

## **TERMS AND CONDITIONS – FREIGHT BROKERAGE**

1. **CorTrans STATUS AS A BROKER** CorTrans Logistics, LLC, (CorTrans) arranges for the intermodal or over-the-road transportation of shipments of customers from and to various locations throughout the United States. CorTrans is and operates as a transportation intermediary, commonly referred to as a shipper's agent or broker. As a shipper's agent and broker, CorTrans contracts directly with rail and motor carriers for the latter to provide the actual transportation services from origin to destination for shipments of customers. In its capacity as an arranger of transportation services, CorTrans is an independent contractor and is not an agent of either its customer or an agent of the carriers performing the actual transportation.

2. **LOADING RESPONSIBILITY.** Except as otherwise provided in writing prior to the time of dispatch, shipments brokered through CorTrans must be loaded by SHIPPER and unloaded by the Consignee, from or on the Equipment. The Equipment will be provided for use by SHIPPER to load and Consignee to unload all shipments. All freight so loaded by SHIPPER shall be properly packed and braced by SHIPPER to protect against damage during the course of normal transportation. CorTrans will not be responsible for any damage to a shipment or for personal injuries at origin, destination or en route, which is caused by improper, careless or inefficient preparation for shipment, inherent vice or nature of the Commodities, or loading and unloading performed by SHIPPER, Consignor, Consignee or a Third Party. Shipments moving by rail shall be blocked and braced according to the AAR (American Association of Railroads) requirements, Shipper shall be liable for, and shall indemnify and hold harmless CorTrans against, any and all damages, loss or claims that may arise, or be made against CorTrans as a result of Shippers failure to comply with this paragraph.

3. **PICK UP AND DELIVERY.** CorTrans does not agree that the pick-up or delivery any shipment will occur in time for any particular market, occasion, or event, and CorTrans does not guarantee to arrive at or depart from any particular point at any specified time. The estimated pickup and delivery times which CorTrans may advise, through its agents, are times which the CorTrans endeavors to maintain, but such times are not guaranteed. In no event will CorTrans be liable for consequential damages resulting from delay in delivery of a shipment.

4. **BILL OF LADING.** All Commodities tendered to under this AGREEMENT shall move on and be governed by the terms and conditions in the CorTrans Bill Of Lading, or a Bill of Lading of the Carrier performing the transportation. However, to the extent any terms or conditions of either Bill Of Lading conflict in any way with any term or condition of this AGREEMENT, this AGREEMENT shall take precedence and control the resolution of disputes, provided that any released value or limitation of liability set forth in the Bill Of Lading, that is lower than the limitation of liability in this agreement, shall control THIS AGREEMENT GOVERNS THE TERMS OF THE TRANSPORTATION ARRANGED BY CORTRANS FOR SHIPPER, IN THE EVENT OF ANY PROVISIONS TO THE CONTRARY ON ANY SHIPPING DOCUMENT WHICH MAY BE ISSUED COVERING ANY SHIPMENT OR SHIPMENTS.

5. **CARGO LIABILITY.** CorTrans as a broker shall have no liability for cargo loss, damage or delay claims; provided however, that CorTrans agrees to submit, negotiate and attempt to settle such claims with the responsible carrier and to keep SHIPPER advised of the status of all such claims. In no event shall CorTrans be liable for the loss or damage caused, in whole or in part, by an act of God, public enemy, the fault or neglect of the SHIPPER or public authority. Any Cargo liability shall be limited to the lesser of the actual replacement cost or the cost of repairs to the commodities so lost, damaged or destroyed, not to exceed the lesser of \$2.50 per pound or \$100,000 per truckload shipment. Liability for shipments involving commodities in other than new condition, including but not limited to, used agricultural implements or parts, or used machinery or parts, shall be limited to the lesser of \$1.00 per pound or \$25,000 per truckload shipment. CorTrans shall not be liable for indirect, special, delay, economic or consequential damages other than actual loss or damage to the commodities, regardless of CorTrans knowledge of the possibility of such damages. CorTrans does maintain contingent cargo liability insurance, with a limit in the amount of \$250,000 which may cover cargo losses in the event the responsible carrier does not cover the loss. CorTrans liability for any cargo loss shall not exceed the amount collectable under the contingent cargo

liability policy. UNLESS OTHERWISE AGREED TO IN WRITING, CorTrans SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE INCURRED IN MEXICO.

Where permitted under applicable law, and subject to the following requirements, SHIPPER may arrange for and pay for cargo insurance. CorTrans accepts no responsibility for or liability to, and the shipper and consignee waive, release, and discharge CorTrans from, SHIPPER's or consignee's failure to comply with the terms and conditions of the cargo insurance policy. Policy terms and conditions apply and are available upon request, which terms and conditions include without limitation, the limits and conditions described herein. The insurance covers the shipment against risks of physical loss or damage from most external causes, subject to certain exclusions. The amount of insurance requested (in whole dollars) should be equal to the value of the shipment (lesser of replacement cost or sales price) plus insurance, and the freight charges. A premium per \$100.00 of insurance requested will be charged and billed. Advance arrangements must be made for insurance coverage; such request must be made by SHIPPER and accepted by CorTrans in writing. Any amount of insurance requested in excess of the maximum allowed in these terms is null and void, and the acceptance by CorTrans for carriage of any shipment with an insurance amount in excess of the allowed maximum does not constitute a waiver of this maximum. Cargo insurance is not available for all shipments; SHIPPER should contact CorTrans for more information and exclusions.

#### 6. CLAIMS.

- a. Claims for damaged shipments must be made in writing within 60 days of ship date. Notification of concealed damage must be made within 24 hours of receipt. Original shipping cartons and contents must be retained by consignee for inspection. Claims for overcharges must be presented within 60 days of the shipping date.
- b. No loss or damage claim will be processed until all Transportation charges have been paid. Claimants may not deduct the amounts of pending claims from any charges owed to CorTrans, and Shipper waives any and all rights, including any statutory or common law rights, to set off the amount of any claim against charges owed to CorTrans.
- c. All claims for loss or damage are subject to proof of value, documentation of which shall be provided by Claimant at the time such claim is made.

7. INSURANCE. During the term of this AGREEMENT, CorTrans shall carry and maintain public liability and property damage insurance, or obtain self-insurance as authorized by federal law, in such amounts and in such manner as may be required by law.

8. NON-ALTERNATION. Both SHIPPER and CorTrans agree that any shipments tendered to CorTrans under the terms of this AGREEMENT shall be subject to rates provided in CorTrans common tariffs, unless CorTrans and SHIPPER have entered into a separate written agreement providing other such rates.

9. PROVISIONS FOR PAYMENT. As full compensation for the services provided by CorTrans, SHIPPER shall pay CorTrans in accordance with the rates and charges provided in APPENDIX A herein except as hereinafter provided. When CorTrans and SHIPPER shall both agree, the transportation charge for any shipment(s) may be an amount agreed upon by both parties different from that shown in APPENDIX A. If both parties agree to a special rate, such rate shall be reduced to writing and signed by both parties prior to the shipment pick-up in order to become binding. Signed written agreements may be transmitted between the parties electronically or by U.S. Mail. This procedure satisfies the requirements of a written agreement for change in rates, as provided in the AGREEMENT. All invoices (freight bills) are due and payable within thirty (30) days from date of invoice.

- a. All invoices more than ten (10) days in arrears shall bear interest at the rate of two percent (2%) per month or the highest rate permitted by law, whichever is less, from the date due until paid.
- b. SHIPPER agrees to pay all collection expenses, including reasonable attorney's fees, as and when incurred or paid by CorTrans.
- c. All transportation charges are to be paid in full. No deductions from transportation charges are to be made for loss or damage or for billing error on other shipments.

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10. WAIVER. CorTrans and SHIPPER expressly waive any and all rights and remedies allowed under 49 U.S.C. Section 14101, et. seq. to the extent that such rights and remedies conflict with this AGREEMENT.

11. INDEMNIFICATION. Except as otherwise provided herein, each party hereto shall indemnify and hold harmless the other party hereto from and against all loss, damage, fines, expense (including reasonable attorney fees), actions and claims for injury to persons (including injury resulting in death) and damage to property, caused by the negligent acts or omissions of such party, its agents or employees.

12. FORCE MAJEURE. Neither CorTrans nor SHIPPER shall be liable one to the other for default in the performance or discharge of any duty or obligation under this AGREEMENT where caused by an Act of God, or the public enemy, war conditions, governmental interference, regulations or actions, embargoes, fires, floods, labor disorders, closing of the public highway, or without construing the foregoing as words of limitation, any other cause beyond CorTrans or SHIPPER's control.

13. DEFAULT

a. Any of the following events shall constitute a default hereunder:

1. failure of SHIPPER or CorTrans to pay when due and payable any payment or charges during the term of AGREEMENT; or
2. failure by any party to perform, keep or observe any term, provision, warranty or condition contained in this AGREEMENT unless otherwise excused.

b. If either party to this AGREEMENT fails to correct a default hereunder within fifteen (15) days after written notice to do so, the party serving such notice may unilaterally terminate this AGREEMENT forthwith. Waiver of any default shall not be construed as a waiver of either a subsequent or continuing defaults. Termination of this AGREEMENT shall not affect a party's liability by reason of any act, default or occurrence prior to such termination.

14. RELATIONSHIP OF THE PARTIES. The relationship between CorTrans and SHIPPER under this AGREEMENT shall be that of independent contract. Nothing contained in this AGREEMENT shall be deemed to constitute a relationship of agency, joint venture, partnership or any relationship other than that specified.

15. HAZARDOUS MATERIAL TRANSPORTATION: SHIPPER shall provide CorTrans with advance written notice of the proper shipment of any hazardous material, as that term is used and defined in the Hazardous Material Transportation Act, 49 U.S.C. Section 15101, et. seq., ("Hazardous Material"). Prior to the proposed transportation, SHIPPER shall provide CorTrans with a current Material Safety Data Sheet for the hazardous material shipment. SHIPPER shall indemnify, defend and hold harmless CorTrans and its officers, employees, agents, and insurers against all claims, liabilities, losses, fines, reasonable attorney fees and other expenses arising out of or contact with exposure to or release of any Hazardous Material, including without limitation, fines or expenses related to the removal of treatment of Hazardous Material or any other remedial action pertaining to the Hazardous Material under federal or state law, if (1) SHIPPER fails to provide the notice required by this provision prior to tendering the Hazardous Materials to CorTrans, (2) the contact, exposure or release resulted from the improper packaging or loading or other acts of omissions of the SHIPPER, its employees or agents, or (3) the contact, exposure or release occurred subsequent to the transport of the Hazardous Material.

16. COMPLIANCE WITH LAW. CorTrans shall comply in all material respects with all federal, state and municipal laws and regulations relating to the transportation of the Commodities covered by this AGREEMENT and shall indemnify and save SHIPPER harmless from any and all penalties or other liability arising from violations of said laws and regulations.

17. GENERAL.

SHIPPER INITIALS \_\_\_\_\_



- a. This AGREEMENT shall remain in full force and effect for a term of one (1) year from date hereof and unless either party notifies the other in writing at least thirty (30) days prior to the expiration of the primary term or any extension thereof, this AGREEMENT shall be deemed extended at any such expiration for another term of like duration as the primary term, subject always, however, to the right of termination by either party at any time on thirty (30) days' written notice to the other party.
- b. In the event that any provision of this AGREEMENT shall be construed as or declared to be invalid, unenforceable or unconstitutional, then such invalidity, unenforceability or unconstitutionality shall not affect the remaining provisions of this AGREEMENT, and said provisions shall be given full force and effect as if the invalid, unenforceable or unconstitutional provision did not exist.
- c. This AGREEMENT may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.
- d. The failure of one party to insist upon the other party's strict adherence to any provision of this AGREEMENT shall not be considered a waiver thereof, nor shall it deprive that party of the right therefore to insist upon such strict adherence to or enforcement of that or any other provision hereof.
- e. This AGREEMENT shall be governed by and construed in accordance with the laws of the State of Georgia.
- f. This AGREEMENT constitutes the entire agreement and understanding between the parties and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties.

SHIPPER: \_\_\_\_\_

NAME/TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**CorTrans Logistics, LLC**

**Gloria V. Cortez, CEO / Owner**

DATE: \_\_\_\_\_

**US DOT# 2228097**

**MC# 413197**

**SCAC: CFVR**

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