

Veloce Carriers Inc. Terms & Conditions

ALL SHIPMENTS ARE SUBJECT TO THE APPLICABLE TERMS AND CONDITIONS

- 1. GENERAL** Veloce Carriers Inc., (hereinafter, "Veloce" or "Carrier"), a licensed motor carrier engaged in the interstate transportation of shipments on behalf of its various customers from various origins and destinations throughout the United States, Canada and Mexico. The terms and conditions of carriage set forth herein are applicable to the transportation of any shipment by Veloce undertaken on the Customer's behalf. In the event that Veloce and the Customer (hereinafter "Shipper") have entered into a written contract containing provisions different than those set forth herein these Terms & Conditions, then the Veloce Carriers Inc. Terms & Conditions will control.
- 2. APPLICABILITY** These Terms & Conditions and agreed upon pricing documents apply to all services (the "Services") provided by Veloce to Shipper. These Terms & Conditions shall constitute the entire Agreement between the parties and no other tariff provisions shall apply to the Services provided by Veloce to Shipper under these Terms & Conditions. Performance of any work by Veloce for Shipper shall constitute acceptance by Shipper of these Terms & Conditions. Veloce objects to any terms proposed in Shipper's acknowledgment or other form of acceptance of Veloce offer to perform services which add to, vary from, or conflict with these Terms & Conditions. These Terms & Conditions may be modified only by a written instrument executed by authorized representatives of both parties, such instrument must which specifically address what section of these Terms & Conditions the parties intend to modify. If Veloce's offer to perform service has been issued in response to Shipper offer and if any of the Terms & Conditions herein add to, vary from or conflict with any terms of Shipper offer, then the acceptance by Shipper of Veloce's tender to perform services shall constitute an acceptance of Shipper's offer subject solely to the express Terms & Conditions set forth herein, and any additional, different or conflicting terms in Shipper's offer are rejected by Veloce, so that these Terms & Conditions and agreed upon pricing documents constitutes the entire Agreement between Shipper and Veloce with respect to the subject matter hereof and the subject matter of Shipper's offer.
- 3. PAYMENT FOR SERVICES**
 - A. Shipper shall pay Veloce for the Services provided by Veloce under these Terms & Conditions at the rates and charges as agreed between the parties. All payments by Shipper shall be remitted to Veloce at the following address: Veloce Carriers Inc. 1001 Carrier Drive, Laredo, Texas 78045.
 - B. Veloce shall invoice by the load. Shipper may require submission of a bill of lading and/or proof of delivery with invoice as a condition of payment. Shipper shall pay all invoices within thirty (30) days of invoice date. All amounts not paid by Shipper within thirty (30) days shall be subject to interest at the rate of 1.5% per month. Veloce reserves the right to pursue Shipper or consignee for charges. In the event that applicant fails to pay any invoice within 60 days after the invoice date, interest shall accrue from that date, at the option of Veloce, at the lesser of 18% annum or the maximum allowed by law.

C. Except as may be later disclosed in a records review or audit, each party shall have no less than two years from the date of shipment to file a claim with the other party for overcharges or undercharges relating to such shipment.

D. Except as otherwise provided in these Terms & Conditions, each party must bring a civil action to recover damages or amounts claimed under these Terms & Conditions within two (2) years from the date of shipment. Any matters not filed within the above limitations period shall be barred.

E. Except as otherwise provided in these Terms & Conditions, all lawsuits concerning disputed services or invoices, including lawsuits by Veloce against Shipper for unpaid invoices, shall be commenced in the courts of Webb County, Texas. Shipper shall pay Veloce all reasonable expenses of litigation, including attorney's fees, costs and expenses, in all successful actions by Veloce to collect unpaid invoices from Shipper.

F. In the event that Veloce accepts and provides Services to Shipper before reaching an agreement with Shipper on pricing, Shipper agrees to pay Veloce the last pricing quoted by Veloce to Shipper for that load or, in the event that no pricing has been provided by Veloce, Shipper agrees to pay for Veloce's Services based on Veloce's standard pricing model.

G. It is expressly agreed, as a condition of the freight transportation services provided by Veloce to Shipper, that Veloce shall have a lien against any freight transported for the benefit of the Shipper for the total amount owed to Veloce for all freight charges, storage and charges for related services, including charges related to freight previously delivered upon the promise of Shipper to pay such charges. No further notice of this lien shall be provided to Shipper.

H. Veloce retains the right to pursue payment against any party for transportation services, including, but not limited to, the Shipper, the customers of Shipper and/or any consignee or consignor for the shipment.

4. VELOCE'S OBLIGATIONS

A. General.

(1) Selection and Use of Motor Carriers. Veloce will provide all services by a motor carrier which is duly authorized to transport such shipments pursuant to all applicable regulatory authority. It is understood and agreed that the shipments may be transported by Veloce or by other motor carriers that are independent contractors with the exclusive control over their respective drivers and employees, and who are not agents, employees or authorized representatives of Veloce.

(2) Compliance with Laws, Rules and Regulations. Veloce shall have authority from the Department of Transportation to act as and provide services as a motor carrier. Veloce shall comply with all applicable provisions of the Federal Motor Carrier Safety Administration (FMCSA), related laws, rules and regulations of the FMCSA, and all applicable state and local laws, rules and regulations to the extent they govern the operations of Veloce.

(3) Prompt Service. Veloce shall endeavor to transport all shipments with reasonable dispatch. No service is guaranteed unless such guarantee is in writing supported by separate consideration.

(4) Delay; Accidents. Veloce shall notify Shipper of any accidents, spills, theft, hijacking or other events which impair the safe and prompt delivery of Shipper's goods in its control.

(5) On-Hand Freight. Veloce shall notify Shipper of any refused freight at Shipper and/or third party locations and request additional instructions regarding delivery or storage of the refused goods. Such notice by Veloce shall, as soon as reasonably practical.

B. Delivery Receipts and Bills of Lading

(1) Delivery Receipt. Except as otherwise provided in an Exhibit, Veloce shall obtain an acknowledgement of delivery for all shipments by notation on the bill of lading. At the request of Shipper, Veloce agrees to provide copies of same to Shipper in sufficient detail to substantiate billing for the services provided. Veloce shall retain such records for two (2) years after delivery of the involved shipments or for such greater period of time as may be required by federal or state laws, rules, or regulations.

(2) Conflict Between Terms & Conditions and Bill of Lading. The parties agree that bills of lading and delivery receipts shall be used solely as receipts for shipment and to identify the kind and quantity of goods, place of pickup and delivery, Shipper and consignee and other information as required by Shipper. At Veloce's discretion references to classifications, tariffs, service guides or other publications and/or contractual terms and conditions on the face or reverse side of such documents shall be null and void, and these Terms & Conditions shall govern the rights and obligations of the parties hereto.

C. Carrier Insurance Requirements. Veloce shall maintain policies of insurance as follows: (i) cargo insurance with minimum limits of liability of \$100,000 per occurrence; (ii) automobile liability insurance with minimum limits of liability of \$1,000,000 combined single limit for bodily injury and property damage; (iii) comprehensive general liability with contractual liability insurance with minimum limits of liability of \$1,000,000 per occurrence; (iv) worker's compensation insurance with minimum limits as may be required by statute; and (v) any other insurance required by the Department of Transportation or any other federal, state or local regulatory agency. Shipper agrees that the liability of Veloce to Shipper shall be no more than the limits of the effective insurance benefits payable to Shipper for any loss.

D. Shipments Traveling in Mexico. Shipments traveling in Mexico are at the risk of the Shipper and such shipments will not have insurance coverage by or through Veloce. Shipper agrees that any cargo loss, damage or delay that occurs in Mexico shall be evaluated pursuant to only Mexican law and the Carmack Amendment will not apply; even if the shipment is traveling on a through bill of lading. In addition, for any transportation service in Mexico, it is the SHIPPER that shall bear the risk for any damage or loss to Veloce trailers. **IN ANY SUBSEQUENT LEGAL ACTION TO RECOVER DAMAGES FOR A SHIPMENT TO OR FROM MEXICO THE SHIPPER HEREBY AGREES THAT THE MAXIMUM AMOUNT SOUGHT WILL BE LIMITED TO THE LEGAL LIABILITY OF THE MEXICAN MOTOR CARRIER, REGARDLESS OF WHERE THAT CLAIM IS FILED, AND THE SHIPPER AFFIRMS THAT THESE TERMS ARE BINDING ON THE SHIPPER, CONSIGNEE AND THEIR ASSIGNS.**

5. MILEAGE Where rates are based on mileage, mileages will be determined through the use of PC Miler (Zip Code to Zip Code) at the time the load is tendered.

6. VELOCE/CARRIER LIABILITY; SHIPPER LIABILITY

A. Veloce's Liability for loss, damage or delay to any shipment is limited to \$.10 per pound for all services provided hereunder. However, upon written request and by payment of an

additional fee, Veloce will assume liability of \$.50 per pound. Shipper. Shipper agrees that Veloce's liability, if any, for any breach of representation, warranty or covenant under these Terms & Conditions, or any other cause of action whatsoever, is limited to the total compensation for services provided by Veloce under these Terms & Conditions in connection with such services.

B. **Shipper Liability.** Shipper agrees to bear all costs or fees associated with any cancellation or change of any scheduled service, or the costs and expenses of completing a service that were not disclosed to the Veloce at the time the transportation services were originally requested by the Shipper or the price for the service was quoted by the Veloce.

C. **International Shipping Pallets** – When wood pallets and/or crates are used by the SHIPPER for international shipping they must be treated & marked with the IPPC logo and appropriate country code designating the location of treatment. Any delay at the border because of unmarked wood pallets, crates, Dunnage or other similar packing material is considered Detention charged pursuant to Section 14(B).

C. Except as otherwise expressly provided in these Terms & Conditions, in no event will either party be liable to the other for any lost revenues, lost profits, **incidental, indirect, consequential, special or punitive damages. All pick-up and delivery times, and other service times, are estimates and not guarantees.**

7. INDEMNITY. Indemnity by Shipper. Shipper shall indemnify and defend Veloce, its affiliated and associated companies, and their respective agents, officers, directors, and employees from and against any liability, loss, cost, claims, and expenses, including attorneys' fees and costs of defense, arising out of the negligent acts or omissions of Shipper, its third-party contractors, agents or employees. The above indemnity shall extend to all claims, liabilities and losses that in any way arise from or out of the loading or unloading by Shipper of any trailer of a Veloce. Shipper shall hold Veloce harmless from and against any claim, loss or damages to person or property caused in any manner by a Carrier.

8. NONEXCLUSIVE. It is understood and agreed between the parties hereto that Veloce shall be free to accept freight for transportation from third-parties other than Shipper and that Shipper shall be free to tender freight for transportation to other motor carriers.

9. INDEPENDENT CONTRACTOR. Veloce shall perform the services hereunder as an independent contractor and nothing herein is intended to create a joint venture, partnership, agency, or any employment relationship.

10. GOVERNING LAW. To the extent not governed by the Department of Transportation or applicable federal statutes, the laws of the State of Texas shall govern the validity, construction and performance of these Terms & Conditions. All controversies, claims, actions, suits or proceedings arising hereunder shall be brought in the courts of Webb County, Texas.

11. FORCE MAJEURE

A. Except for Shipper's obligations regarding the timely payment of freight charges to Veloce, neither party hereto shall be liable to the other for default in the performance of

any of the terms and provisions of these Terms & Conditions if caused by fire, strikes or labor disputes, riot, war, Act of God, governmental order or regulation, or other similar contingency beyond the reasonable control of the respective parties.

B. The party claiming force majeure shall notify the other party within twenty four (24) hours of when it learns of the existence of such a condition and shall similarly notify the other within a period of two (2) working days after the condition is remedied. However, if such condition of force majeure is not remedied within 20 days, the unaffected party shall have the right to terminate any obligations created by these Terms & Conditions upon notice to the other party.

12. SEVERABILITY AND WAIVER If any phrase, clause, sentence, or other provision contained in these Terms & Conditions violates any applicable statute, ordinance, rule or law, such phrase, clause, sentence or provision shall be ineffective to the extent of such violations without invalidating any other provision of these Terms & Conditions. The waiver by either party of any breach or default hereunder, or the failure of either party to enforce any of the terms and conditions herein, shall not affect, limit or waive the right of either party thereafter to enforce and compel strict compliance with these Terms & Conditions.

13. ENTIRE AGREEMENT/AMENDMENTS These Terms & Conditions represents the entire understanding of the parties with respect to the subject matter herein and cannot be amended except in writing signed by both parties. All prior discussions, understandings, negotiations and Agreements regarding the subject matter herein, are merged herein.

14. RATE QUOTES

A. The rates for all quoted service are good for 30 days and require credit approval. Rates will include all disclosed permits and accessorial charges. However, Shipper bears responsibility for any undisclosed costs, and expenses.

B. Detention with Power (2 free hours at SHIPPER and consignee, 4 hours total) Applies when there is a delay of the driver and the equipment with power that is not the fault of the Veloce. Free time starts upon notification by the driver to the Shipper or consignee that the trailer is available and ends upon notification from the Shipper or consignee that the trailer is available for movement. Shipper hereby consents and agrees to any additional detention time.

C. Shipper agrees to bear all costs or fees associated with any cancellation or change of any scheduled service, or the costs and expenses of completing a service that were not disclosed to the Veloce at the time when the load was originally requested by the Shipper or when the price for the service was quoted by the Veloce.

D. VELOCE reserves the right to supplement any invoice to access additional costs for reclassification, weight, accessorial charges or any other fee or cost of any nature that was incurred in order to provide the transportation service.

E. Rate quotes are proprietary and confidential information and are not to be divulged to third parties.