

TST, INC.

Terms and Conditions of Carriage

1. The transportation of the property described in this Bill of Lading (the "Property") shall be pursuant to these Terms and Conditions. Shipper (consignor and/or TST, Inc or Timco) does not agree to any other or inconsistent terms, unless a supplemental written agreement is signed by the shipper. These Terms and Conditions shall supersede any previous or inconsistent terms.
2. The carrier or the party in possession of the Property shall be liable for the full value of the Property in the event of any loss, damage, or delay in delivery thereto, except as hereinafter provided. The carrier shall be liable for special, incidental, and consequential damages for which they have actual or constructive notice, including the notice provided in these Terms and Conditions. The carrier is required to maintain freight insurance sufficient to cover the full value of the Property, in an amount no less than \$200,000. By accepting the Property for delivery, carrier represents and warrants that it has satisfied the insurance requirements of these Terms and Conditions.
3. No carrier or party in possession of the Property described in this bill of lading shall be liable for any loss of or damage to the Property or for any delay caused solely by an Act of God, the public enemy, the authority of law, or the act or default of the shipper. The carrier or the party in possession shall have the burden of proving freedom from negligence, and that one of the foregoing exceptions was the sole and proximate cause of the loss, damage, or delay. The carrier's liability shall not be subject to the rule of contributory or comparative negligence.
4. The carrier shall be liable as a warehouseman for loss, damage, or delay occurring after actual or attempted tender of the Property for delivery at destination. When tender of delivery of the Property to the party entitled to receive it has been made, but delivery has been refused, or if the carrier is unable to make delivery, the carrier's liability as a warehouseman will begin when carrier has placed said Property in a warehouse or storage facility under reasonable security. Except in the case of negligence of the carrier or the party in possession, the carrier or party in possession shall not be liable for delay which results when the Property is stopped in transit upon request of the shipper.
5. The carrier is bound to transport the Property within the time specified by the shipper. Time is of essence, and carrier shall be liable for all consequential damages resulting from any delay in delivery, including but not limited to the difference in the market value of the Property between the scheduled date of delivery and the actual date of delivery. Shipper hereby notifies carrier that the market value of the Property fluctuates and any diminution in value of the Property due to late delivery will be recoverable against carrier. Every carrier shall have the right, in case of necessity, to forward said property by any carrier or route between the point of shipment and the point of destination, without additional cost to shipper or consignee only if the receiving and delivering carrier meet the insurance requirements stated herein and agree to these Terms and Conditions of Carriage.
6. The shipper shall pay the freight charges accruing for the transportation of the Property in the amount agreed upon by the parties prior to the shipment. Shipper shall not pay any additional charges, including a fuel surcharge, unless agreed upon prior to the shipment. Shipper may offset any unpaid freight charges against unpaid freight claims even if the charges relate to shipments that are separate from the shipment giving rise to the claim. If upon inspection it is ascertained that the Property shipped is not as described in the bill of lading, the freight charges will be paid upon the Property actually shipped. In addition to any other remedies available to the shipper for late delivery, the freight charges will be reduced by 10% for each day that the delivery is delayed beyond the scheduled delivery date.

7. Claims for overcharges and undercharges shall be governed by the statute of limitations stated in 49 U.S.C. § 14705, and administered in accordance with 49 C.F.R. § 1008, unless otherwise provided herein. Carrier shall pay the same rate of interest on overcharge claims as it applies on unpaid freight charges, if any.

8. In the event that the Property has been refused by the consignee, or carrier is unable to timely deliver the property for any reason, carrier shall immediately notify shipper by telephone or other electronic communication system in accordance with the instructions for notification given to the carrier. Said notice shall be confirmed in writing by carrier, stating the time and date that free time shall expire. Any storage charges shall not begin until at least 48 hours after carrier's notification, exclusive of Saturdays, Sundays and business holidays declared by any of the parties hereto. Shipper shall give disposition instructions to carrier within 48 hours of its receipt of the notice of carrier's inability to deliver.

9. Notice of visible loss or damage shall be given to carrier on the delivery receipt by the consignee and confirmed on the receipt by the driver's signature. Concealed loss or damage shall be reported to the delivering carrier within 15 working days unless the claimant explains why the loss or damage could not reasonably have been reported within 15 days. When notice has first been given to carrier after 15 days, claimant shall offer proof that the loss or damage did not occur after delivery to consignee, and carrier shall resolve the claim in light of the said proof.

10. Carrier shall be liable for the number of shipping units or packages noted on the bill of lading, and shall deliver them in the same condition or unitized package as tendered at origin. If carrier's driver is not able or is not given an opportunity to inspect and count the shipment prior to acceptance by the carrier, the bill of lading must be noted "SL & C" (Shippers Load & Count). When less-than-truckload shipments are loaded and counted by shipper, such shipments will be inspected and counted by carrier at its first breakbulk point, if any, and any discrepancies shall be reported immediately to shipper. Carrier shall absorb any costs associated with transloading, and accepts liability for any damage or loss to the Property occurring during loading or unloading for transshipment.

11. If any transportation is arranged through a broker, Carrier designates the broker as its agent for the collection of freight charges. When freight and charges are paid to the broker by shipper, the Carrier agrees not to hold shipper liable for said charges and waives all legal rights that it may otherwise have to seek payment from the shipper, and Carrier shall have not recourse against Shipper for such claim or payment.

12. Any claim for unpaid freight by Carrier against Broker or Shipper must be made in writing within 90 days of the shipment having been tendered to Carrier for transportation.

13. Any court action to enforce these terms and conditions shall only be filed in the courts of the State of California located in Chino, California and Carrier agrees to and consents to personal jurisdiction in such courts. The prevailing party in any action commenced to enforce these terms and conditions shall be entitled to recover its reasonable attorney's fees.

14. If any transportation is arranged through a broker, the broker shall identify the hauling carrier and provide proof to Shipper that these terms and conditions of carriage have been provided to the hauling carrier by the broker.