



Shipping Terms and Conditions

All shipments to or from Shipper (which term includes the exporter, importer, sender, receiver, owner, consignor, consignee, transferor or transferee of the shipments or the agent thereof) will be handled by Hot Shot/Final Mile, LLC. (Company) on the following terms and conditions. No agent or employee of either party may alter or waive any of the following terms or conditions:

1. Choosing Routes and Agents. Company shall have complete freedom in choosing the means, route and procedure to be followed in the handling, transportation and delivery of the goods. Shipper expressly waives all rights and remedies it may have as to Company and its appointed motor carriers under 49 U.S.C. Subtitle IV, Part B (excluding §§ 13703, 13706, 14101 and 14103) to the full extent permitted by 49 U.S.C. § 14101(b)(1), each as amended from time to time. Advice by Company to Shipper that a particular person or firm has been selected to render services as to the goods shall not be construed to mean that Company warrants or represents that such person or firm will render such services.

2. Company Movements. When Company carries, stores or otherwise physically handles the shipment, including in the performance of any local pick-up or delivery services, it does so subject to the limitation of liability set forth in Paragraph 6 unless a separate bill of lading or other contract is issued by Company, in which event the terms thereof shall govern.

3. Acknowledgement of the Role and Limitations of Third Parties. Company is authorized to select and engage carriers, motor carriers, forwarders, customhouse brokers, agents, warehousemen and others as may be required, to transport, store, deal with and deliver the goods, all of whom shall be considered as agents of Shipper. The goods may be entrusted to such parties subject to all conditions as to limitations of liability for loss, damage, expense or delay and to all rules, regulations, requirements and conditions, whether printed, written or stamped, appearing in bills of lading, receipts or tariffs issued by such carriers, motor carriers, forwarders, customhouse brokers, agents, warehousemen and others. Company shall in no event be liable for any loss, damage, expense or delay to the goods for any reason whatsoever when such goods are in the custody, possession or control of third parties selected by Company to forward, enter and clear, transport or render other services with respect to such goods.

4. Shipments Subject to Re-Weigh/Re-Measurement. Shipper shall provide weight and measurements for its shipments. Shipments are subject to re-weigh and re-measurement by Company. If the weight or measurements of the goods as delivered are different from

Shipper's representations, or if pick-up or delivery time or location is changed by Shipper, Company's rates, charges and fees are subject to change.

5. Insurance. Company will not arrange to insure the goods unless specific written instructions from Shipper providing the kind and amount of insurance have been received and acknowledged by Company in sufficient time prior to shipment from point of origin. Company does not undertake or warrant that such insurance can or will be placed. Insurance coverage provided by Company will be assessed at a rate negotiated between the parties separate from any freight charges. Insured value is not to exceed the actual value of the goods. Shipments must be packaged to withstand the normal hazards of transportation for any claim to be valid. In the event Shipper does not elect to insure all or part of a shipment, Company's liability for any losses, damages or delays to such shipment shall be limited in accordance with the provisions of Paragraph 6. Insurance premiums and the charge of Company for arranging the same shall be at Shipper's expense.

6. Limitation of Liability Per Shipment. Shipper agrees that Company shall in no event be liable for any loss, damage, expense or delay to the goods for any reason, including as a result of the gross negligence or other fault of Company, for any amount in excess of \$.50/pound, \$50 per shipment, or the invoice value, whichever is less, and any partial loss or damage for which Company may be liable shall be adjusted pro rata on the basis of such valuation. COMPANY SHALL NOT IN ANY CIRCUMSTANCES BE LIABLE FOR PUNITIVE OR EXEMPLARY DAMAGES OR CONSEQUENTIAL OR INDIRECT DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES ARISING FROM LOSS OF PROFIT.

7. Refused and Unclaimed Shipments. Any shipment that is refused at time of delivery or that is unclaimed at our facility will be put into storage status. The owning party will be notified by e mail of this event and storage will begin 24 hours after such notification. Storage charges will be assessed on a daily basis and the Company's liability will revert to that of a Warehouseman's reasonable care level of liability.

8. Short Term Storage. When at the request of the Customer, freight is to be held at the Hot Shot facility before delivery the freight will go into Short Term Storage. Short Term Storage is defined as 7 calendar days or less and, in lieu of a separate contract or written agreement, charges are assessed on a daily basis and the Company's liability will revert to that of a Warehouseman's reasonable care level of liability during the storage period.

9. Presenting or Filing Claims. To file a cargo claim, the following must be adhered to: (a) As to all shipments within the United States its Territories, or insular possession, claims for lost or damaged shipments must be made within two hundred seventy (270) days of the shipping date. Initial notification of visible damage to the shipment must be made in writing on the bill-of-lading by Shipper or the consignee at the time of delivery, and a signed receipt absent such notation shall be proof of apparent good order and condition at delivery. Notification of concealed damage must be made to Company within 24 hours of receipt of delivery of the shipment. Original shipping carton and contents must be retained by consignee for inspection. Claims for overcharges must be presented to Company within 60 days of the shipping date.

10. Payment Terms Policy. Payment terms are net due on receipt. Contract or special rates may be considered void and the shipment re-rated at full charges if invoice is not paid in 30 days. Contract or special rates apply only to prepaid shipments unless specifically stated in a contract rate proposal. Invoicing hereunder while a shipment remains in transit shall not close out this agreement. Surcharges, including, without limitation, fuel, peak season, security, or government- imposed charges, may apply as set forth in Company's various surcharge rate sheets as may be published by Company on its website and modified by Company in its sole discretion from time to time. If Shipper's account is past due, Company is not obligated to refund any overcharges or pay any other obligation to Shipper and Company in its sole discretion, may apply any overcharge amounts or other payments Company agrees it owes Shipper, against the oldest outstanding invoices. In any referral for collection or action against Shipper for monies due to Company, upon recovery by Company, Shipper shall pay all expenses of collection and/or litigation, including reasonable attorneys' fees, collection agency fees, and court costs. Any invoiced amounts not paid within thirty (30) days of the date of invoice shall accrue interest monthly. All billing or invoice inquiries or disputes must be presented to Company within one hundred and eighty (180) days of receipt of invoice. Any inquiries or disputes not presented within the time frames set forth herein shall be deemed waived.

10. Loss, Damage or Expense Due to Delay. Unless the services to be performed by Company hereunder are delayed by reason of the gross negligence or willful misconduct of Company, Company shall not be responsible for any loss, damage or expense incurred by Shipper because of such delay. In the event Company is at fault as above described, its liability is limited in accordance with the provisions of Paragraph 6.

11. Governing Law. The terms and conditions hereof shall be construed according to the laws of the State of Texas. SHIPPER AND COMPANY AGREE THAT ANY CLAIM OR DISPUTE ARISING BETWEEN THEM, WHETHER UNDER FEDERAL, STATE, LOCAL, OR FOREIGN STATUTES, REGULATIONS, OR COMMON LAW, SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS SERVING HARRIS COUNTY, TEXAS. SHIPPER AND COMPANY HEREBY CONSENT TO THE JURISDICTION OF SUCH COURTS.

12. Proof of Delivery. Shipper agrees that digitized signature or computer record of delivery receipt is acceptable as proof of delivery of any shipment hereunder.

13. Hazardous Materials and Dangerous Goods. All packages containing hazardous materials/dangerous goods shall be limited to the materials and quantities authorized for air transportation under the U.S. Department of Transportation hazardous materials transportation regulations (49 C.F.R. Parts 171, 172, and 173) and the current edition of the International Air Transport Association (IATA) Dangerous Goods Regulations (together "Regulations"). Shipper and its agents shall comply with the Regulations regardless of the routing or the mode by which the shipment is transported. Each shipment requiring a Shipper's Declaration for Dangerous Goods under the Regulations shall be accompanied by properly executed documents in conformance with the requirements of the Regulations. If a shipment contains hazardous materials/dangerous goods, the contents shall be – and Shipper hereby certifies they are – fully and accurately described on the shipping document by proper shipping name

and are classified, packaged, marked and labeled, and in proper condition for carriage according to the Regulations and any other applicable governmental regulations. Shipper hereby declares that all of the applicable transport requirements have been met.

14. **Quotations not Binding.** Quotations as to fees, freight charges, insurance premiums or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice and shall not under any circumstances be binding upon the Company unless the Company in writing specifically undertakes the handling or transportation of the shipment at a specific rate.

15. **Independent Contractor.** Company shall operate as an independent contractor in performing services for Shipper.

16. **Force Majeure.** Company shall have no liability for loss of, or damage to, the Goods or any portion of the Goods in circumstances of any event beyond Company's reasonable control ("force majeure" event), to include but not be limited to, natural disasters, strikes or lockouts or stoppage/restraint of labor from whatever cause, equipment failure not attributable to the fault of Company (to include electrical power, heat, light, air conditioning or communications equipment), civil unrest, acts of war or armed conflicts, acts of public authorities, or acts or threatened acts of public enemies, hijackers or assailing thieves.

