

TERMS AND CONDITIONS

Please Read Carefully

These TERMS AND CONDITIONS supersede all agreements, representations, warranties, statements, promises, and understandings of the parties, written or oral, except as stated herein. The General Rules Tariffs, set forth by the carriers, will in every instance take precedence in all legal proceedings and when in conflict, will take precedence over these TERMS AND CONDITIONS. Where a customer enters into a separate contractual agreement with YSOE LOGISTICS, only conflicting terms in that agreement will take precedence over these TERMS AND CONDITIONS.

1. Customer's Warranties

The Customer is responsible for and warrants their compliance with all applicable laws, rules, and regulations including but not limited to customs laws, hazardous materials laws, import and export laws and governmental regulation of any state and country to, from, through or over which the shipment may be carried. The Customer further warrants that it is registered and in compliance with the security plan and training requirements, and any amendments related thereto, related to hazardous materials, including but not limited to, 49 C.F.R. #172.700-704 and 49 C.F.R. #172.800-804. The Customer is obligated to inform YSOE LOGISTICS at the time of tendering if any shipments contain hazardous materials. The Customer further warrants that it will immediately advise YSOE LOGISTICS in the event that its registration and/or compliance with these regulations expires or are terminated. The Customer agrees to furnish such information and documentation as necessary to establish its compliance with such laws, rules and regulations. The Customer acknowledges and agrees that rail carriers provide transportation services subject to provisions, restrictions, and limitations in their rail circulars, and the rail circulars address, among other matters, standards for loading, blocking and bracing, prohibitions, and restrictions on certain types of commodities, limitations of liability, procedures and limitations on cargo claims, and requirements for proper descriptions of commodities. YSOE LOGISTICS assumes no liability to the Customer or to any other person for any loss or expense due to the failure

of the Customer to comply with the provisions of this section. Customer agrees to indemnify, defend, and hold *YSOE LOGISTICS* harmless for any and all loss, liability, claim, damages, or suit arising from the provisions of this section.

2. Bills of Lading

All bills of lading are NON-NEGOTIABLE and have been prepared by the enrolled Customer or by *YSOE LOGISTICS* as Customer's agent on behalf of the Customer and shall be deemed, conclusively, to have been prepared by the Customer and to bind Customer. Any unauthorized alteration or use of bills of lading or tendering of shipments to any carrier other than that designated by *YSOE LOGISTICS*, or the use of any bill of lading not authorized or issued by *YSOE LOGISTICS* shall VOID the Company's obligations to make any payments relating to this shipment and VOID all rate quotes. If the Customer does not complete all the documents required for carriage, or if the documents which they submit are not appropriate for the services, pick up or destination requested, the Customer hereby instructs *YSOE LOGISTICS*, where permitted by law, to complete, correct or replace the documents for them at the expense of the Customer. However, *YSOE LOGISTICS* is not obligated to do so. If a substitute form of bill of lading is needed to complete delivery of this shipment and the Company completes that document, the terms of this bill of lading will govern. *YSOE LOGISTICS* is not liable to the Customer or to any other person for any actions taken or not taken on behalf of the Customer under this provision. As it relates to blind shipments, *YSOE LOGISTICS* agrees to use diligent efforts to ensure that the non-blind shipment information is not disclosed per the blind shipment requestor's request. However, *YSOE LOGISTICS* does not guarantee that the information requested to remain blind will not be revealed, disclosed and/or become known and neither *YSOE LOGISTICS* nor the underlying carrier shall assume any liability to the blind shipment requestor or any third party for the release of such information, whether or not such release resulted from the fault of *YSOE LOGISTICS*.

3. Payment

All Customers are subject to credit approval. Credit terms are subject to *YSOE LOGISTICS* continued approval. *YSOE LOGISTICS* may change credit terms and may establish and/or revise a credit limit at any time when, in *YSOE LOGISTICS* opinion, Customer's financial condition, previous payment record, and/or the nature of Customer's relationship with *YSOE LOGISTICS* so warrants. Upon credit approval, all charges are payable in US Dollars and are due upon receipt or upon agreed payment terms. Any payment which is past due shall be subject to an additional charge at the rate of 10% per annum, calculated on a monthly basis, of the average outstanding balance due, or the highest rate of interest permitted by applicable law, whichever is less. Overpayments do not accrue interest. In the event *YSOE LOGISTICS* retains an attorney or collection agency to collect unpaid charges or for the enforcement of these TERMS AND CONDITIONS, all unpaid charges will be subject to a late payment

penalty of 33% and Customer shall also be liable for all attorneys and collection agency fees incurred, together with related costs and expenses. All shippers, consignors, consignees, freight forwarders or freight brokers are jointly and severally liable for the freight charges owed to *YSOE LOGISTICS* relating to this shipment and *YSOE LOGISTICS* holds a warehouseman's general lien on all tangible personal property for any outstanding balances owed to *YSOE LOGISTICS*. *YSOE LOGISTICS* reserves the right to amend or adjust the original quoted amount or re-invoice the Customer if the original quoted amount was based upon incorrect information received at the time of the original quote, if additional services by the carrier were required, or as otherwise necessary to perform the pickup, transportation and delivery functions therein. When paying by credit card or electronic funds, the Customer agrees they will be responsible for all charges payable, including any adjustments, on account of such Customer's shipment. These charges and adjustments, if any, will be automatically debited to the Customer's credit card or bank account. Customer is permitted thirty (30) business days from the date of the invoice to dispute any invoiced charges. If *YSOE LOGISTICS* does not receive a dispute within the allowable thirty (30) business days, the disputed item will be denied by *YSOE LOGISTICS*.

4. Claims and Limitations of Liability

YSOE LOGISTICS may assist in the claim filing process. If *YSOE LOGISTICS* is involved, they will use commercially reasonable efforts to assist and cooperate with Customer to investigate and process with the carrier any freight loss or damage claims occurring in the course of the transportation services rendered to such Customer. The carrier liability and claims process for any cargo damage, loss, or theft from any cause shall be determined under the Carmack Amendment, 49 U.S.C. 14706 and 49 C.F.R. §370.1 et seq. respectively. The Customer agrees *YSOE LOGISTICS*, as a broker only, is not liable for any damages, except as stated hereafter. To the extent *YSOE LOGISTICS* is found negligent, *YSOE LOGISTICS* liability is limited to no greater than a refund of the total freight charge payment related to the specific Bill of Lading in question. The individual carrier's governing General Rules Tariff will apply when determining carrier liability. Those Tariffs can be viewed at *YSOE LOGISTICS* corporate offices. If the shipment contains freight with a predetermined exception value, as determined by the selected carrier, the maximum exception liability will override the otherwise standard liability coverage. The maximum amount that The Customer will receive from carrier on a claim will be that which is recoverable under the respective transportation tariffs. It is the Customer's responsibility to ensure the liability limits of the carrier meet their shipment needs. *YSOE LOGISTICS* will not be responsible in any way for claims arising out of Customer negligence, carrier's negligence, or the negligence of any third party. All claims and supporting documentation must be submitted within 30

days after delivery. Claims for damages that are not readily apparent or noted upon delivery ("concealed damage") must be submitted within 3 days after delivery. The Customer is responsible to ensure freight is inspected upon delivery and damage noted accordingly. Claims for damages not noted upon delivery may not be honored. *YSOE LOGISTICS* shall not be liable for any actions brought to enforce a claim unless all claims' procedures have been complied with and the action is brought within one year after the date the carrier first disallowed all or part of the claim. The filing of a claim does not relieve the responsible party for payment of freight charges. Freight payment is necessary in order to process a claim. The Customer may not offset freight or other charges owed to *YSOE LOGISTICS* against claims for any loss, damage, mis-delivery or non-delivery. *YSOE LOGISTICS* has a lien on funds recovered through the processing of damage claims and may withhold and offset amounts recovered through such claim processes and apply toward any open past due invoices on account. In no case will the maximum cargo liability be greater than \$25,000 for a Truckload shipment. Cargo liability on LTL shipments may vary by carrier, but in no case will the maximum liability for new goods be greater than \$10 per pound, or for used or resold goods be greater than \$0.10 per pound. On LTL shipments, *YSOE LOGISTICS* may offer upon request a cargo coverage insurance policy for purchase by the Customer. In no case will the maximum cargo liability be greater than \$100 per shipment on small parcels and/or postal items.

5. Forum Selection and Choice of Law

Any claim, dispute or litigation relating to these TERMS AND CONDITIONS, any shipment scheduled or tendered hereunder or through *YSOE LOGISTICS* website, or relating to any and all disputes between *YSOE LOGISTICS* and the enrolled Customer, Shipper and/or Consignee and/or Brokers for any enrolled Customer, Shipper and/or Consignee, shall be filed in the jurisdiction of the State or Federal Courts within the State or District of Colorado located in Arapahoe County and shall be subject to Colorado law. Customer hereby irrevocably consents and submits themselves to the personal jurisdiction of said courts for all such purposes.

6. Rates

LTL rates are based on the freight class as determined by the NMFC (National Motor Freight Classification) which are based on the actual description, size, and weight of the shipment. Additional fees may apply for other charges including appointment delivery, reweighs and reclassifications, lift gate services, inside delivery or various other accessorial services. Truckload rates are based on dock door, pickup/dock door delivery, and shipper load/consignee unload and are state to state and mileage based. Additional fees may apply for charges including but not limited to, tractor detention, trailer detention, and driver assistance. Once *YSOE LOGISTICS* has contracted with a

carrier to move a truckload shipment, the scheduled load must be tendered to the carrier as requested on the bill of lading at the agreed upon price, or equipment not used (EON) fee will be assessed. Air freight rates are based on the greater of actual or dimensional weight. If an air freight shipment contains oversize freight, additional charges and transit days may apply. Van line rates are driven by state to state/mileage, weight (actual or density) and commodity/product type. Flatbed rates are based on equipment type, state to state/mileage and weight. If a flatbed shipment contains oversize freight, additional charges and transit days may apply. All displayed transit times are estimates only and do not include day of pickup. Pickup dates are not guaranteed.

7. Guaranteed Services

LTL Guaranteed Services are inclusive of transit times only as noted by the carrier selected. Guaranteed Service transit times do not include holiday and/or no service days as defined by the individual carrier. Shipments not delivered within date/time specified on the bill of lading may not be considered a service failure when the reason for the delivery delay is deemed as no fault of the carrier. These reasons could include, but are not limited to, the following conditions: acts of God; the existence of violence, riots, military action or such possible disturbance as creating reasonable apprehension of danger; acts or omissions by shipper, consignee, owner of goods or public authority; delays due to customs clearance or documentation required for movement of shipment; closure of federal, state, city or local roads, streets, or highways resulting in travel delays by the carrier; shipments not accepted by the consignee when offered for delivery. This service is not a guarantee for pickup. Pickup Day is not included in the qualification and calculation of LTL transit time. The Customer is liable for all charges related to the shipment. In the event of carrier failure to comply with the guaranteed service requested, the Customer is permitted ten (10) business days from the actual delivery date of shipment to file a claim request in writing with *YSOE LOGISTICS*. If *YSOE LOGISTICS* does not receive a claim request or receives the request after the allowable ten (10) business days, the service provided by the LTL carrier will be deemed to have met all guaranteed service standards and the claim request will automatically be considered invalid and denied. In the event of carrier failure to comply with the guaranteed service requested and after the carrier has agreed to liability, *YSOE LOGISTICS* will credit the account of the said Customer for freight charges according to the carrier's guaranteed refund policy only. In no event shall *YSOE LOGISTICS* be liable, nor will any account be credited if the Customer does not use *YSOE LOGISTICS* bill of lading. To the extent *YSOE LOGISTICS* is found negligent, *YSOE LOGISTICS* liability is limited to no greater than a refund of the total freight charge payment related to the specific Bill of Lading in question.

8. Misc.

Unless expressly agreed otherwise in writing, The Customer agrees *YSOE LOGISTICS* may utilize Customer's name, logo, trademark, and/or domain name in marketing, advertising, and/or promotional material or communications.

***YSOE LOGISTICS* MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO DELIVERIES, OR WITH REGARD TO THIS WEBSITE, INFORMATION PROVIDED ON THIS WEBSITE OR SERVICES RELATED TO TRANSACTIONS CONDUCTED ON THIS WEBSITE. *YSOE LOGISTICS* CANNOT GUARANTEE DELIVERY BY ANY SPECIFIC TIME OR DATE. IN ANY EVENT, *YSOE LOGISTICS* SHALL NOT BE LIABLE FOR DAMAGES, INCLUDING BUT NOT LIMITED TO ANY SPECIAL, PUNITIVE, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR INCOME, WHETHER OR NOT *YSOE LOGISTICS* HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED. Covered by one or more U.S. Patents, including at least U.S. 7,430,517 B1**