the Bill of Lading: "Excess Liability Coverage Requested" and the dollar amount of the requested excess liability coverage. The following are illustrative examples:

(1) "\$20,000 excess liability coverage requested"

(2) "Excess liability coverage requested: \$20,000"

(c) The charge for the Excess Liability Coverage will be in addition to any other freight charges for the transportation of the Goods, as follows: 5% of the amount of the excess liability Customer has requested, subject to a minimum of \$250 per shipment.

(d) The maximum Excess Liability Coverage allowed is \$50,000 per shipment.

(e) Excess Liability Coverage is NOT insurance. A statement on the Bill of Lading to insure for a specific value or a statement of value without an express request for Excess Liability Coverage will not increase Carrier's liability, and Carrier will not assess a charge for Excess Liability Coverage.

8. CARRIAGE METHODS/ROUTES, SUBSTITUTION OF MODE/EQUIPMENT

Customer understands and agrees that the Carrier may at any time, and without notice to Customer:

(a) Use any sub-contractors or connecting carrier, or means of transport or storage whatsoever;

(b) Transfer the Goods from one conveyance to another, including transshipment or carrying on a truck or trailer other than those that may be set forth on the front page of this Bill of Lading, or any other means of transport whatsoever; or

(c) Proceed by any route in the Carrier's sole discretion, irrespective of whether such route is the nearest, most direct, customary, or advertised route.

Customer agrees that anything done or not done in accordance with the above sub-paragraphs or any delay arising therefrom shall be within the scope of the Carriage and not a deviation.

9. MATTERS AFFECTING PERFORMANCE

If at any time and for any reason the performance of the contract for the Carriage of the Goods evidenced by this Bill of Lading is or is likely to be affected by any hindrance, risk, delay, difficulty, or disadvantage of any kind, other than the inability of the Goods to be safely or properly carried or carried further, and howsoever arising (even though the circumstances giving rise to such matters as stated above existed at the time this contract was entered into or the Goods were received for shipment), the Carrier, at its sole discretion, without prior notice to Customer and irrespective of whether the Carriage has commenced, may treat the performance of this contract of transportation as terminated and place the Goods at Customer's disposal at any place that the Carrier, at its sole discretion, deems to be safe and convenient, whereupon the responsibility of the Carrier in respect of such Goods shall cease. The Carrier shall nevertheless be entitled to full freight for the Carriage of the Goods, and Customer shall pay any additional costs of transportation to and delivery and storage at such place.

10. REFUSED DELIVERY

Refusal of the consignee or Customer to take delivery of the Goods notwithstanding their having received notice of the Goods' availability shall constitute an irrevocable waiver of all claims arising out of or in any way relating to the Goods or the Carriage. Customer shall be liable to the Carrier for any losses, damages, expenses, and liabilities it incurs arising out of such a refusal, including, without limitation, the return of the Goods to their place of receipt.

11. FREIGHT AND CHARGES

(a) All freight shall be deemed fully, finally, and unconditionally earned on the Carrier's receipt of the Goods and shall be paid and non-returnable in any event whatsoever.

(b) All freight and Charges shall be paid without any set-off, counter-claim, deduction, or stay of execution before delivery of the Goods.

(c) If Customer's description of the Goods in this Bill of Lading or in any documents the Carrier receives from or on behalf of Customer is inaccurate, incorrect, or misleading in any respect, then Customer shall pay for any actual damage that the Carrier suffers as a result.

(d) Payment of freight and Charges to anyone other than the Carrier shall not be considered payment to the Carrier and such payment shall be at Customer's sole risk.

(e) The class of persons that make up the definition of "Customer" shall, where applicable, be jointly and severally liable to the Carrier for payment of all freight, demurrage, detention, and Charges including, without limitation, court costs, expenses, and attorneys' fees the Carrier incurs in collecting any sums due, failing which shall be considered a default by Customer in the payment of freight and Charges.

12. CARRIER'S SPECIFIC AND GENERAL LIENS AS TO THE GOODS AND ANY PROPERTY OF THE CUSTOMER

(a) In addition to a specific cargo lien under law, and as section 3051.5 of the California Civil Code provides, the Carrier shall also have a lien on the Goods and any other freight or property of Customer that is in the Carrier's possession for the total amount owed the Carrier by Customer for Charges, including, without limitation, freightage, charges for services, and advances due on freight previously delivered upon the promise of Customer to pay freightage, charges, and advances.

(b) Customer understands and agrees that it is on notice that the failure to pay Charges may result in a lien on future shipments, including the cost of storage and appropriate security for the subsequent shipment held under section 3051.5 of the California Civil Code and this Bill of Lading.

(c) The Carrier shall have a general and continuing lien on any property of the Customer coming into the Carrier's actual or constructive possession or control as to any unpaid Charges including, without limitation, for monies owed to the Carrier with regard to the shipment on which the lien is claimed, a prior shipment, or both, including, without limitation, the cost of storage and appropriate security, freightage, dead freight, demurrage, detention, and for any expenses that the Carrier incurs for storage, security, repacking, remarking, fumigation, or required disposal of Goods, for fines, dues, tolls, or commissions that the Carrier has paid or advanced on behalf of the Goods, for any sums, including, without limitation, for legal expenses the Carrier has incurred because of any attachment or other legal proceedings brought against the Goods by governmental authorities or any person claiming an interest in the Goods. The Carrier's lien shall survive discharge or delivery of the Goods.

(d) The Carrier shall provide written notice to Customer of the Carrier's intent to exercise its lien rights, which notice shall set forth the exact amount due. Customer shall notify all parties having an interest in the shipment or shipments of the Carrier's lien rights and the potential exercise of such rights in the absence of the payment of the amount due.

(e) Unless, within thirty 30 days of receiving notice of lien, Customer posts cash or letter of credit at sight, or if the amount due is in dispute, an acceptable bond equal to 110 per cent of the value of the total amount due, in favor of Carrier, guaranteeing payment of all monies due, plus all ongoing and accruing Charges, the Carrier shall have the right to sell the Goods or other property of Customer at public or private sale or auction and the Carrier shall refund Customer any net proceeds remaining after such sale.

13. DESCRIPTION OF GOODS AND NOTIFICATION

(a) Customer's description of the Goods stuffed in a sealed trailer, shipping container, or package by Customer or on its behalf shall not be binding on the Carrier, and the description declared by Customer on the front page of this Bill of Lading is information provided by Customer solely for its own use. Customer understands that the Carrier has not verified the contents, weight, or measurement of a sealed trailer, shipping container, or package, or the weight or measurement, or the value, quantity, quality, description, condition, marks, or numbers of the contents. The Carrier is under no responsibility whatsoever in respect of such

description of particulars and Customer shall indemnify and hold the Carrier harmless against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred, arising out of or in any way connected with or caused by, in whole or in part, such description of particulars.

(b) The Carrier, its agents, and servants shall not in any circumstances whatsoever be under any liability for insufficient packing or inaccuracies, obliteration or absence of marks, numbers, addresses or description, or for misdelivery due to marks or countermarks or numbers, or for failure to notify the consignee of the arrival of the Goods, notwithstanding any custom of the Place of Delivery to the contrary.

14. HAZARDOUS GOODS

(a) Prior to tendering hazardous goods, as defined under applicable federal and state law and regulations, Customer shall, in compliance with the laws and regulations governing the transportation of such goods, have the same properly packed, distinctly marked, and labeled, and notify the Carrier in writing of their proper description, nature, and the necessary precautions.

(b) Goods that are hazardous goods or are otherwise of an inflammable, explosive or dangerous nature to the shipment whereof the Carrier or its subcontractor has not consented with knowledge of their nature and character, may at any time before discharge be landed at any place and destroyed or rendered innocuous by the Carrier or its subcontractor without compensation, and the Customer shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment. If any such goods shipped with such knowledge and consent shall become a danger to the transporting conveyance or to any cargo thereon, they may in like manner be landed in any place, or destroyed and rendered innocuous by the Carrier without liability on the part of the Carrier.

(c) Customer shall indemnify and hold the Carrier harmless from and against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred, arising out of or in any way connected with or caused by, in whole or in part, omission of full disclosure required by this clause or by applicable treaties, conventions, laws, codes, or regulations.

15. PERISHABLE GOODS

(a) Goods of a perishable nature shall be carried in ordinary trailers without special protection, services, or other measures unless there is noted on the front page of this Bill of Lading that the Goods will be carried in a refrigerated, heated, electrically ventilated, or otherwise specially-equipped trailer or shipping container, or that the Goods are to receive special attention in any way. In case of refrigerated trailers or shipping containers packed by or on behalf of Customer, it undertakes not to tender for Carriage any Goods that require refrigeration without giving written notice to the Carrier of their nature and the required temperature setting of the thermostatic controls before the Carrier's receipt of the Goods. Customer undertakes that the Goods have been properly stowed in the trailer or shipping container and that the thermostatic controls have been adequately set before the Carrier's receipt of the Goods and, if necessary, that the Goods have been pre-cooled before their stuffing into the trailer or shipping container. Customer's attention is drawn to the fact that refrigerated trailers and shipping containers are not designed to freeze down Goods that have not been presented for stuffing at or below their designated carrying temperature, and the Carrier shall not be responsible for the consequences of Goods tendered to it at a higher temperature than that required for the Carriage. If Customer fails to comply with the foregoing requirements, then the Carrier shall not be liable for any loss of or damage to the Goods, howsoever arising.

(b) The term "apparent good order and condition" when used in this Bill of Lading with reference to Goods that require refrigeration does not mean that the Carrier, upon its receipt of such Goods, verified their having been at the designated carrying temperature.

(c) The Carrier shall in no event be held liable for damage to Goods due to condensation.

16. GOODS UNACCEPTABLE FOR CARRIAGE

(a) Unless the Carrier otherwise agrees in writing, Carrier shall not accept for Carriage any of the following: accounts, bills, deeds, evidences of debt, notes, securities, currency, money, coins or stamps, jewelry, precious stones, fine arts, bullion, specie, or other precious metals, furs, garments trimmed with furs, weapons, ammunition, explosives, live animals and plants, Christmas trees, batteries, used household goods and personal effects, used machinery and used automobiles, used aircraft/used boats, temperature controlled commodities, cigarettes and tobacco products, hazardous materials, human remains, antiques, plants, live animals, pharmaceuticals, lewd, obscene or pornographic materials, D.O.T.-restricted articles, including dangerous goods and hazardous or combustible materials, any material prohibited from transport by any law, regulation, or statute of any country in which the shipment may be carried.

(b) If Customer tenders any of the foregoing without previous full written disclosure of the same to the Carrier and its written agreement to transport the same, then Customer shall indemnify and hold the Carrier harmless from and against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred, arising out of or in any way connected with or caused by, in whole or in part, such goods.

17. INSPECTION OF GOODS

The Carrier or any sub-contractor or connecting carrier shall be entitled, but shall be under no obligation, to open any trailer, package, carton, or other shipping unit at any time and to inspect the Goods.

18. CUSTOMER-PACKED GOODS, CUSTOMER-STUFFED TRAILERS AND CONTAINERS

(a) If Goods have not been packaged, and if a truck's box, a trailer, or a shipping container has not been stuffed by or on behalf of the Carrier, the Carrier shall not be liable for the loss of or damage to the Goods, and Customer shall indemnify and hold the Carrier harmless from and against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred if such loss, damage, liability, or expense arises out of or is in any way connected with or is caused by, in whole or in part:

(1) The manner in which the Goods, truck's box, trailer, or shipping container was stuffed, filled, packed, or loaded; or

(2) The unsuitability of the Goods for Carriage in their packaging or in a truck's box, trailer, or shipping container; or

(3) The unsuitability or defective condition of the truck's box, trailer, or shipping container, provided that, if the truck's box, trailer, or shipping container had been supplied by or on behalf of the Carrier, that unsuitability or defective condition could have been apparent upon inspection by Customer at or prior to the time when the truck's box, trailer, or shipping container was stuffed, filled, packed, or loaded.

(b) Customer shall inspect trucks' boxes, trailers, or shipping containers before stuffing them and Customer's use of a truck's box, a trailer, or a shipping container shall be prima facie evidence of its being suitable and without defect.

19. CARRIAGE AFFECTED BY THE CONDITION OF THE GOODS

If it appears at any time that the Goods cannot safely or properly be carried or carried further, either at all or without incurring any additional expense or taking any measure(s) in relation to the Goods, the truck's box, the trailer, or the shipping container, the Carrier may, without notice to Customer, but as its agent only, take any measure or incur any additional expense to carry or to continue the Carriage, or sell or dispose of the Goods, or abandon the Carriage or store Goods, or any combination of the foregoing, under cover or in the open, at any place that the Carrier, in its sole discretion, considers most appropriate, which abandonment, storage, sale, or disposal shall be deemed to constitute delivery under this Bill of Lading. Customer shall indemnify the Carrier against any additional expenses it has so incurred.

20. CUSTOMER'S RESPONSIBILITY

Customer shall comply with all regulations or requirements of customs, port and other authorities, and shall bear and pay all duties, taxes, fines, imposts, expenses, or losses, including the full return-freight for the Goods returned, or if on-carried, the full freight from the Place of Delivery to another place of delivery, incurred or sustained by reason of any failure to so comply or by reason of any illegal, incorrect, or insufficient marking, numbering, or addressing of the Goods, and shall indemnify the Carrier in respect of such expenses.

21. DELAY, CONSEQUENTIAL LOSS, ETC.

(a) The Carrier does not undertake that the Goods will be transported from the place of receipt, or will arrive at the place of delivery, or will be shipped on board any particular truck or other conveyance at any particular date or time or to meet any particular market or in time for any particular use. The scheduled or advertised departure and arrival times are only expected times and may be advanced or delayed and the Carrier shall in no circumstances whatsoever and howsoever arising be liable for direct, indirect, or consequential loss or damage caused by delay.

(b) Save as otherwise provided herein, the Carrier shall in no circumstances be liable for direct or indirect consequential loss or damage arising from any other cause.

22. VARIATION OF THE CONTRACT

No person, including, without limitation, a service provider or an employee, servant, or agent of the Carrier has the power to waive or vary any of the Bill of Lading Contract Terms unless the Carrier, in writing, has specifically authorized such a waiver or variation.

23. PARTIAL INVALIDITY

If any provision of this Bill of Lading shall for any reason be held to be invalid or unenforceable by any court or regulatory body, then the remainder of this Bill of Lading shall be unaffected thereby, and remain in full force and effect.

24. MANDATORY LAW, VENUE, AND JURISDICTION

(a) **MANDATORY CHOICE OF LAW.** Customer agrees that all claims or disputes arising out of or in any way connected to this Bill of Lading or the Carriage shall be determined under the laws of the State of California, without regard to its conflict of laws rules.

(b) **MANDATORY VENUE.** In the absence of any compulsorily applicable law to the contrary, the exclusive and mandatory venue for any of the aforementioned claims or disputes shall be the United States District Court for the Central District of California in Los Angeles, California, to the exclusion of all other courts. But if in the plaintiff's judgment there were to be no federal subject matter jurisdiction as to a given claim or dispute, then the exclusive and mandatory venue for any of the above claims or disputes would become the Los Angeles County Superior Court, to the exclusion of all other courts, subject to the defendant's right to remove the action to the above federal court if, in the defendant's judgment, there exists federal subject matter jurisdiction as to the given claim or dispute.

(c) **MANDATORY CONSENT AND WAIVER.** The Carrier and Customer agree to irrevocably submit to the personal jurisdiction of the above courts, and thereby waive any jurisdictional, venue, or inconvenient forum objections to such courts.