

# KBL TRANSPORT, INC. RULES AND REGULATIONS TARIFF TARIFF # KBT200

TARIFF ISSUE DATE: 04-01-2013

TARIFF EFFECTIVE DATE: 04-01-2013

TARIFF UPDATED: *Refer to check sheet for changes*

## **ITEM 100: Scope**

1. The following pages contain the Rules and Regulations applicable to the transportation of any shipment arranged by KBT Transport, Inc. (herein referred to as "KBT").
2. These Rules and Regulations are published and made available for public inspection pursuant to 49 U.S.C.
3. KBT transports property by motor carriage for its customers and is duly registered as a contract carrier of property with the FMCSA in Docket No. MC 725473-P as may be amended from time to time.
4. The shipper, consignee, 3<sup>rd</sup> Party, beneficial owner, individual, entity requesting service, or individual or entity acting on behalf of the Customer (hereinafter collectively referred to as "Customer"), are subject the following terms and conditions contained in this Rules and Regulations Tariff.
5. KBT reserves the right to modify, amend or supplement the rates, features of service, services, terms and conditions and Tariff to all customers without notice. All modifications, amendments or supplements may only be authorized by the President of KBT and no other agent or employee of KBT.
6. This supersedes all previous revisions and other prior statements concerning rates, features of service, services, terms and conditions of contract and Tariff to which it applies.

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7. KBT will determine, unless otherwise specifically directed by Customer, the routing of any shipments, including mode of transportation used, and may use air transportation, ground transportation, rail transportation, or any combination thereof in providing services. KBT reserves the right to arrange for the diversion of any shipment in order to facilitate delivery. The transportation charges will be the freight charges from origin to destination via the route and level of service requested on the bill of lading, transit documentation or other shipping memorandum.
8. The shipper, consignee, 3<sup>rd</sup> party, entity requesting service and/or beneficial owner will be liable, jointly and severally, to pay KBT or indemnify KBT by any reason of any violation of any of the terms contained in applicable Tariffs.
9. Construction and Interpretation. In the event an ambiguity or question of intent or interpretation arises, this Tariff shall be construed as if drafted jointly by KBT, Shipper, Consignee, Third Party, entity requesting service or Beneficial Owner, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Tariff. Any reference to any federal, state, local or foreign statute, law or ordinance shall be deemed also to refer to all rules and regulations promulgated thereunder.
10. KBT makes no warranties oral or written, express or implied with respect to any services provided and its liability is limited as set forth herein.
11. It is the responsibility of the Customer to ensure that a shipment tendered to KBT does not violate any federal, state or local laws or regulations applicable to the shipment.
12. Throughout this Tariff, whenever the context so permits, the feminine gender shall be deemed to include the masculine and vice-versa, and both shall be deemed to include the neuter and vice-versa, and the singular shall be deemed to include the plural and vice-versa.
13. References made to treaties, Tariffs, items, pages, notes, rules, etc., are continuous and include supplements, amendments and other similar revisions thereto or successive issues thereof.
14. Titles or captions in this Tariff are inserted only as a matter of convenience and for reference and shall in no way define, limit, extend or describe the scope or intent of this Tariff or any provision hereof.
15. Nothing in this Tariff shall require KBT to perform pickup or delivery service at any location from or to which it is impracticable, through no fault or neglect of KBT.
16. The terms and conditions of this Tariff shall apply to all shipments transported by KBT regardless of whether same are subject to economic regulation or whether the shipments move in interstate, intrastate, or foreign commerce.
17. Any terms or conditions of the bill of lading or additional shipping documentation shall not apply if they are inconsistent with the Rules and Regulations of KBT. KBT's signature does not constitute acceptance of any terms which may vary from KBT Rules and Regulations, and continued use will not, and does not, constitute an implied acceptance or ratification by KBT. Failure by KBT, KBT's agents and/or the Customer to sign the shipping documentation does not negate KBT's Rules and Regulations.

#### **ITEM 140: Customer Warranty**

1. The Customer is responsible for and warrants their compliance with the following: (1) The information stated on shipping documentation is complete and accurate, that each package and/or article is properly and completely described on the shipping documentation and is adequately packaged to protect the enclosed goods to ensure safe transportation to withstand the normal rigors and perils of transportation, (2) Customer is in compliance with all applicable laws, rules, and regulations including but not limited to customs laws, import and export laws

adequately packaged to protect the enclosed goods to ensure safe transportation to withstand the normal rigors and perils of transportation, (2) Customer is in compliance with all applicable laws, rules, and regulations including but not limited to customs laws, import and export laws, hazardous materials and dangerous goods regulations, and governmental regulation of any country to, from, through or over which the shipment may be carried, (3) Any individual or entity acting on behalf of the Customer in scheduling shipments hereunder warrants that it has the right to act on behalf of the Customer and the right to legally bind Customer, (4) Customer agrees to indemnify KBT for any and all claims or damages incurred as a result of Customer's failure to comply with the provisions of these Rules and Regulations.

#### **ITEM 150: Prohibited Articles**

1. Articles listed below are NOT acceptable for transportation by KBT, unless approved in writing by KBT's President. In cases where the article is restricted by governing federal, state or local laws, regulations or ordinances, the Customer is solely responsible for and will reimburse and indemnify KBT for any expenses it incurs in connection with the shipment:
  - a. Hazardous Materials or Dangerous Goods as defined by Title 49 of the Code of Federal Regulations or IATA Regulations. Customer shall be liable for and indemnify, defend, and hold harmless KBT, and its agents against all loss or damage (including reasonable attorney fees and costs) caused by such goods;
  - b. Shipments of extraordinary value, including but not limited to, precious metals, precious stones, bullion or currency, bills of exchange, bonds, coins, concentrates, current/currency equivalents, cyanides, deeds, diamonds, doer bullion, evidence of debt, gems cut or uncut, gold bullion coined or un-coined, industrial diamonds, pearls, promissory notes, securities negotiable, silver bullion coined or un-coined, stamps postage or revenue, stock certificates, stones cut or uncut, sulfides, platinum, gold, silver;
  - c. Original works of art, collections, antiques, museum exhibits and articles;
  - d. Shipments of live animals or insects;
  - e. Collect on Delivery (C.O.D)
  - f. Human corpses or body parts or cremated or disinterred human remains;
  - g. Carbon Black (not a hazardous material);
  - h. PCB (Polychlorinated Biphenyls);
  - i. Fireworks;
  - j. Biohazards such as blood, urine, fluids and other noninfectious diagnostic specimens; and
  - k. Lottery tickets and gambling devices where prohibited by federal, state or local law.

#### **ITEM 160: Shipments transported Under Special Conditions**

1. The following will only be transported under special conditions and when the Customer contacts KBT in advance of shipment arrangement/tender, and such arrangements are accepted by KBT in writing (hereinafter referred to as "advance arrangements"). If KBT receives a shipment without advance arrangements and in cases where the article is restricted by governing federal, state, or local laws, regulations or ordinances, the Customer is solely responsible for and will reimburse and indemnify KBT for any expenses it incurs in connection with the shipment:

responsible for and will reimburse and indemnify KBT for any expenses it incurs in connection with the shipment:

- a. Shipments with a Declared Value in excess of \$5,000.00;
- b. Shipments requiring prior notification to accomplish delivery;
- c. Shipments likely to impregnate or otherwise damage equipment or other shipments;
- d. Shipments requiring "Protective Security Service" or "Armed Guard Surveillance Service";
- e. Shipments of extreme configuration or requiring special equipment, handling devices, special attention or care en route. Special devices for safe handling will be provided by and at the expense of the Customer;
- f. Food products – fresh, frozen, dried, or dehydrated will be accepted only if such products comply all laws, ordinances or other governmental rules or regulations;
- g. Shipments requiring temperature control during transit;
- h. Shipments, which require KBT to obtain a Federal, State or Local license for transportation;
- i. Inherently Fragile Items: (Including but not limited to, incandescent, fluorescent or other types of lighting bulb or tube, neon lighting, neon signs, X-ray tubes, laser tubes, scale models (including but not limited to architectural models, doll houses, etc.);
- j. Personal Effects;
- k. Furs, and/or Fur-Trimmed Garments;
- l. Alcohol (beer, wine, spirits), tobacco, firearms, ammunition;
- m. Televisions (all kinds, including but not limited to flat panel (all types), tube, and projection, etc.);
- n. Pharmaceuticals;
- o. Time Sensitive written materials (including but not limited to bids, contract proposals, etc.);
- p. Furniture

#### **ITEM 170: Declared Value and Limits of Liability**

1. In an effort to provide KBT's Customer with quality service and competitive rates, commodities are shipped at less than full value. KBT encourages its Customer to review this publication as items are subject to limitations of liability, released value or other requirements. KBT DOES NOT PROVIDE INSURANCE COVERAGE OF ANY KIND. Therefore, Customer is further encouraged to evaluate their personal or corporate insurance policies so they may ship their goods at the lowest possible rate while still being insured for full value.
2. Unless otherwise specified herein, liability on all shipments shall be limited to the higher of \$50.00 per shipment or \$0.50 per pound of cargo lost or damaged plus transportation charges applicable to that part of the shipment lost or damaged, unless at the time of tender, the Customer declares a higher value and signs in the space designated on the bill of lading. Liability shall in no event exceed the Declared Value of the shipment plus applicable freight

applicable to that part of the shipment lost or damaged, unless at the time of tender, the Customer declares a higher value and signs in the space designated on the bill of lading. Liability shall in no event exceed the Declared Value of the shipment plus applicable freight charges, or the actual amount of loss or damage, whichever is lower.

3. When the Customer declares a value that exceeds \$0.50 per pound or \$50.00, whichever is greater, an additional charge of \$0.75 for each \$100.00 or fraction thereof will be charged subject to a minimum charge of \$75.00 per bill of lading.
4. The Customer may make advance arrangements for liability coverage greater than \$5,000.00 by requesting the increased limit, and subsequently approved in writing by KBT. If the Customer executes a release rate in excess of \$5,000.00 per shipment without having made advance arrangements and obtaining written approval, and the shipment is inadvertently accepted by KBT, it shall be considered released at \$5,000.00 per shipment and will move subject to such limitations, applicable rates, and declared value charges.
5. In the absence of approved advance written arrangements, KBT shall not be liable for damages in excess of \$5,000.00 per shipment, regardless of the value declared.
6. The Customer understands and agrees that the rates do not include insurance or other compensation for loss, other than as expressly provided herein and limited hereby. Accordingly, the Customer agrees that in the event it desires coverage for loss, it will obtain insurance, and that said insurance will contain a waiver of subrogation clause waiving any subrogation rights (on behalf of such insurance carrier). In the event the Customer fails to obtain a waiver of subrogation, the Customer will defend, indemnify and hold harmless KBT with respect to claims made by the Customer or third parties acting as subrogees of the Customer.
7. All reusable containers, crates, exhibit cases, displays, drums, tubes, tanks, corrugated boxes, personal lockers, flight cases, luggage, injection molded cases, and cases manufactured from exotic materials, when shipped as cargo, must be externally packaged and shipped to withstand the rigors and perils of transportation and will be subject to any applicable released valuation and its declared weight. Otherwise, external packaging shall be considered as non-reusable and shall have no claims value.
8. Customer is liable to pay or indemnify KBT for all costs, including, but not limited to, claims, fines, penalties, and attorney's fees incurred by KBT by reason of any violation of this Item.

#### **ITEM 180, Guaranteed Services**

1. Guaranteed services must be requested in writing by Customer and confirmed in writing by KBT, pursuant to a higher surcharge for guaranteed service. Guaranteed Services are inclusive of transit times only as noted by KBT. Guaranteed Service transit times do not include holiday and/or no service days as defined by KBT. 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 KBT. 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 KBT; 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 transit time. The Customer is liable for all charges related to the shipment. In the event of KBT's 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 in writing with KBT. If KBT does not receive a claim request or

all charges related to the shipment. In the event of KBT's 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 in writing with KBT. If KBT does not receive a claim request or receives the request after the allowable ten (10) business days, the service provided by KBT 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 KBT's failure to comply with the guaranteed service requested and after a proper claim has been filed, KBT will credit the account of the Customer for applicable freight charges only.

#### **ITEM 190: Rates**

1. Transportation charges for a shipment(s) will be based on whichever of the following is greater:
  - a. The actual weight; or
  - b. The cubic dimensional weight
    - i. Dimensional Weight: KBT reserves the right to assess transportation charges based on volumetric standards. Dimensional weight pricing is applicable on all shipments with a total volume of more than 194 cubic inches. Dimensional weight is calculated by multiplying length by width by height of each package (all in inches) and dividing by 194. The dimensional weight of each package in the shipment is added, and the total dimensional weight of the shipment is then compared to the actual weight of the shipment. If the dimensional weight exceeds the actual weight, all transportation charges for the shipment are based on the dimensional weight.
2. Charges will be assessed for transportation of shipment(s) from the named origin to the named destination as shown on the transit documentation and the rates in effect on the day the shipment was tendered including any cartage or other services provided.
3. Weight and/or Measure: KBT reserve the right to weigh and/or measure, for the purposes of applying correct charges. If Customer elects to leave the weight unstated on the transit documentation, KBT will weigh and/or measure the shipment. In the event the weight and/or measure is found to be understated, KBT retains the right to charge for the accurate weight and/or measure, without first advising, reporting back to, pre-alerting, or otherwise notifying the Customer.
4. 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.
5. Truckload rates are based on dock door pickup/dock door delivery and shipper load and 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 the KBT has dispatched equipment, the scheduled load must be tendered to the Carrier as requested on the bill of lading at the agreed upon price, or an equipment-not-used fee will be assessed.
6. Rate and service quotations by KBT shall be based upon information provided by the Customer, and final rates and service may vary if the shipment actually tendered differs in any respect from the information on which the quotations were based.
7. Due to the potential for significant fluctuations in the marketplace, KBT reserves the right to assess a fuel or security surcharge on applicable shipments without notice. Any such surcharge will be applied in an equitable manner to all shipments having similar characteristics and will be applied for such periods as KBT may determine necessary. A current schedule of Fuel Surcharges is available upon request.

#### **ITEM 200: Reconsignment & Storage**

## **ITEM 200: Reconsignment & Storage**

1. For the purpose of this Item, the term “reconsignment” is considered to mean:
  - a. A change in the name of the Consignee or the Shipper (Change of Consignee);
  - b. A change in the destination city (Re-Route);
  - c. Relinquishment of the shipment at the point of origin (Split); or
  - d. Relinquishment of the shipment at an intermediate point while in transit (Termination)
2. Requests for reconsignment are subject to the following conditions:
  - a. The request must be made or confirmed in writing;
  - b. KBT will make a diligent effort to comply, but will not be responsible or liable if the service cannot be performed;
  - c. All charges applicable to the shipment must be paid or guaranteed to the satisfaction of KBT before the service is performed.
3. For the purposes of this Item, the term “storage” is considered to mean freight held in possession of KBT through no fault of KBT:
  - a. Storage charges will commence on the second day, excluding Saturdays, Sundays and holidays, after the freight is received KBT; and
  - b. Storage charges will accrue at the rate of \$5.00/cwt (\$0.05/lb.) per 24 hours or portion thereof, subject to a minimum of \$30.00 per day.

## **ITEM 210: Credit, Billing and Payment of Charges**

1. Credit is only established by contacting KBT’s Credit Department at 630-860-3124.
2. The invoice date begins the credit term cycle, and payment is due within 30 days from the invoice date. Failure to keep Customer’s account current with KBT may result in the account being put on a “cash only” status. This status may impair Customer’s ability to use KBT’s service. In the event prompt payment is not made and an account is placed on a “cash only” basis, credit privileges will not be restored until all balances are paid current, including, but not limited to, all costs, fees and expenses incurred by KBT in collecting or attempting to collect such balances. KBT may decline to restore credit privileges even if all costs, fees, and expenses are paid.
3. The shipper, consignee, 3<sup>rd</sup> party, beneficial owner, and entity requesting services are liable jointly and severally for payment of all sums due to KBT related to or accrued on account. KBT will have a lien on such cargo or product for sums due and payable. In case of non-payment, KBT will have right upon 30 days’ notice to the shipper and consignee at the address shown on the bill of lading to dispose of the cargo or any part thereof at public or private sale without further notice. KBT may pay itself out of the proceeds of that sale.
4. Charges for shipments within the United States may only be billed to a Third Party payer in the United States. In choosing this option, the shipper must indicate a special “Bill To” on the shipping documentation and clearly mark the name of the accredited company, hereafter referred to as “Third Party.” If the Third Party is billed and does not make payment for the shipment within 30 days, the shipper, consignee, and beneficial owner are jointly and severally liable for and will be billed for all charges and fees. The nonrecourse provisions of Section 7 of the Bill of Lading contract will be null and void on shipments tendered as a 3<sup>rd</sup> party billing.
5. In the event that payment on credit accounts is past due, KBT reserves the following rights:
  - a. Any outstanding invoice, which is unpaid 30 days from the date of billing, may be subject to an additional charge at a rate of 1½ percent per month of the outstanding balance, or the highest rate of interest permitted by applicable law, whichever is greater.
  - b. Any outstanding invoice, which is unpaid 60 days from the date of billing, may be subject to an additional charge at a rate of 1½ percent per month of the outstanding balance, or the highest rate of interest permitted by applicable law, whichever is greater, and the Customer will forfeit any and all discount rates, skid rates or spot pricing.

to an additional charge at a rate of 1½ percent per month of the outstanding balance, or the highest rate of interest permitted by applicable law, whichever is greater, and the Customer will forfeit any and all discount rates, skid rates or spot pricing.

6. In the event KBT engages a collection agent and/or attorney to collect unpaid balances, or to enforce any part of the Rules and Regulations Tariff, the Customer acknowledges that by entering into any contract, they shall pay all reasonable costs including, but not limited to, professional fees and costs, 33% of the balance due or a flat fee of \$200.00, whichever is greatest. It is further agreed that exclusive jurisdiction shall be before the courts of the State of Illinois, venue shall be proper within the County of DuPage, and Customer acknowledges that performance of any contract was performed within the State of Illinois, all as more fully described at Item 240.

## **ITEM 220: Claims**

1. **REPORTING OF CLAIMS** - With respect to any and all incidents of claims, the following shall strictly apply. Failure to abide by the following procedures will result in declination of a claim. Annotations of damage and/or loss on the delivery receipt DOES NOT qualify as notice. A written notice of intent to file a loss and/or damage claim must be filed within the time limits below.
  - a. Obvious damage and/or loss as annotated on the delivery receipt must be reported within 30 calendar days following delivery;
  - b. Concealed damage and/or loss (not annotated on delivery receipt) must be reported within 10 calendar days following delivery, or if perishables, verbally within 48 hours;
  - c. Shipments lost in their entirety must be reported within 30 calendar days of the anticipated date of delivery;
  - d. A request for proof of delivery does not constitute the filing of a claim. Moreover, documents not constituting claims include, but are not limited to, bad order reports, appraisal reports of damage, delivery receipts, inspection reports issued by shipper or its inspection agency and notations of shortages or damages or both on freight bills, delivery receipts or other documents.
2. **OVERCHARGE CLAIMS** - All overcharge claims, must be submitted in writing to KBT within 180 days following the ship date for transportation. KBT is not responsible for overcharge claims applicable to shipments whose transportation charges were not paid within 30 days of invoice date.
3. **DELAY CLAIMS** - KBT will undertake to deliver the lading described on the transit documentation under reasonable dispatch using next available equipment and shall attempt to effect delivery pursuant to the schedules and transit times as otherwise set forth by KBT. KBT does not guarantee that delivery will be effected to meet any particular market, dispatch, exhibition or sailing. KBT is not liable for special or consequential damages or delays in delivery. The Customer agrees that in any event KBT's maximum liability shall be an amount equal to the freight charges incurred.
4. **EARLY DELIVERY CLAIMS** - KBT will undertake to deliver the lading described on the transit documentation under reasonable dispatch using next available equipment and shall attempt to effect delivery pursuant to the schedules and transit times as otherwise set forth by KBT. KBT does not guarantee that delivery will be effected to meet any particular market, dispatch, exhibition or sailing. KBT is not liable for special or consequential damages due to early delivery. The Customer agrees that in any event KBT's maximum liability shall be an amount equal to the freight charges incurred.
5. **LOSS OR PHYSICAL DAMAGE CLAIMS** - Subject to the limitations set forth herein and as provided by applicable law, KBT agrees to pay for loss or physical damage to the shipments described on the transit documentation which may be caused by its negligent or willful conduct. Where shipments have Declared Values, KBT's liability for shortage or damage shall be prorated by weight when part of a shipment is lost or damaged. Otherwise, KBT's liability

conduct. Where shipments have Declared Values, KBT's liability for shortage or damage shall be prorated by weight when part of a shipment is lost or damaged. Otherwise, KBT's liability shall be determined by multiplying the weight of the lost or damaged article by fifty cents (\$0.50) per pound. All claims must be filed within 270 days of delivery or anticipated date of delivery, or shall be forever barred. Claims will be presented and adjusted in accordance with the guidelines established by the Code of Federal Regulations and United States Code. The Customer understands and agrees that the rates do not include insurance or other compensation for loss, other than as expressly provided herein and limited hereby. KBT shall not be liable for damage caused by force majeure, Act of God, or the inherent vice of the shipment.

6. Receipt of the shipment by the Consignee or the Consignee's agent without notation of shortage, loss or damage will be prima facie evidence that the shipment was delivered in good condition. No claim will be processed by KBT until all transportation charges have been paid. Amounts of claims may not be deducted from transportation charges. Shipments and their containers and packaging materials must be retained and made available to KBT for the purpose of inspection for up to fifteen (15) days after written notification to KBT that a claim is pending. KBT reserves the right to repair or replace damaged property with no further liability for consequential damage such as, but not limited to, out of service time during repair.
7. All formal claims for cargo loss and/or damage must be submitted in writing and must be received by KBT within 270 days after the date of delivery or anticipated date of delivery. The formal claim must include complete shipper and consignee information, as well as KBT tracking number, date of shipment, total weight and applicable weight of the damaged or lost portion of the shipment, total number of pieces and applicable number of pieces damaged and/or lost. Documentation supporting the claim must include a cost invoice for the original shipment, estimates or invoices for repair or a statement as to why repairs cannot be made, and may include purchase orders, expense statements, appraisals or other records. The filing of a lawsuit does not constitute compliance with these provisions. Failure to abide by these procedures will result in denial of a claim.
8. Payment issued to the claimant and upon deposit will confirm the Customer's acceptance of a full, final and complete compromise and settlement of any and all past, present and future claims arising or which may arise in connection with the claim. It is further agreed by the Customer that in the event of any Third Party claim, the Customer will defend and resolve such claim at its own cost and expense.
9. KBT shall have all rights, title to, and interest in damaged cargo provided that the tendered payment to the Customer or claimant equals the full value of the cargo.

#### **ITEM 230: Liability Not Assumed**

1. KBT will not be liable for, nor will any adjustment, refund or credit of any kind be given as a result of, any loss, delay, early delivery, misdelivery, non-delivery, misinformation or failure to provide information caused by or resulting in whole or in part from:
  - a. The act, default, or omission of any person or entity, including those of any local, state, or federal government agencies;
  - b. The nature of the shipment, including any defect, characteristic or inherent vice of the shipment;
  - c. The violation of these Rules and Regulations, as amended or supplemented;
  - d. Loss, damage, delay, or other result caused by any circumstance beyond the control of KBT, including, but not limited to, perils of air, public enemies, acts of terrorism, public authorities acting with actual or apparent authority, acting or actual authority on the premises, authority of law, quarantine, riots, mechanical delay of aircraft, vehicles or other equipment, local disputes, civil commotion, hazards incident to a state of war.

authorities acting with actual or apparent authority, acting or actual authority on the premises, authority of law, quarantine, riots, mechanical delay of aircraft, vehicles or other equipment, local disputes, civil commotion, hazards incident to a state of war, local or national weather conditions, national or local disruptions in air or ground transportation, strikes or anticipated strikes (of any entity, including, but not limited to, KBT, vendors or suppliers), natural disasters (earthquakes, floods, and hurricanes are examples of natural disasters), conditions that present a danger to KBT personnel, and disruption or failure of communication and information systems (including, but not limited to, KBT systems);

- e. Compliance with oral or written delivery instructions from the sender, recipient, or persons claiming to represent the Customer;
- f. Failure to notify Customer of any delay, loss or damage in connection with a shipment or any inaccuracy in such notice;
- g. The Customer's failure to provide accurate delivery address information;
- h. Providing advice, assistance, or guidance by KBT to Customer;
- i. Any shipment containing a prohibited article, unless approved in writing by the President of KBT;
- j. Shipments accepted under special conditions where advance arrangements are not approved in writing by KBT;
- k. Shipments with a declared value in excess of \$5,000.00 where advance arrangements are not approved in writing by KBT;
- l. Corrected bills of lading or letters of authority to change or add valuations received after tender of the cargo;
- m. KBT's inability to provide a copy of the delivery record or a copy of the signature obtained at delivery;
- n. Claims relating to a shipment packaged and sealed by the Customer or by person(s) acting at the Customer's direction, provided the seal is unbroken at the time of delivery, the package retains its basic integrity, and the recipient accepts the shipment without noting damage or loss on the delivery record;
- o. Claims relating to a shipment where evidence reveals the damage was visible, yet the delivery receipt was signed "Free and Clear" (without damage or loss noted on the delivery record) by the recipient;
- p. Claims relating to a shipment accepted under Special or Restricted conditions, unless all of the requirements have been met;
- q. Claims relating to a shipment where any of the contents of the shipment or the packing materials were discarded before inspection;
- r. Claims relating to a shipment where the inspector is not permitted to inspect the shipment at the actual delivery site, or if the shipment or any part of it has been moved from the point of delivery or if any of the damaged product has been repaired or altered before inspection;
- s. Claims relating to a shipment where the weight of the product(s) exceeds the limitations of the shipping carton;
- t. Claims relating to a shipment where evidence indicates improper packaging;

- t. Claims relating to a shipment where evidence indicates improper packaging;
- u. Claims relating to cargo where evidence reveals damage to the cargo was inconsistent with the damage sustained by the shipping carton;
- v. Claims relating to shipments in which the description of contents, pieces, or weight differs from the claim being filed;
- w. Claims relating to a shipment where the inspection reveals there was no damage to the goods and only the packing material;
- x. Liability for loss/damage/destruction of property being returned to the original shipper, which was not initially transported by KBT from the original shipper, will be limited to lost freight only and KBT will not be responsible for damages;
- y. Loss or damage claims returned to the Customer, which was initially transported from the original shipper and delivered without exception, when not given an opportunity to inspect prior to return, will be limited to lost freight only and KBT will not be responsible for damages; and
- z. Indirect, consequential, special or exemplary or incidental damages, whether or not KBT had knowledge that such damages might be incurred, including, but not limited to, loss of profits, income, utility, wages, interest, loss of market, or loss of warranty.

#### **ITEM 240: Limitation of Actions**

1. The right to damages under any cause of action arising from services pursuant to these Rules and Regulations shall be extinguished unless action is brought within two years of the date of delivery or the date on which the service should have been completed.
2. Customer, inter alia, acknowledges that by utilizing and benefiting from this Tariff, constitutes entering into a contract with a material nexus so that they have sufficient contacts with the State of Illinois to vest jurisdiction therein and hereby forever waive any objection to exclusive Illinois jurisdiction, agree thereby to proper venue within DuPage County, Illinois, agree to be subject to the jurisdiction of the State of Illinois, waive any right to a trial by jury, and agree not to raise, and hereby waive, any defense based on venue, lack of personal or subject matter jurisdiction or sufficiency of service or process; provided further, that in the event such jurisdiction and venue is contested unsuccessfully shall indemnify (inclusive of attorney fees and costs) and hold KBT harmless from all costs incurred.
3. Each dispute shall be decided on an individual basis and will not be consolidated in any action with the disputes or claims of other parties. Parties agree by the implementation and use of this Tariff not to sue as a class plaintiff or class representatives, join a class as members, or participate as adverse parties in any way in a class lawsuit with respect to any dispute or claim relating to the Rules and Regulations or the services provided.
4. These Rules and Regulations, procedures and respective obligations of the parties will inure to their respective successors and assigns.