

Prime Transport Terms and Conditions of Service

These Terms and Conditions of Service constitute a legally binding contract between the "Company" and the "Customer". In the event the Company renders services and issues a document containing terms and conditions governing such services, the Terms and Conditions set forth in such other document shall govern those services.

1. Definitions. a) "Company" shall mean Prime Transport, its subsidiaries, successors or assigns, related companies, agents and/or representatives; (b) "Customer" shall mean the entity for which the Company is rendering service, as well as the Customer's agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc. It is the responsibility of the Customer to provide notice and a copy of these terms and conditions of service to all such agents or representatives; (c) "Documentation" shall mean all information received directly or indirectly from the Customer, whether in paper or electronic form; (d) "Ocean Transportation Intermediaries" ("OTI") shall include an ocean freight forwarder and a non-vessel operating common carrier; (e) "Third parties" shall include, but not be limited to, the following: carriers, truckmen, cartmen, lightermen, forwarders, OTIs, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise.

2. Company as Agent. The Company acts as the agent of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export documentation on behalf of the Customer and other dealings with government agencies; as to all other services, the Company acts as an independent contractor.

3. Limitation of Actions. (a) Unless subject to a specific statute or international convention, all claims against the Company for a potential or actual loss or damage must be made in writing and received by the Company within ninety (90) days of the event giving rise to claim; the failure to give the Company timely notice shall be a complete defense to any suit or action commenced by the Customer; (b) All suits against the Company must be filed and properly served on the Company as follows: (i) For claims arising from ocean transportation, within one (1) year from the date of the loss or damage; (ii) For claims arising from air transportation, within two (2) years from the date of the loss or damage; (iii) For claims arising from the preparation and/or submission of an import entry(s), within seventy five (75) days from the date of liquidation of the entry(s); (iv) For any and all other claims of any other type, within two (2) years from the date of the loss or damage.

4. No Liability for the Selection or Services of a Third Party and/or Routes. Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer, the Company shall use reasonable care in its selection of a third party or in selecting the means, route and procedure to be followed in the handling, transportation, clearance and delivery of the shipment; advice by the Company that a particular person or firm has been selected to render services with respect to the goods shall not be construed to mean that the Company warrants or represents that such person or firm will render such services nor does the Company assume responsibility or liability for any action(s) and/or inaction(s) of such third party and/or its agent(s), and shall not be liable for any delay or loss of any kind, which occurs while a shipment is in the custody or control of such third party and/or its agent(s); all claims in connection with the act of a third party shall be brought solely against such third party and/or its agent(s); in connection with any such claim, the Company shall reasonably cooperate with the Customer, who shall be liable for any charges or costs incurred by the Company.

5. Quotations Not Binding. Quotations as to fees, rates of duty, 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; no quotation shall be binding upon the Company unless the Company in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between the Company and the Customer.

6. Reliance On Information Furnished. (a) The Customer acknowledges that he is required to review all documents and declarations prepared and/or filed with the Customs Service, other government agency and/or third party and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration(s) filed on the Customer's behalf; (b) In preparing and submitting Customs entries, export declarations, applications, documentation and/or export data to the United States and/or a third party, the Company relies on the correctness of all documentation, whether in written or

electronic format, and all information furnished by the Customer; the Customer shall use reasonable care to insure the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of any incorrect or false statement(s) upon which the Company reasonably relied. The Customer agrees that he has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.

7. Declaring Higher Value to Third Parties. Third parties to whom the goods are entrusted may limit liability for loss or damage; the Company will request excess valuation coverage only upon specific written instructions from the Customer, who must agree to pay any charges therefor; in the absence of written instructions or the refusal of a third party to agree to a higher declared value, at the Company's discretion, the goods may be tendered to the third party subject to the terms of the third party's limitations of liability and/or terms and conditions of service.

8. Insurance. Unless requested to do so in writing and confirmed to the Customer in writing, the Company is under no obligation to procure insurance on the Customer's behalf; in all cases, the Customer shall pay all premiums and costs in connection with procuring requested insurance.

9. Disclaimers; Limitation of Liability. (a) Except as specifically set forth herein, the Company makes no express or implied warranties in connection with its services; (b) Subject to (d) below, the Customer agrees that in connection with any and all services performed by the Company, the Company shall only be liable for its negligent act(s), which are the direct and proximate cause of any injury to the Customer, including loss or damage to the Customer's goods, and the Company shall in no event be liable for the acts of third parties; (c) In connection with all services performed by the Company, the Customer may obtain additional liability coverage, up to the actual or declared value of the shipment(s) or transaction(s), by requesting such coverage and agreeing to make payment therefor, which request must be confirmed in writing by the Company prior to rendering services for the covered shipment(s) or transaction(s); (d) In the absence of additional coverage under (c) above, the Company's liability shall be limited to the following: (i) Where the claim arises from activities other than those relating to customs brokerage, \$50.00 per shipment or transaction; (ii) Where the claim arises from activities relating to customs business, \$50.00 per entry or the amount of brokerage fees paid to the Company for the entry, whichever is less; (e) In no event shall the Company be liable or responsible for consequential, indirect, incidental, statutory or punitive damages even if it has been put on notice of the possibility of such damages. Revised: 080108 2

10. Advancing Money. All charges must be paid by the Customer in advance unless the Company agrees in writing to extend credit to the Customer; the granting of credit to the Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company.

11. Indemnify/Hold Harmless. The Customer agrees to indemnify, defend, and hold the Company harmless from any claim and/or liability arising from the importation or exportation of the Customer's merchandise and/or any conduct of the Customer, which violates any federal, state and/or other laws, and further agrees to indemnify and hold the Company harmless against any and all claims, liabilities, losses, damages, costs, and/or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at the address on file with the Company.

12. C.O.D. or Cash Collect Shipments. The Company shall use reasonable care regarding written instructions relating to cash/collect on delivery (C.O.D.) shipments, bank drafts, cashier's and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall have no liability if the bank or consignee refuses to pay for the shipment.

13. Costs of Collection. In any dispute involving monies owed to the Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 15% per annum or the highest rate allowed by law, whichever is less, unless a lower amount is agreed to by the Company.

14. General Lien and Right to Sell Customer's Property. (a) The Company shall have a general and continuing lien on any and all property of the Customer coming into the Company's actual or constructive possession or control for monies owed to the Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both; (b) The Company shall provide written notice to the Customer of its intent to exercise such lien, the

exact amount of monies due and owing, as well as any on-going storage or other charges; the Customer shall notify all parties having an interest in his shipment(s) of the Company's rights and/or the exercise of such lien; (c) Unless, within thirty (30) days of receiving notice of lien, the Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due in favor of the Company, guaranteeing payment of the monies owed plus all storage charges accrued or to be accrued, the Company shall have the right to sell such shipment(s) at a public or private sale or auction and any net proceeds remaining thereafter shall be refunded to the Customer.

15. No Duty To Maintain Records For Customer. The Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act of 1930, as amended, (19 USC §1508 and §1509), the Customer has the duty and is solely liable for maintaining all records required under the Customs and/or other laws and regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by statute(s) and/or regulation(s), but not act as a recordkeeper or recordkeeping agent for the Customer.

16. Obtaining Binding Rulings, Filing Protests, etc. Unless requested by the Customer in writing and agreed to by the Company in writing, the Company shall be under no obligation to undertake any pre- or post- Customs release action, including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petitions and/or protests, etc.

17. Preparation and Issuance of Bills of Lading. Where the Company prepares and/or issues a bill of lading, the Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc.; unless specifically requested to do so in writing by the Customer or the Customer's agent, and the Customer agrees to pay for same, the Company shall use the weight supplied by the Customer.

18. Modification or Amendment in Writing. These Terms and Conditions of Service may only be modified, altered or amended in writing

signed by both the Customer and the Company; any attempt to unilaterally modify, alter or amend same shall render these Terms and Conditions of Service null and void.

19. Compensation of Company. The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the goods, and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by the Company from carriers, insurers and others in connection with the shipment. On ocean exports, and upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for the monies due the Company, upon recovery by the Company, the Customer shall pay the expenses of collection and/or litigation, including a reasonable attorney's fee.

20. Severability. In the event any paragraph(s) and/or portion(s) hereof are found to be invalid and/or unenforceable, the remainder hereof shall remain in full force and effect.

21. Governing Law; Consent to Jurisdiction and Venue. These Terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of Tennessee without giving consideration to principals of conflict of law. The Customer and the Company (a) irrevocably consent to the jurisdiction of the United States District Court and the state courts of Tennessee; (b) agree that any action(s) relating to the service(s) performed by the Company shall only be brought in said courts; (c) consent to the exercise of *in personam* jurisdiction by said courts over it; (d) further agree that any action(s) to enforce a judgment may be instituted in any jurisdiction.

Note: If you are the importer of record, payment to the broker will not relieve you of liability for Customs charges in the event the charges are not paid by the broker. Therefore, if you pay by check, Customs charges may be paid with a separate check payable to the Bureau of Customs and Border Protection.

I HAVE READ AND ACCEPT THESE TERMS AND CONDITIONS OF SERVICE.

Name (please print): _____ Date: _____

Signature: _____