

# CREDIT ACCOUNT TERMS AND CONDITIONS

1. As used in this contract "Expressway Transportation" means Bill T. Farris & Assoc., Inc. and its authorized agents.
2. In tendering the shipment for carriage, the shipper agrees to these Conditions of Contract, which no agent or employee of Expressway Transportation is authorized to waive or modify. The shipper also acknowledges that the Bill of Lading is non-negotiable and has been prepared by the shipper or on the shipper's behalf by Expressway Transportation.
3. The shipper agrees the carriage hereunder is subject to the terms and conditions stated herein and to those terms and conditions contained in Expressway Policy Manual and Tariff, which are available for inspection by the parties hereto and is incorporated in this contract by reference.
4. The shipper warrants that the shipment is packaged to protect the enclosed goods and to insure safe transportation with ordinary care in handling, and that each package is appropriately labeled and is in good order for carriage. All shipments may, at Expressway Transportation, or its agents option, be opened and inspected.
5. Expressway Transportation shall not be liable for loss, damage, delay or other resulted by (a) acts of God, public enemies, public authorities acting with actual or apparent authority, authority of law, quarantine, riots, strikes, civil commotions, or hazards or dangers incident to a state of war; (b) the act of default of the consignor or the consignee, including any breach of warranty set forth in paragraph 4; (c) the nature of the shipment, or any defect, characteristics or inherent vice thereof; (d) violation by the consignor or the consignee of any of these Conditions of Contracts; (e) compliance or noncompliance with delivery or special instructions. Expressway Transportation shall not be liable for special or consequential damages, such as loss of a contract or loss of sales.
6. Claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given to Expressway Transportation or its agents must be reported in writing to Expressway Transportation within fifteen days after the delivery date of a shipment with privilege to Expressway Transportation or its agent to inspect the shipment and its container(s) and packing materials within fifteen days after receipt of such notice.
7. Claims for loss, damage, or delay must be in writing and received by Expressway Transportation within nine months after the date of acceptance of the shipment by Expressway Transportation or its agents. No claim for loss or damage to a shipment will be entertained until all charges thereon have been paid. The amount of claims may not be deducted from transportation charges.
8. Expressway Transportation shall not be liable in any action unless a claim has been filed in accordance with Paragraphs 6 and 7 and such action is brought within two years after the date written notice was given to the claimant that Expressway Transportation has disallowed the claim in full or in part.
9. LIMITATIONS OF LIABILITY, Expressway Transportation shall not be liable for loss or damage in any amount exceeding \$50.00 (fifty dollars U.S.) for any shipment of 100 pounds or less and not exceeding .50 cents (fifty cents U.S.) per pound for any shipment weighing in excess of 100 pounds. This includes trans-border shipments to Canada or Mexico. The only exception to this release price is if the shipper declares a specific value in writing on the Bill of Lading before receipt of goods by Expressway Transportation or its agents, and the shipper pays additional charges pertaining to that declared value.
10. To the extent that it is not governed by Federal law, this Contract and Expressway Transportation Policy manual and Tariff are incorporated by reference, shall be construed and the performance of the transportation hereunder shall be determined in accordance with the laws of the State of California. If any provision of this Contract, including the Policy manual and Tariff incorporated by reference is determined to be invalid or unenforceable, the remainder of the Contract shall not be affected thereby.
11. Consignor, Consignee, and Consignor and bill to party for accounts payable to Expressway Transportation are jointly and severally liable for all charges related to this shipment. Charges may be reversed to the responsible parties if the shipment is refused or payment not made by the originally designated party for Expressway Transportation to bill.
12. LIEN NOTICE: FAILURE TO PAY BILLED CHARGES MAY RESULT IN A LIEN ON FUTURE SHIPMENTS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 3051.5 AND 3052. The lien shall be for the total amount owed to Expressway Transportation for freightage, charges for services and advances due on freight previously delivered upon the promise to pay freightage, charges for services, and advances. The lien shall also include billed freight charges, cost of shortage and appropriate security for the subsequent shipment held by Expressway Transportation or its agents, and the cost of sale, notification and attorney's fees.
13. LATE PAYMENT CHARGE. In the event consignor or designated third party payer does not pay this invoice within (30) days of receipt, a late payment charge of 1.5% per month shall be imposed starting 30 days after the date of this invoice, and accruing until paid. This is in addition to loss of any discount.
14. ATTORNEY'S FEES. In the event of any dispute between Expressway Transportation and any other party to the shipment described on this document, the prevailing party is entitled to attorney's fees, litigation and court cost, and collection costs. In the event Expressway Transportation exercises a possessor lien, the consignor, consignee or third party billing payer shall also pay for Expressway Transportation attorney's fees incurred in connection with the lien, even if incurred prior to any litigation.
15. DISCOUNTED RATE. The rate provided to the customer is a discounted rate which lasts for only 30 days after the date of the shipment. Timely payment is a precondition of this discounted fee. Failure to pay freight charges for this shipment shall result in full, non-discounted rate being charged to the customer. The full non-discounted rate is 50% more than the discounted rate, unless a different discounted rate is stated on Expressway Transportation invoices or Bill of Lading.
16. FORUM, VENUE AND CHOICE OF LAW. The exclusive forum and venue for any lawsuit or other proceeding, including arbitration, shall be Orange County, California USA. The choice of law shall be California law.