



These General Terms and Conditions ("General Terms") set forth the terms and conditions applicable to the Transportation Services provided by Paul Logistics, Inc. ("PLI" or the "Company"). By tendering any shipment to the Company for the performance of Transportation Services, executing or acknowledging any bill of lading or other document relating to a shipment for which the Company provided Transportation Services, or by otherwise utilizing the Transportation Services provided by the Company, you consent to, and acknowledge and agree to, be bound by the following terms and conditions:

1. **Definitions.** When used in these General Terms, the following terms shall have the respective meanings assigned to them in this Section 1:
 - a. "Applicable Law" means all applicable federal, national, state (including cantonal), local, international, governmental, regulatory, and administrative orders, laws, rules, ordinances, regulations, statutes, treaties, or similar requirements.
 - b. "Carrier" means third-party, independent motor carriers selected by the Company.
 - c. "FMCSA" means the United States Federal Motor Carrier Safety Administration.
 - d. "Reasonable Dispatch" is the delivery schedule agreed to between you and the Company or, if no specific delivery time is agreed, the length of time that it would customarily and ordinarily take to transport a like shipment, but in each case only in accordance with Applicable Law.
 - e. "Special Damages" means, individually or collectively, any punitive, incidental, indirect, or consequential damages.
 - f. "Transportation Services" means the services provided by the Company as a transportation broker of freight in interstate commerce, including by arranging for the pick-up, transport, and delivery of freight shipments to and from various points in the continental United States exclusively by Carriers that hold the proper government authority to perform the requested services.
2. **Tender of Shipments.** You acknowledge and agree that tendering any shipment or series of shipments to the Company for the purpose of having the Company provide Transportation Services does not create an exclusive relationship between you and the Company, and the Company shall at all times remain free to accept freight or shipments for transportation from other customers and shippers, and likewise, you shall be free to tender freight for transportation to other brokers or carriers. You agree to provide the Company with complete and accurate information regarding each shipment tendered hereunder, including, without limitation, the nature of the goods being shipped, dimensions, weight, packaging details, destination, and any special handling requirements. You are responsible for ensuring that each shipment tendered to the Company is properly packaged, labeled, ready for transport, and otherwise in compliance with all Applicable Law, including, without limitation, those concerning hazardous materials, customs requirements, and export/import restrictions. You agree to be responsible for (and in no event shall the Company be liable for), any costs, fines, or penalties resulting from inaccuracies or omissions in the information you provide to the Company. The Company requires Carriers to maintain cargo insurance in

the amount of \$100,000 per truckload shipment. If you require higher cargo limits of insurance higher than \$100,000 per truckload shipment, you agree (i) to provide the Company with sufficient prior written notice to arrange for increased insurance limits, and (ii) unless agreed by the Company in writing, the higher cargo limits will not apply.

3. **Transportation Services.** For all shipments you tender to the Company and that are accepted by the Company, the Company shall provide Transportation Services in accordance with these General Terms. Carriers selected by the Company in connection with the Transportation Services will, at all times, be independent contractors retaining complete control over and complete responsibility for their own operations and employees. You will not request the Company to contact with drivers employed by or leased to Carriers and acknowledge the Company will only communicate with Carriers via non-driver representatives designated by the Carrier. The Company will not be responsible for packaging, handling, loading, or unloading of freight which will instead be your responsibility or the responsibility of the Carriers. The Company has the sole right to select the Carriers used to perform services.
4. **Independent Contractor.** The Company's relationship with you is that of an independent contractor, and not that of an agent or employee. Nothing in these General Terms shall be construed as establishing an employment relationship, partnership, or joint venture between you and the Company. Except as otherwise provided in these General Terms, the Company will not be liable for any obligation incurred by you.
5. **Payment Terms.** You will pay the Company for its quoted freight charges for each shipment within thirty (30) days from receiving the Company's invoice or statement. Time is of the essence with respect to payment of the Company's charges. In the event that you fail to pay any invoice within the time period set forth in this Section 5, the Company will be entitled to recover, in addition to its quoted freight charges, compound interest at the highest legal rate not to exceed 1½% per month, plus all costs of collection, including attorneys' fees. The Company may change payment terms upon reasonable notice at any time and with or without any reason.
6. **Receipts.** The applicable Carrier will issue a bill of lading at origin (which may be prepared by you or the Company) signed by the driver evidencing receipt of each shipment tendered to it, and will obtain a receipt for delivery for each shipment from the consignee thereof or other party accepting delivery. In the event that a bill of lading issued in connection with the Transportation Services names the Company as the "carrier," you acknowledge and agree that the applicable Carrier shall be deemed the "carrier of record" on the bill of lading upon acceptance of a tendered load and at all times is the actual carrier of goods and the Company's sole role is limited to arranging for transportation as a broker. In the event of a conflict between these General Terms and a provision in the bill of lading, the provisions of these General Terms will govern.
7. **Carrier's Charges.** The Company will be solely and exclusively liable and responsible for the payment of rates and charges to Carriers. Your sole obligation with regard to the payment for the Transportation Services provided under or in relation to these General Terms is to timely pay the Company as required by Section 5 hereof.
8. **Cargo Loss or Damage.**
 - a. These General Terms are in accordance with 49 U.S.C. §14101(b)(1) and you expressly waive all rights and remedies that you may have under 49 U.S.C. §§13101 through 14914 that conflict with or are otherwise contrary to specific provisions of these General Terms.
 - b. The Company shall not be liable for any loss, damage, delay, partial delivery, mis-delivery, or non-delivery of any shipment tendered to the Company for Transportation Services (collectively, "Cargo Claims"). With

respect to any shipment which you tendered to the Company for Transportation Services, the Company will use commercially reasonable efforts to assist you in the settlement of a Cargo Claim with the applicable Carrier, but in no event will the Company be held liable or responsible for any such Cargo Claim on behalf of a Carrier. As a condition precedent to the Company's assistance in the settlement of a Cargo Claim with a Carrier, you must (and you hereby agree to) (i) timely file a full and complete Cargo Claim with the Company which shall include any and all supporting documentation as requested or required by the Company, and (ii) have timely paid the Company's freight charges with respect to all shipments for which the Cargo Claim relates. Notwithstanding the foregoing, you acknowledge and agree that you have the ultimate responsibility for ensuring that all Cargo Claims are filed directly with Carriers pursuant to applicable law, and the Company shall not be liable for any failure by the Company to timely file any Cargo Claim, as submitted to the Company by you, with the Carrier. The Company's assistance in the settlement of a Cargo Claim with the applicable Carrier is not an admission of liability by the Company or a determination by the Company of the merit of such Cargo Claim. You acknowledge and agree that (i) submission of a Cargo Claim does not relieve you from payment of any and all freight charges owed to Company, (ii) freight charges with respect to all shipments for which the Cargo Claim relates must be paid before the Company will assist in the settlement of any Cargo Claim, and (iii) if such freight charges remain unpaid in whole or in part, the Company will not process or assist in the filing of any Cargo Claims.

- c. Unless an applicable Carrier tariff states otherwise, all Cargo Claims will be filed and processed in accordance with 49 CFR Part 370. With respect to any shipment tendered to the Company for Transportation Services, you must submit a Cargo Claim within nine (9) months of the date of delivery or, in the case of non-delivery, partial delivery, or mis-delivery, within nine (9) months of the date the shipment should have been delivered. In accordance with 49 CFR Part 370, Carriers will acknowledge a Cargo Claim in writing within 30 days and will have up to 120 days to pay, settle, or deny a Cargo Claim. In the event a Cargo Claim is denied by a Carrier, you must institute suit against such Carrier to recover within two (2) years from the date you receive written notice of the denial of such Cargo Claim.
- d. The Company will remit or credit a Carrier's payment of a Cargo Claim to you when it receives the claim payment from the Carrier depending on whether you have unpaid freight charges owing to the Company at such time.
- e. Unless otherwise set forth in the Carrier's tariff and subject to Section 8(f), the measure of damages for all Cargo Claims will be: (a) for goods purchased under an invoice, bill of sale, purchase order, or other purchase documentation, the purchase price set forth in such purchase documentation plus the freight charges incurred with respect to applicable shipment or (b) if no invoice, bill of sale, purchase order, or other purchase documentation exists prior to the loss or damage of the shipment, the destination market value of the goods. You acknowledge and agree that where the Carrier's tariff sets forth a measure of damages, the measure of damages contained within that tariff shall govern and control.
- f. You acknowledge and agree that the Carrier's governing tariff shall determine the maximum standard liability coverage offered by the Carrier, provided that in no circumstances will Carrier's liability for Cargo Claims be more than [\$100,000]. You acknowledge that the maximum Carrier limit of liability may be less than the value of the goods shipped. Further, you acknowledge that Carriers are not liable for Cargo Claims resulting from or arising out of (a) the act, default or omission of you or any other party who claims interest in the shipment, including, without limitation, improper or insufficient packaging, securing, marking or addressing, (b) the nature of the shipment or any defect therein, (c) your violation of any provision of any agreement with the Company, including these General Terms, or any the bill of lading, Carrier's tariff, or other applicable transportation document, (d) failure to observe any of the rules relating to shipments

not acceptable for transportation or shipments acceptable only under certain conditions, or (e) acts of God, perils of the air, public enemies, public authorities, acts or omissions of customs or quarantine officials, war, riots, strikes, labor disputes, shortages, weather conditions or mechanical delay or failure of vehicles, aircraft, or other equipment.

- g. Immediately upon delivery, you agree to inspect, or cause the consignee to inspect, each shipment for damage or signs of damage or shortage. Damage/shortage must be noted at the time of delivery on the delivery receipt and/or bill of lading. In the event of any shortage, you agree to provide the following information to the Carrier to assist the Carrier in locating any shortage: (1) Freight Bill Number; (2) Names and addresses of the shipper and consignee; (3) Number of pieces; (4) Number of missing pieces; (5) Weight of shipment; (6) Delivery date; (7) Any part number or serial number; (8) A complete description of the missing pieces (size, shape, color, packaging details, etc.); and (9) Any other information helpful in identifying the lost shipments. It is your or the consignee's responsibility to check the outside of crates, packaging, and pallet condition for dents, holes, and tears, and note details of any exceptions. The delivery receipt and/or bill of lading serves the purpose of recording the facts at the time of delivery and certifies that the freight was received in good order and condition unless otherwise noted. When no exceptions are noted, the consignee agrees that the goods were received and accepted in good order and condition. The consignee must accept all damaged or partial shipments and shall seek any and all reasonable salvage opportunities in order to mitigate any damages arising from or relating to a Cargo Claim. Notwithstanding the foregoing, if the consignee refuses to accept a damaged or partial shipment, or if you or the consignee otherwise requests or requires the Carrier to return, divert, or otherwise make some other disposition of such shipment, such request or requirement shall be subject to the terms and conditions of the Carrier's applicable tariff. In the event a Carrier provides you with a waiver of inspection form, such waiver will need to be provided to the Company in connection with the submission of any Cargo Claim.
- h. You are responsible for ensuring that the consignee has unpacked and fully inspected freight before reporting Cargo Claims to the Company. Subject to the applicable Carrier's tariff, in the event a Cargo Claim arises from concealed damage or shortage (a "Concealed Claim"), you must report the Concealed Claim to the Carrier within five (5) days of date of delivery. You agree to file all Concealed Claims directly with the applicable Carriers, and in no event shall the Company be required to file or assist with the settlement of a Concealed Claim.

9. Indemnification; Limitation of Liability.

- a. You agree to indemnify, defend, and hold harmless the Company, its subsidiaries, and affiliated companies of each of them and their respective owners, directors, officers, agents, and employees (collectively, the "Company Parties"), from and against any and all any and all fines, loss, damage, injury, liability, and claims, including reasonable attorney's fees relating to the foregoing (collectively "Losses"), resulting or arising directly or indirectly from (i) your negligent acts or omissions, (ii) your breach of these General Terms, or (iii) your claims against the Company Parties related to the Transportation Services. This indemnity will not apply to an indemnitee to the extent any liability is caused or contributed to by the grossly negligent acts or omissions of such indemnitee.
- b. You agree to give the Company or the applicable indemnitee prompt notice of any claim or suit coming within the purview of the foregoing indemnity. You agree to assume the defense of any claim, demand or action against the Company or such indemnitee and will, upon the request of the Company or such indemnitee, allow the Company or such indemnitee to participate in the defense thereof, such participation to be at the expense of the Company or such indemnitee.

- c. **IN NO EVENT WILL YOU OR THE COMPANY BE LIABLE FOR ANY SPECIAL DAMAGES OF ANY KIND IN CONNECTION WITH THE TRANSPORTATION SERVICES OR THESE GENERAL TERMS, EVEN IF THE PARTY WHO IS LIABLE HAS BEEN INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH SPECIAL DAMAGES. THE FOREGOING LIMITATION OF LIABILITY WILL NOT APPLY TO CLAIMS MADE BY THIRD PARTIES FOR INJURY TO PERSONS, INCLUDING DEATH, OR DAMAGE TO PROPERTY.**
- d. Notwithstanding anything in these General Terms or elsewhere to the contrary, the Company will have no liability to you for Losses arising from or related to the performance of Transportation Services or these General Terms.
10. **Hazardous Materials.** You agree not to tender any hazardous materials, as defined within 49 C.F.R., Subtitle B, Parts 105 through 180 ("Hazardous Materials"), to the Company for the purpose of having the Company provide Transportation Services for Hazardous Materials shipments, without providing prior written notice to the Company of the existence of such Hazardous Materials. If you, without such notification, knowingly or unknowingly tender a Hazardous Materials shipment to the Company which the Company accepts, you hereby agree to indemnify, defend, and hold the Company and the Carrier harmless against any and all liability which may arise from or relate to the transportation of such Hazardous Materials shipment, such liabilities including but not limited to any cargo loss or damage and/or any party and/or third party claims for personal injury, death and/or property damage, including but not limited to damage to the environment.
11. **Force Majeure.** Neither you or the Company shall be liable for any delay in the performance of such party's respective obligations with respect to these General Terms or the Transportation Services (except for your obligations to make payments to the Company as set forth in Section 5) resulting from force majeure, including, but not limited to, acts of God, acts of government or other civil or military authorities and acts of terror, war or riots. Whenever possible, in the event of force majeure, the affected party shall promptly notify the other party in writing, stating the reasons for the inability to comply with the provisions of these General Terms and the expected duration of force majeure.
12. **Confidentiality.** You and the Company agree to keep confidential any information provided by the other party relating to that party's operations or business activities, including, but not limited to, the names of suppliers, Carriers, vendors and customers. You and the Company agree to hold all such information in confidence and not use any such information other than for the benefit of the other party or in performance of such party's respective obligations under these General Terms. Neither you nor the Company will disclose any information regarding these General Terms or any amendments or hereto, except: (a) as may be required by Applicable Law; (b) as is necessary to affect or further the purposes of these General Terms; (c) when such disclosure is between a parent and its subsidiary or corporate affiliate; or (d) when required in connection with an audit by an accounting or law firm, so long as the disclosing party is responsible for ensuring compliance with this confidentiality requirement by the audit or law firm.
13. **Assignment.** Except as expressly set forth within these General Terms, neither party may assign, voluntarily, by operation of law or otherwise, any rights or delegate any duties under these General Terms without the other party's prior written consent, which consent will not be unreasonably withheld, except in the case of a merger, acquisition or sale of all or substantially all of the assets of the party, subject to the successor entity expressly assuming the obligations of the assigning party. These General Terms will bind and inure to the benefit of the parties and their respective successors and permitted assigns. Notwithstanding the foregoing, the Company may subcontract or co-broker any shipments tendered by you under these General Terms.
14. **Miscellaneous.** These General Terms shall expressly supersede all prior written agreements with respect to the

Company's provision of Transportation Services, and these General Terms and the agreements referred to herein comprise the entire agreement between you and the Company relating to the subject matter herein. These General Terms may be amended or modified at any time by the Company. By tendering any shipment to the Company for the performance of Transportation Services, you affirm that (i) all information furnished to the Company (including, without limitation, the information set forth in your credit application with the Company) is current, true, correct, and complete in all material respects, (ii) you are solvent, not currently party to any bankruptcy, dissolution, liquidation, or similar proceeding, (iii) are able to satisfy your financial obligations to the Company as the same becomes due and payable, (iv) have all authority and approvals required to tender such shipment to the Company for the performance of Transportation Services, and (v) authorize the Company to contact each bank, financial institution, or other reference listed in your credit application with the Company. You agree to inform the Company of any change in ownership or control of 20% or more or the material acquisition or disposition of assets. You acknowledge that the Company may record phone calls and other communication in the ordinary course of business for quality assurance, training, and other business purposes. Headings are for reference only and do not affect the meaning of any paragraph. These General Terms will be governed by and interpreted in accordance with the laws of the State of Delaware without giving effect to the choice of law rules thereof. In the event any provision of these General Terms is violative of any Applicable Law, such provision will be amended to conform thereto without invalidating the remainder of these General Terms. The parties consent to the exclusive jurisdiction of, and venue in, any state court of competent jurisdiction located in Tulsa, Oklahoma for the purposes of adjudicating any matter arising out of or relating to these General Terms. These General Terms may be accepted electronically in one or more counterparts and each such counterpart will, for all purposes, be deemed an original, but all such counterparts will together constitute but one and the same instrument. All accrued obligations of the parties will survive the termination or expiration of these General Terms. The failure of a party to object to or take action with respect to any breach of any term of these General Terms by the other will not be construed as a waiver of any rights hereunder by the non-objecting party, nor of any claims, past, present or future, for any breach of these General Terms.