

P&S TRANSPORTATION
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JUNE 2012

SERVICE TERMS AND CONDITIONS

APPLICABLE TO ALL BROKERAGE AGREEMENTS

The following terms and conditions apply to all shipments that P&S TRANSPORTATION provides transportation services for using the services of a freight broker. Any contracts, rate confirmation, bill of lading, shipping tickets, agreements, or any other documents relating to the transportation services provided by P&S TRANSPORTATION will be subject to and subordinate to the terms and conditions of these SERVICE TERMS AND CONDITIONS and in an event of a conflict between the terms and conditions of any other agreement, the terms and conditions of these SERVICE TERMS AND CONDITIONS shall govern.

- HOLD HARMLESS AND INDEMNIFICATION CLAUSE:** P&S TRANSPORTATION will not indemnify or hold harmless, your company, its employees, officers, directors, agents, customers, or any third party, for any claims, liabilities, expenses, fines, penalties, judgments, losses, damages, or assessments arising out of the performance of the provided transportation services, if your company or that party has been negligent and that negligence has caused or contributed to the claims, liabilities, expenses, fines, penalties, judgment, losses, damages, or assessments.
- WAIVER OF SUBROGATION RIGHTS:** Neither P&S TRANSPORTATION nor its insurers agree to waive any rights of subrogation they possess with respect to any claims, losses, fines, penalties, damages or liabilities incurred that are related to or arise out of the performance of the provided transportation services.
- CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR INDIRECT DAMAGES:** P&S TRANSPORTATION shall not be liable for special, incidental, indirect or consequential damages (including without limitation, lost profits or business opportunity, or punitive and exemplary damages incurred or suffered by any Broker, Shipper or Consignee as a result of shortage, damage or delay unless agreed to in writing by an officer of P&S TRANSPORTATION prior to the acceptance of the shipment).
- MAXIMUM LIABILITY FOR CARGO:** P&S TRANSPORTATION maintains 100,000.00 in cargo insurance. P&S TRANSPORTATION'S liability is limited to the replacement cost of the items lost, damaged, or destroyed not in excess of \$100,000.00. P&S TRANSPORTATION will not accept liability for loads with values exceeding \$100,000.00 unless agreed to in writing by an officer of P&S TRANSPORTATION prior to accepting the shipment.
- OFFSET FROM MONIES OWED:** P&S TRANSPORTATION does not agree to allow any broker or shipper to offset against any money owed to P&S TRANSPORTATION for provided transportation services for any claims of any kind. All cargo claims must be processed and filed in accordance with 49 CFR 370 or 49 CFR 1005.
- BACK SOLICITATION:** P&S TRANSPORTATION will not solicit freight from any of Broker's customers during the term of the contract with the Broker and for a period of 1 year after the termination of the agreement if, 1) the availability of such freight first became known to P&S TRANSPORTATION as a result of the Broker's efforts, and 2) the freight was first tendered to P&S TRANSPORTATION by the Broker. If P&S TRANSPORTATION violates this provision, P&S TRANSPORTATION agrees to pay a commission to the Broker of no more than eight percent (8%) of the gross billed line haul revenue for a period of one year from the date of the breach of this provision.
- ATTORNEY FEES & COSTS:** In the event of any litigation, arbitration, or mediation between the parties that arises out of or is related to the provided transportation services, the prevailing party shall be entitled to reimbursement of attorney fees, cost, and expenses from the other party. Broker understands and agrees that by entering into this agreement with P&S Transportation, Broker is subject to the jurisdiction of the courts of the State of Alabama and Broker shall have no claim that said court lack jurisdiction to adjudicate any dispute arising out of this agreement.
- AUTHORITY TO BIND:** Broker represents and agrees that it is the authorized agent of the (shipper/consignee) and that the broker has been given the authority to act on behalf and bind said (shipper/consignee).
- PAYMENT TERMS:** Broker agrees that it will pay P&S TRANSPORTATION within 30 days of the date of the invoice with proof of delivery. These terms apply regardless of exceptions on the bill of lading, and regardless if the Broker is paid by the shipper/consignee. P&S TRANSPORTATION provides scanned documents and invoices by e-mail, no original copies are available. P&S TRANSPORTATION explicitly reserves all rights and remedies to seek payment from any shipper/consignee/consignor or other party, and nothing in this agreement or other document shall be construed as a waiver of this said rights.
- THIS AGREEMENT CONTROLLING:** This "Service Terms and Conditions Applicable to All Brokerage Agreements" shall become a material part of any agreement between the parties. In the event of conflict between this Agreement and any other document or agreement, this "Service Terms and Conditions" shall always control.