

APPENDIX A

SCOPE OF SERVICE

Carrier agrees to pick up shipments at such places set forth in Exhibit A-1 ("Origins") and deliver them to such places set forth therein ("Destinations") from time to time as requested by Shipper at such rates set forth in Exhibit B.

Any provision of service shall be subject to the following service limitations and exclusions:

1. **Impractical Operations.** Nothing in this Agreement shall require the Carrier to perform pick-up or delivery service at any location from or to which it is impracticable, through no fault or neglect of the Carrier to operate vehicles because of:
 - (a) The condition of roads, streets, driveways, or alleys;
 - (b) Inadequate loading or unloading facilities; or
 - (c) Riots, Acts of God, the public enemy, the authority of law, strikes or labor unrest, the existence of violence, or such possible disturbances as to create reasonable apprehension of danger to person or property.
2. **Rules and Accessorials.** Provision of service shall at all times be subject to Carrier's rules circulars and assessorial charges. Upon written request, Carrier will provide its customers and Shippers with copies of all applicable rules circulars and rates. Rules circulars and assessorial charges are available on Carrier's web site at www.selectscg.com. In the event of conflict between this Agreement and Carrier's rules circulars and assessorial charges, the terms of this Agreement shall prevail.
3. **Cargo Claims Notification & Inspection Requirements.** Notification of visible damage to the cargo shall be made in writing on the Bill-of-Lading or delivery receipt 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. Notification of concealed damage to the cargo shall be made in writing by the Shipper or Consignee within twenty-four (24) hours of Delivery. Notice shall be deemed satisfied by the mailing or electronic transmission of the Claim within said time limit. Unless perishable commodities are involved, the Shipper or Consignee in possession shall afford Carrier five (5) days to inspect any damaged shipment prior to dispensation.
4. Carrier shall be named on the bill of lading as the origin Carrier of all shipments.
5. **Reasonable Dispatch.** Carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is responsible to transport a shipment with reasonable dispatch, as that term is defined at common law. In no event shall Carrier be liable for any loss or damage due to delay.
6. **Excluded Commodities.** The following commodities ("Excluded Commodities") shall not be tendered by Shipper and shall not be transported by Carrier:
 - Any shipment tendered to Carrier with improper, inadequate, or insufficient packaging.
 - Any shipment containing Excluded Hazardous Materials.
 - Any shipment containing freight that is unsafe to stow in a trailer because of freight's bulk, length, width, or height.
 - Any shipment that contains articles liable to contaminate, impregnate or otherwise damage other freight or Carrier's equipment.
 - Any shipment that contains, in whole or in part, articles prohibited by law.
 - Any shipment containing freight requiring climate control, including refrigeration or protection from low or freezing temperatures.
 - Any shipment containing freight consisting of items of unusual or extraordinary value.
 - Alcoholic beverages
 - Antiques
 - Bagged Commodities, Break-Bulk
 - Bullion
 - Currency, bearer bonds, bills of exchange, deeds, promissory notes, securities (negotiable or not), stock certificates
 - Firearms and weaponry (assembled or in parts)
 - Flora and fauna, live plants or animals
 - Fossils/Artifacts
 - Fresh or frozen meats, fruits, vegetables
 - Furs
 - Gems and stones, precious or semi-precious, cut or uncut.
 - Hides, green or wet
 - Jewelry, watches, etc.
 - Letters, original manuscripts, and other valuable papers.
 - Nitrocellulose
 - Platinum, gold, silver, and other rare or precious metals.
 - Pornography
 - Postage, trading, or revenue stamps and stamp collections
 - Statues, paintings and other works of art.
 - Tobacco
 - Unpackaged or unprotected aircraft parts, boats, boat parts, automobiles, automobile parts, steel, or cast iron.

In the event Shipper tenders Excluded Commodities and Carrier unknowingly or inadvertently accepts such Excluded Commodities for shipment, Carrier shall hold Shipper solely responsible and liable for any penalties and/or damages resulting from transportation of the restricted cargo.

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7. **Uninsurable Commodities.** The following commodities ("Uninsurable Commodities") may be transported solely at Shipper's risk of loss or damage; Carrier disclaims all liability to Shipper or other parties for loss or damage to such commodities:
- Glass Products or china, neon signs, windows, glassware, etc.
 - Granite, Marble or Stone in dimensions greater than 12"x12"x2" tiles.
 - Household Goods and Personal Effects
 - Models, architectural, prototype, or other
 - Porcelain or ceramic products, such as bath tubs, lavatory equipment, tile, brick, etc.
 - Trade Show or Exhibit Materials
 - Used Merchandise, Used Equipment, Used Machinery.
8. **Hazardous Materials.** Shipper shall comply with all Hazardous Materials regulations as provided in 49 CFR parts 171 through 180, including but not limited to proper shipping papers, packaging, labeling and placards. Unless otherwise noted, rates published by Carrier do not include services for hazardous materials. "Excluded Hazardous Materials" are defined as any Hazardous Waste as defined in 49 CFR §171.8, and any materials requiring a Security Plan under 49 CFR §172.800(b)(1) through (6), and any materials requiring an FMCSA HM Safety Permit under 49 CFR Parts 385-390, and any Class 6 Division 6.2 Infectious Substance as defined by 49 CFR §173.134. Shipper shall not submit any Excluded Hazardous Materials as Cargo for shipment.
9. **Intermodal.** Carrier does not participate in the Uniform Intermodal Interchange Agreement (UIIA).
10. **Trailer Limitations.** Carrier shall not be required to accept for transportation any truckload shipment which exceeds in pounds the legal maximum or which occupies more than the full visible capacity of the trailer which is provided. Carrier will not be required to transport overweight or overdimensional loads.
11. **Pick-up and Delivery.** Pick-ups and deliveries shall be made between 7:00 a.m. and 5:00 p.m., local time unless otherwise pre-arranged. Appointments shall be made at no charge. Carrier shall not be liable for late deliveries or unkept appointments. Nothing obligates the Carrier to make delivery on a specified schedule. Carrier's drivers are not authorized to bind the Carrier to any shipment being delivered on a specified day or at a specified time, but may receipt for such shipment only as kind and quantity of lading. Unless otherwise expressly provided for in writing, rates for the Services include one Pickup service and one Delivery service for each Shipment hereunder at all points within the commercial zone of the cities, town, villages, and other points from and to which the rates apply. The term "Pickup" means the point at which the freight first comes under the care, custody or control of Carrier. The term "Delivery" means the service performed by Carrier in transporting freight to consignee's receiving location or other designated delivery point. The term "Shipment" means a tender of freight from one or more Pickups destined to one or more Deliveries covered by one bill of lading.
12. **Spotted Equipment.** If Shipper desires to have trailers or other equipment ("Spotted Equipment") stationed at Shipper's, Consignor's, or Consignee's facilities for Shipper's convenience in loading and unloading, the Parties will negotiate in good faith to agree upon on the number and cost of trailers or other equipment to be stationed with any such agreement to be in writing and signed by the Parties. Whether at point of origin for Consignor's convenience or at point of destination for Consignee's convenience, Shipper shall be responsible for the care and custody of Spotted Equipment stationed at Shipper's, Consignor's, or Consignee's facilities and shall return same, ordinary wear and tear excepted. Failure of the Shipper, Consignor, or Consignee, or their respective agents, to note Spotted Equipment damage at time of tender shall be prima facie evidence that same was stationed in good condition. Shipper and Consignor or Shipper and Consignee, as the case may be, shall be jointly and severally liable for the repair or replacement cost to any Spotted Equipment damaged or stolen while stationed at their facility. Such damage shall be noted by carrier personnel at time of pickup and invoices for repairs shall be accompanied by supporting documents. Carrier's liability for cargo placed within Spotted Equipment begins when Carrier takes physical possession of the loaded trailer or equipment and ends when such Spotted Equipment is tendered to Consignee.
13. **Import And Export Freight.**
- (a) **Limitation of Carrier's Liability for Proper Customs Clearance.** Carrier assumes no responsibility for insuring or otherwise providing for clearance of merchandise through or inspection by Mexican or Canadian Customs. Carrier does not represent and specifically disclaims any knowledge or expertise in proper customs clearance and inspection matters. Carrier is not responsible for the acts or omission of the Mexican or the Canadian Customs Agent or its affiliated Freight Forwarder that may be selected for the purpose of clearing Shipper's merchandise through Customs. Carrier will serve merely as a liaison between Shipper and the Mexican or Canadian Customs Agent (and the Customs Agents' Freight Forwarder) at Shipper's request and only as a convenience to Shipper. Carrier or party in possession shall not be liable for loss, damage, deterioration of the freight or delay in delivery due to the duration of the period required by customs clearance or inspection.
 - (b) **Trailer Rental - Mexican Shipments.** The charge for trailer rental on shipments destined for Mexico will be \$150.00 per day from the time of interchange at the U.S./Mexican border until returned. The calculation of time starts when shipments are tendered to the forwarding agent.

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- (c) Carrier assumes no cargo loss responsibility for shortage or damage to shipments while in the Republic of Mexico. Clear bills of lading showing safe and damage-free delivery between the U.S./Mexican borders at the pickup or delivery points in the U.S. shall be evidence of Carrier's proper discharge of its cargo responsibility.
14. **Shipper Load and Count.** All shipments shall be loaded by the Consignor and unloaded by the Consignee. All bills of lading are deemed signed as "Shipper Load and Count" or "SLC"; said words shall have the same meaning as "shipper's weight, load, and count" per 49 USC §80113. Inadvertent omission of this notation shall not result in a presumption of Carrier liability for shortage or damage (in the absence of upset or accident) where the driver was either not present or not allowed to observe the loading and unloading.
15. **Storage and Demurrage.** Storage is incurred for failure to pick up loads at the railroad within the designated amount of free time. Demurrage is incurred for failure to pick up loads at the port or container yards within the designated amount of free time. If Carrier accepts a Shipment originating at a railroad, port, or container yard, Carrier shall be allowed 48 hours free time to pick up equipment (day of notification, weekend and Holidays excluded). In the event Carrier fails to remove equipment within free time, storage/demurrage will be Carrier's responsibility. Carrier will not accept responsibility for storage/demurrage when proper notification is not provided or 48 hours free time is not allowed. In the event storage/demurrage is incurred, Carrier requires continued notification on a daily basis that charges are accruing for its account. Carrier will not accept storage/demurrage charges without daily notification. Proper Notification is defined as "written or electronic notification at least 48 hours (excluding Holidays, Saturdays and Sundays) prior to expiration of free time and only when the equipment is ready and available for pick up." Each Proper Notification shall require:
- (a) Container Number
 - (b) Location of Cargo
 - (c) Mounted on road worthy chassis
 - (d) Ocean Carrier released
 - (e) Available pick-up number

Notification received after 5:00 PM Eastern Time will be effective as of 8:00 AM Eastern Time on the next working day for the purposes of determining last free day. In the event Carrier initially accepts such a Shipment, Carrier may cancel its' acceptance upon written notice to Shipper. Any storage/demurrage charges incurred by Carrier prior to cancellation shall remain Carrier's responsibility.

16. **Packaging and Loading.** Carrier is not responsible for cargo loss or damage resulting from defective or substandard packaging or any act or omission of the consignor or consignee in loading or unloading carrier's equipment.
17. **Invoice Disputes.** All invoice disputes must be forwarded in writing to:

ATTN INVOICING DEPT
CEVA GROUND
2727 LONDON GROVEPORT RD
GROVEPORT OH 43125

APPENDIX B

FREIGHT and ACCESSORIAL CHARGES

1. **Basic Freight Charges.** The Parties agree that Carrier shall be paid for its transportation services in accordance with the price list attached hereto as Exhibit B-1 and incorporated herein, 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 \$100,000.00, 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 ALK FleetSuite Tolls Streets software version 19. 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.

3. **Fuel Surcharge.** Freight charges will be subject to a fuel surcharge which will be billed as a separate charge on freight bills. The charge will be adjusted up or down each Monday by the cost per mile adjustment listed on the matrix attached as Appendix C.

4. **Applicability to Commercial Zone.**
 - (a) Unless otherwise specified, all rates are for service to and from all points within the commercial zone of a city, town or village as set forth in 49 C.F.R. Part 372.
 - (b) If rates are based on zip codes as a territorial description, they shall include the geographical area encompassed by the zip code destinations of the United States Postal Service.
 - (c) If rates are specified to a particularly stated origin and/or destination, they shall not include or apply the commercial zone of the points.

5. **Payments.** All payments, whether involving a domestic or international shipment, shall be made in US currency. Payments made in any other currency shall be converted back into US currency based on Interbank +2% currency conversion factors listed at www.onada.com/convert/classic on the day of the shipment and a Currency Adjust Factor of 6.0% of the total collect charges will be levied under separate line item.

6. **Minimum Charge.** Notwithstanding any rates specified in the attached price list, Exhibit B-1, the minimum linehaul charge for any shipment shall be \$600.00.

7. **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) \$250.00 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) All shipments which move through an entry point to Canada and/or Mexico shall be subject to a charge of \$200.00 and shown as a separate charge on the freight bill.

8. **Detention Period.** The "Detention Period" shall be the total elapsed time as follows. Timing begins at the starting time of any Pickup or Delivery appointment (if any) or Carrier's offering of equipment for loading or unloading to Shipper, Consignor, or Consignee, whichever is later. Timing ends upon the tender of the equipment by Shipper, Consignor, or Consignee to Carrier, either loaded and ready for dispatch on behalf of Shipper or Consignor, or unloaded and ready for dispatch by Carrier as it desires. For purposes documenting the length of the Detention Period in hours and/or days, Carrier may use, in its reasonable discretion, any reliable method including, but not limited to, a Qualcomm report, satellite communication records, on-board tracking device, signed bill of lading, or delivery receipt. If a signed bill of lading or delivery receipt is used as the detention record, Carrier shall give Shipper, Consignor, or Consignee, as the case may be, the opportunity of signing the detention record and the Shipper, Consignor, or Consignee shall make any corrections to the detention record at the time. If the Shipper, Consignor, or Consignee refuses to sign the bill of lading or delivery receipt detention record, Carrier's record will govern. Holidays and weekends shall be counted in determining the length of any Detention Period.

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9. **Detention of Trailer With Tractor.** Upon Carrier's offering of a trailer with tractor for loading or unloading, the Detention Period shall include up to two (2) hours of free time ("Free Time"). Shipper shall pay Carrier a detention charge of \$75.00 per hour for each hour or fraction thereof, calculated as the Detention Period minus Free Time. Shipper shall use the trailer with tractor for the sole purpose of loading and/or unloading the lading within the scope of this Agreement.
10. **Detention of Trailer Without Tractor.** Upon Carrier's offering of a trailer without tractor for loading or unloading, the Detention Period shall include up to twenty-four (24) hours of free time ("Free Time"). Shipper shall pay Carrier a detention charge for all chargeable time, calculated as the Detention Period minus Free Time, as follows:
- (a) for each of the first and second 24 hour periods or fraction thereof - \$75.00 per day;
 - (b) for each of the third and fourth 24 hour periods or fraction thereof - \$125.00 per day, and;
 - (c) for the fifth and each succeeding 24 hour period or fraction thereof - \$175.00 per day.
- 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.
11. **Spotted Equipment/Trailer Pools.** Upon Carrier's offering of Spotted Equipment for Shipper's convenience in loading or unloading, detention charges shall apply as defined in section 10, except that Free Time shall be defined as three (3) days. In the event a mutual "Spotted Equipment and Price List" provides conflicting allowances for Free Time and detention charges, said list shall apply. Shipper shall use the Spotted Equipment for the sole purpose of loading and/or unloading the lading within the scope of this Agreement.
12. **Non-Permitted Use Of Trailer:** Utilization of trailers which does not strictly comply with the intended use between Carrier and Shipper will result in a \$400.00 per trailer, per day fee for each occurrence.
13. **Tractor Ordered and Not Used.** If Shipper requests that a tractor with operator be made available and cancels its request less than six (6) hours prior to scheduled Pickup, Shipper shall pay Carrier a cancellation charge as follows:
- (a) a base charge of \$400.00; plus
 - (b) a detention charge of \$75.00 per hour for each hour or fraction thereof calculated as the Detention Period without any allowance for Free Time.
- If a tractor and operator are not used within six (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.
14. **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 of \$125.00. 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.
15. **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 per stop charge of \$75.00 for the first stop, \$100.00 for the second stop and \$150.00 for the third and any subsequent stops. Any interim stops between the order origin and destination shall be used as in-trip route points for purposes of calculating applicable mileage.
16. **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 four (4) uses per load. If the load is more than one (1) hour late past the scheduled delivery time, these charges shall not apply.
17. **C.O.D. Shipments.** Carrier does not provide a collect on delivery service.
18. **Loading and Unloading.** All rates quoted herein are based upon loading of the freight by the Shipper or Consignor and the unloading of freight by the Shipper or Consignee. If the Carrier's operator is to assist, count, tailgate, load and/or unload, the charge will be \$150.00 for each service performed and Carrier's operator shall only be responsible to the extent such services can be physically performed without mechanical assistance. If services are not completed within 2 hours, standard detention with power charges apply.

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If Shipper, Consignor or 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 \$25.00.

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 \$75.00 per hour or fraction thereof for such service, with a minimum charge of \$105.00.

19. **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. Shipper agrees to indemnify and hold harmless Carrier from any and all fines resulting from excess weight of any shipment that causes the Carrier to be in violation of any local, state, or federal law.
20. **Permits.** Carrier shall secure any permits for any over-dimensional or overweight load and Shipper agrees that Carrier may bill Shipper a \$100 surcharge per permit plus 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.
21. **Redelivery Charges.** If a delivery cannot be accomplished through no fault of Carrier, Carrier shall notify Shipper and request redelivery instruction from Shipper. Any redelivery charges will be assessed as detention with power charges and/or reconsignment charges as applicable. If delivery cannot be accomplished within twelve (12) hours, Carrier shall assume the role of a warehouseman as to such lading.
22. **Special Services – Empty Miles at Shipper’s Convenience.** When Carrier agrees to relocate revenue equipment at the request of consignor or consignee for Shipper’s or consignee’s convenience, a charge of \$1.35 per mile, plus FSC, will be billable to the consignor or consignee making the request. Empty miles will be calculated from empty equipment origin to point of equipment utilization based upon the applicable mileage guide. Carrier will notify Shipper of the location of subject equipment prior to movement.
23. **Pallet Exchange.** Upon Shipper request, Carrier will perform pallet exchange services at a charge of \$125.00 per pallet in addition to all other applicable rates and charges. Requests for pallet exchange service must be noted on the bill of lading at the time of pick-up by Carrier.
24. **Dunnage Disposal.** Upon Shipper request, Carrier will for dispose of material used in securing the shipment for transport at a charge of \$105.00.
25. **Storage Charge Advances.** Upon Shipper written request and subject to Carrier authorization, Carrier will forward immediate payment to railroad, port, or container yard for storage charges due from Shipper on Shipments awaiting Carrier pick-up. Shipper agrees to pay Carrier for such costs paid on Shipper’s behalf, plus an administrative surcharge equal to 10% of said costs with a minimum surcharge of \$100.00.
26. **Forwarding and Documentation Services.** On any international or coastal intermodal service, Shipper shall be responsible for any costs involved in forwarding and documentation services.
27. **Split Pickups on Shipper Premises.** If Carrier is required to make pickups at two or more sites on a premises, an additional charge of \$25.00 per pickup, exclusive of the initial pickup will be assessed to Shipper. The Detention Period shall begin upon Carrier’s offering of a trailer with tractor for loading at the first pickup stop and end at the completion of loading and release of equipment for dispatch at the final pickup. Total Free Time shall be up to two (2) hours for all pickups on premises.
28. **Proof of Delivery.** A document image file of the delivery receipt or signed bill of lading is available without charge to Shipper at the Carrier website (www.selectscg.com). If physical copy of a signed bill of lading, or other document, is required to be enclosed with the invoice for freight charges, Carrier will provide same subject to a document handling charge of \$10.00 per occurrence. There shall be no charge for one document copy provided for shipments that are in dispute.
29. **Movements Under Certain or Special Bonds or Special Permits.** If Shipper tenders a shipment moving under a Custom Bond, Carrier shall charge Shipper an additional customs charge of \$150.00 per container. If a body politic requires a bond or special permit, Carrier will assess the cost of such bond or permit to Shipper.

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30. **Hazardous Materials Surcharge.** Shipments containing a placardable quantity of Hazardous Materials will be subject to a HazMat surcharge, calculated as 10% of the base linehaul charges subject to a minimum charge of \$100.00. ALK FleetSuite Tolls Streets HazMat routing will apply to mileage ratings for billing purposes.
31. **Additional Cargo Insurance Available.** Shipper may elect to obtain additional cargo insurance for a Shipment with cargo value exceeding the liability limits specified in the Agreement section 7(b) by calling the Carrier Pricing Director at (888) 862-4593. If such insurance is purchased, Shipper shall note the cargo value limit purchased and a uniquely assigned identification number on the bill of lading at the time of pick-up. The uniquely assigned identification number is valid only for a single bill of lading covering a single Shipment. Any subsequent Shipments requiring additional cargo insurance will each require its own uniquely assigned identification number.

Carrier will not provide additional cargo insurance unless specific written instructions from Shipper providing the kind and amount of insurance, cargo description, and Shipment route have been received by Carrier in sufficient time prior to shipment from point of origin. Cargo insurance is only valid within the United States. Carrier does not warrant that such insurance can or will be placed. Additional cargo insurance provided by Carrier will be assessed at a rate of \$.50 per \$100 of value. Insured value is not to exceed the actual value of the cargo.

Carrier shall not be liable for cargo loss or damage, even if such insurance is purchased, in the event of a material breach of this Agreement by Shipper or Shipper's Consignor(s) or Consignee(s). Material breaches include, but are not limited to, breaches of Appendix A, Scope of Service, Sections 3 (Cargo Claims Notification & Inspection Requirements), 6 (Excluded Commodities), 7 (Uninsurable Commodities), 8 (Hazardous Materials), and 16 (Packaging and Loading). If, pursuant to the Agreement Section 6 (Refused Shipment-Warehouseman Liability), the cargo is held in warehouse, or elsewhere, the cargo will not be covered by any insurance.

APPENDIX C

FUEL SURCHARGE PROGRAM

All transportation services are subject to a fuel surcharge ("FSC"). The FSC shall be determined by reference to the "Weekly Retail On-Highway Diesel Prices" report ("DOE Diesel Report") by the Energy Information Administration ("EIA") agency of the United States Department of Energy ("DOE"). The DOE Diesel Report can be viewed at <http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>. Should the report location (URL) change, the updated report URL from the EIA website located at <http://www.eia.doe.gov> shall be used.

The FSC shall be determined each week using the DOE Diesel Report's national average price ("DOE Price"), with each week's FSC in effect for all Shipments tendered from Tuesday at 00:00 through Monday at 24:00 (Eastern Time). Shipper shall pay a Truckload (TL) fuel surcharge per Shipment of \$0.01 per mile for each \$0.05 per gallon increase in the DOE Price above a base price of \$1.259 per gallon. Shipper shall pay a Less-than-Truckload (LTL) fuel surcharge per Shipment of 1.00% of transportation charges when the DOE Diesel Price is greater than or equal to \$1.20 per gallon and less than \$1.26 per gallon, increasing by an additional 0.50% of transportation charges for each \$0.05 per gallon increase in the DOE Price above \$1.259 per gallon.. Therefore, the following schedule will apply:

Diesel Report National Average Price (\$ per gallon)		Truckload Fuel Surcharge (\$ per mile)	LTL Fuel Surcharge (percent upcharge)
Greater than or Equal to (">=") \$1.20	but Less than ("<") \$1.26	\$0.00	1.00%
Greater than or Equal to (">=") \$1.26	but Less than ("<") \$1.31	\$0.01	1.50%
Greater than or Equal to (">=") \$1.31	but Less than ("<") \$1.36	\$0.02	2.00%
Greater than or Equal to (">=") \$1.36	but Less than ("<") \$1.41	\$0.03	2.50%
Greater than or Equal to (">=") \$1.41	but Less than ("<") \$1.46	\$0.04	3.00%
Greater than or Equal to (">=") \$1.46	but Less than ("<") \$1.51	\$0.05	3.50%
Greater than or Equal to (">=") \$1.51	but Less than ("<") \$1.56	\$0.06	4.00%
Greater than or Equal to (">=") \$1.56	but Less than ("<") \$1.61	\$0.07	4.50%
Greater than or Equal to (">=") \$1.61	but Less than ("<") \$1.66	\$0.08	5.00%
Greater than or Equal to (">=") \$1.66	but Less than ("<") \$1.71	\$0.09	5.50%
Greater than or Equal to (">=") \$1.71	but Less than ("<") \$1.76	\$0.10	6.00%
Greater than or Equal to (">=") \$1.76	but Less than ("<") \$1.81	\$0.11	6.50%
Greater than or Equal to (">=") \$1.81	but Less than ("<") \$1.86	\$0.12	7.00%
Greater than or Equal to (">=") \$1.86	but Less than ("<") \$1.91	\$0.13	7.50%
Greater than or Equal to (">=") \$1.91	but Less than ("<") \$1.96	\$0.14	8.00%
Greater than or Equal to (">=") \$1.96	but Less than ("<") \$2.01	\$0.15	8.50%
Greater than or Equal to (">=") \$2.01	but Less than ("<") \$2.06	\$0.16	9.00%
Greater than or Equal to (">=") \$2.06	but Less than ("<") \$2.11	\$0.17	9.50%
Greater than or Equal to (">=") \$2.11	but Less than ("<") \$2.16	\$0.18	10.00%
Greater than or Equal to (">=") \$2.16	but Less than ("<") \$2.21	\$0.19	10.50%
Greater than or Equal to (">=") \$2.21	but Less than ("<") \$2.26	\$0.20	11.00%
Greater than or Equal to (">=") \$2.26	but Less than ("<") \$2.31	\$0.21	11.50%
Greater than or Equal to (">=") \$2.31	but Less than ("<") \$2.36	\$0.22	12.00%
Greater than or Equal to (">=") \$2.36	but Less than ("<") \$2.41	\$0.23	12.50%
Greater than or Equal to (">=") \$2.41	but Less than ("<") \$2.46	\$0.24	13.00%
Greater than or Equal to (">=") \$2.46	but Less than ("<") \$2.51	\$0.25	13.50%
Greater than or Equal to (">=") \$2.51	but Less than ("<") \$2.56	\$0.26	14.00%
Greater than or Equal to (">=") \$2.56	but Less than ("<") \$2.61	\$0.27	14.50%
Greater than or Equal to (">=") \$2.61	but Less than ("<") \$2.66	\$0.28	15.00%
Greater than or Equal to (">=") \$2.66	but Less than ("<") \$2.71	\$0.29	15.50%
Greater than or Equal to (">=") \$2.71	but Less than ("<") \$2.76	\$0.30	16.00%
Greater than or Equal to (">=") \$2.76	but Less than ("<") \$2.81	\$0.31	16.50%
Greater than or Equal to (">=") \$2.81	but Less than ("<") \$2.86	\$0.32	17.00%
Greater than or Equal to (">=") \$2.86	but Less than ("<") \$2.91	\$0.33	17.50%
Greater than or Equal to (">=") \$2.91	but Less than ("<") \$2.96	\$0.34	18.00%
Greater than or Equal to (">=") \$2.96	but Less than ("<") \$3.01	\$0.35	18.50%

APPENDIX C
FUEL SURCHARGE PROGRAM

Diesel Report National Average Price (\$ per gallon)				Truckload Fuel Surcharge (\$ per mile)	LTL Fuel Surcharge (percent upcharge)
Greater than or Equal to (">=")	\$3.01	but Less than ("<")	\$3.06	\$0.36	19.00%
Greater than or Equal to (">=")	\$3.06	but Less than ("<")	\$3.11	\$0.37	19.50%
Greater than or Equal to (">=")	\$3.11	but Less than ("<")	\$3.16	\$0.38	20.00%
Greater than or Equal to (">=")	\$3.16	but Less than ("<")	\$3.21	\$0.39	20.50%
Greater than or Equal to (">=")	\$3.21	but Less than ("<")	\$3.26	\$0.40	21.00%
Greater than or Equal to (">=")	\$3.26	but Less than ("<")	\$3.31	\$0.41	21.50%
Greater than or Equal to (">=")	\$3.31	but Less than ("<")	\$3.36	\$0.42	22.00%
Greater than or Equal to (">=")	\$3.36	but Less than ("<")	\$3.41	\$0.43	22.50%
Greater than or Equal to (">=")	\$3.41	but Less than ("<")	\$3.46	\$0.44	23.00%
Greater than or Equal to (">=")	\$3.46	but Less than ("<")	\$3.51	\$0.45	23.50%
Greater than or Equal to (">=")	\$3.51	but Less than ("<")	\$3.56	\$0.46	24.00%
Greater than or Equal to (">=")	\$3.56	but Less than ("<")	\$3.61	\$0.47	24.50%
Greater than or Equal to (">=")	\$3.61	but Less than ("<")	\$3.66	\$0.48	25.00%
Greater than or Equal to (">=")	\$3.66	but Less than ("<")	\$3.71	\$0.49	25.50%
Greater than or Equal to (">=")	\$3.71	but Less than ("<")	\$3.76	\$0.50	26.00%
Greater than or Equal to (">=")	\$3.76	but Less than ("<")	\$3.81	\$0.51	26.50%
Greater than or Equal to (">=")	\$3.81	but Less than ("<")	\$3.86	\$0.52	27.00%
Greater than or Equal to (">=")	\$3.86	but Less than ("<")	\$3.91	\$0.53	27.50%
Greater than or Equal to (">=")	\$3.91	but Less than ("<")	\$3.96	\$0.54	28.00%
Greater than or Equal to (">=")	\$3.96	but Less than ("<")	\$4.01	\$0.55	28.50%

In the event the DOE Diesel Report weekly national average price shall be greater than or equal to \$4.01 per gallon, the formulas specified above shall govern.

