

APPENDIX A

SCOPE OF SERVICE

FREIGHT CHARGES ACCESSORIAL and MISCELLANEOUS CHARGES

1. Basic Freight Charges. The Parties agree that Carrier shall be paid for its transportation services in accordance with the attached price list, which can only be changed by the written agreement of the Parties. The attached price list applies only to the commodities identified in this Agreement and assumes that Shipper will tender and Carrier will transport only those commodities. If no commodities are specifically identified in this Agreement or if Shipper tenders commodities other than those identified in this Agreement, Shipper shall notify Carrier at least twenty-four (24) hours before the time of tendering a load that has a value exceeding \$ 500.00, and Carrier shall have the right to refuse any such load.

2. Mileage Computation. If any payment is specifically based on a mileage basis, mileage will be determined by the practical mileage route determined by the following software **truckrouter.com**. New versions of this software will not automatically be adopted under this Agreement, and must be specifically agreed to by the Parties in writing.

If governmental restrictions prescribe specific routes to be used or avoided because of the size and/or weight of the shipment, the nature of the lading being transported, or there exist unusual road conditions, Shipper will pay the additional mileage required to complete delivery. If freight charges are not described on a mileage basis, the following mileage charge may be assessed by Carrier for excess mileage: \$ 2.00 per mile.

5. Payments. All payments, whether involving a domestic or international shipment shall be made in U.S. currency and at U.S. rate of exchange.

6. Congestion Security and Insurance Surcharge. Recognizing that certain geographical areas of operations involve extreme congestion or delays for homeland security hindering efficient and economical operations, Shipper agrees to pay the following congestion charges which will be listed as a separate line item on freight bills Carrier submits.

(a) \$ 99.00 for each shipment originating from or destined to (i) New York City, New York; Long Island, New York, and (ii) the commercial zone of each, including all areas within the zip codes ranging from 10001 through 11999.

(b) \$ 69.00 for each shipment originating from or destined to Los Angeles, California and its commercial zones and zip codes ranging from 9001 to 91394.

(c) \$ 69.00 for each shipment originating from or destined to San Francisco California and its commercial zones and zip codes ranging from 9001 to 91394.

(d) \$ 69.00 for each shipment originating from or destined to Boston, Massachusetts and its commercial zones and zip codes ranging from 02101 - 02137, 02201 - 02227, 02445 - 02447.

(e) \$ 69.00 for each shipment originating from or destined to Chicago, Illinois and its commercial zones and zip codes ranging from 60601 - 60614, 60622, 60647, 60654, 60661, 60664 - 60666, 60669, 60671 - 60681, 60684 - 60685 .

(f) All export, import, or coastwise shipments which Carrier picks up and/or delivers direct from or to an ocean going vessel or barges shall be subject to a charge of \$ 12.00 and shown as a separate charge on the freight bill.

(g) All shipments which move through an entry point to Canada and/or Mexico shall be subject to a charge of \$ 12.00 and shown as a separate charge on the freight bill.

7. Detention of Trailer With Tractor. Upon Carrier's offering of a trailer with tractor for loading or unloading, Shipper or Shipper's consignee, as the case may be, shall be allowed, without charge, 1 hours to complete such loading or unloading and release the equipment for dispatch. If Shipper or Shipper's consignee fails to complete the loading or unloading and release the equipment for dispatch within the 2nd hour period, Shipper shall pay Carrier a detention charge of \$ 20.00 per hour for each hour or fraction thereof in excess of the 1 -hour period, up to a maximum of \$ 220.00 per twenty-four hour period following the expiration of the 1 -hour period. Shipper shall use the trailer with tractor for the sole purpose of loading and/or unloading the lading within the scope of this Agreement.

8. Detention of Trailer Without Tractor. Upon Carrier's offering of a trailer without a tractor for loading or unloading, Shipper or Shipper's consignee, as the case may be, shall be allowed 8 hours to complete such loading or unloading. If Shipper fails to tender the trailer to Carrier, either loaded and ready for dispatch on behalf of Shipper or unloaded and ready for dispatch by Carrier as it desires within the 24 hour period, Shipper agrees to pay Carrier a detention charge of \$ 10.00 per hour for each hour or fraction thereof in excess of the 8 hour period, up to a maximum of \$ 120.00 per twenty-four hour period following the expiration of the 8 hour period. Shipper shall use the trailer without a tractor for the sole purpose of loading and/or unloading the lading within the scope of this Agreement.

9. Tractor Ordered and Not Used. If Shipper requests that a tractor with operator be made available and cancels its request, Shipper shall pay Carrier a charge of \$ 1.75 per mile for each mile the tractor and driver traveled to be available for Shipper before Carrier was notified, if at all, plus \$ 20.00 per hour until the tractor is re-dispatched, up to an aggregate maximum of \$ 120.00 . If a tractor and operator are not used within 6 hours of the time they are made available to Shipper, Carrier shall have the right to re-assign its tractor and operator and collect the charges set forth above. In no event shall Shipper use such tractor and operator for a period greater than 3 hours , without the written authorization of Carrier.

10. Determination of Detention Period. For purposes of determining the number of hours and/or days that a tractor, trailer, or operator is detained by Shipper or Shipper's consignee for loading or unloading, Carrier may use, in its reasonable discretion, any

reliable method of determining the date and time that a tractor, trailer, or operator is offered for loading or unloading including, without limitation, a signed bill of lading or delivery receipt, Qualcomm report, satellite communication, or on-board tracking device. Holidays and weekends shall be counted in determining the length of any detention period.

11. Reconsignment. If Shipper reconsigns or otherwise changes the destination of a shipment prior to delivery, the applicable rate shall be the rate that would be applied had Carrier been originally directed to deliver the shipment to the new destination via the location where the shipment was located at the time it was reconsigned, plus a reconsignment charge equal to the greater of \$ 60.00 or \$ 2.00 per additional mile required by virtue of the reconsignment. If a shipment is reconsigned or otherwise assigned a new destination at the time of delivery, the applicable rate shall be the rate that would apply to a new shipment from the point of delivery to the new destination, and Carrier shall bill for the reconsigned shipment as though it were two separate deliveries.

12. In-Transit Stop-Off / Drop Charges. A single shipment may be stopped at the direction of Shipper for partial loading or partial unloading; provided, however, that in the event of any in-transit stop at the direction of Shipper or Shipper's consignee, Shipper shall pay Carrier, in addition to other freight charges due (a) \$ 2.00 per mile required to be deviated from the most practical route otherwise to be traversed from origin to destination and (b) \$ 20.00 per hour or fraction thereof which is taken per partial loading or unloading, with a total minimum charge of \$ 40.00.

13. Tracking and Tracing. Carrier, to the best of its capabilities, shall make available in-transit load position and related load delivery status and tracing information. For information provided by Carrier in response to Shipper's inquiry by telephone, e-mail, or other method requiring personal contact and response, Shipper shall pay an amount equal to \$ 10.00 per usage, after 6 uses per load.

14. C.O.D. Shipments. Carrier shall accept shipments with C.O.D. charges to collect if Shipper advises Carrier of the need for such service at the time of offering a load and checks the applicable box on the freight document the Parties have agreed to use. Carrier shall only accept money orders or certified checks from consignees unless Shipper otherwise indicates acceptance of an uncertified check. Carrier shall remit to Shipper the collection within fifteen (15) days of delivery. Shipper will pay Carrier a \$ 120.00 collection charge for each collection shipment.

15. Loading and Unloading. If the services Carrier agrees to perform under this Agreement include loading and unloading, Carrier only shall be responsible for loading and unloading to the extent such services can be physically performed without mechanical assistance.

If Shipper or Shipper's consignee requires the use of a lumper (third-party loader or unloader), Shipper will be responsible for the payment of such lumping or guarantee the payment of any actual charges Carrier may incur and pay Carrier an administrative fee of \$ 40.00.

If any loading and/or unloading is done by an operator of Carrier beyond the tailgate, including sorting or stacking or similar service, Carrier will be paid \$ 60.00 per hour or fraction thereof for such service, with a minimum charge of \$ 60.00.

16. Billing Weight. If freight charges are to be assessed in whole or part on billing weights, such weights shall be based on scale weight except that uniform or standard weights may be billed at average weight subject to verification by Carrier. Weight shall include protective materials used by Shipper in preparing the lading for shipment.

17. Exclusive Use of Vehicle. If the freight Shipper tenders does not fill the capacity of the trailer Carrier furnishes and additional freight of another shipper may be hauled without jeopardizing the integrity of the freight Shipper tendered, Carrier may utilize such additional freight unless Shipper indicates that exclusive use of the vehicle is desired. Carrier may assess a \$ 100.00 charge if Shipper requests exclusive use of the trailer.

18. Permits. Carrier shall secure any permits for any over-dimensional or overweight load and Shipper agrees that Carrier may bill Shipper the actual cost of any permits or those costs for the use of any required escort vehicles. If the over-dimensional or overweight movement requires the payment of tolls over normal truckload tolls, Shipper shall absorb the difference in charges.

19. Redelivery Charges. If a delivery cannot be accomplished through no fault of Carrier, Carrier shall notify Shipper and request redelivery instruction from Shipper, and if redelivery is made, the following charges may be assessed to Shipper:

- (a) Same day redelivery
 - (b) Overnight detention
 - (c) Operator per diem charge
 - (d) Redelivery charge
- \$ 75.00 \$ 120.00 \$ 40.00 \$ 75.00

If delivery cannot be accomplished within 1 hours, Carrier shall assume the role of a warehouseman as to such lading.

20. Trailer Pools. If Shipper desires to have trailers stationed at a facility for convenience in loading and unloading, the Parties will negotiate in good faith on the number of vehicles to be assigned and Shipper agrees that if a trailer is not used in transportation for Shipper, without fault of Carrier, for a period in excess of 7 days, Shipper will pay Carrier \$ 120 per day until usage occurs.

21. Forwarding and Documentation Services. On any international or coastal intermodal service, Shipper shall be responsible for any costs involved in forwarding and documentation services.

22. Split Pickups on Shipper Premises. If Carrier is required to make pickups at two or more sites on a premises, an additional charge of \$ 20.00 per pickup, exclusive of the initial pickup will be assessed to Shipper.

23. Proof of Delivery. If a copy of a signed bill of lading, or other document, is required as a prerequisite to payment of freight charges, Carrier will provide same subject to a charge of \$ 20.00 per occurrence.

24. Movements Under Certain or Special Bonds or Special Permits. If Shipper tenders a shipment moving under a Custom Bond, Carrier shall charge Shipper \$ 120.00. If a body politic requires a bond or special permit, Carrier will assess the cost of such bond or permit to Shipper.

25. Tarping. If Shipper requests or requires tarping of a load, Carrier will charge Shipper as follows:

- (a) 480 – 965 sq. ft.
 - (b) 966 – 1440 sq. ft.
 - (c) 1441 and over sq. ft.
- \$ 50.00 \$ N/A \$ N/A

26. Impracticable Operations

Pickup or delivery service will not be performed by Carrier at any site from or to which it is impracticable to operate vehicles because of:

1. The condition of roads, streets, driveways, alleys or approaches thereto.
2. Inadequate loading or unloading facilities.
3. Riots, acts of God, the public enemy, the authority of law, strike by consignor's or consignee's employees, the existence of violence, or such possible disturbances as tending to create reasonable apprehension of danger to person or property.
4. Ferries.