
MOTOR CARRIER RULES CIRCULAR

Naming

**RULES AND REGULATIONS
AND CHARGES**

Applying on

INTERMODAL FREIGHT ALL KINDS

BETWEEN ALL POINTS
IN THE UNITED STATES

FOR GOVERNING PUBLICATIONS, SEE ITEM 100

THIS RULES CIRCULAR APPLIES ON INTERSTATE,
INTRASTATE AND INTERNATIONAL COMMERCE.

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ISSUED BY:

Reliable Transportation Specialists, Inc.

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The provisions herein will not result in an effect on the quality of the human environment.

CHECK SHEET

Pages of this rules circular shown below are effective as of the date shown thereon. (* - indicates revised pages included with this filing). This check sheet will be reviewed as pages to this rules circular are revised or added.

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**SECTION 1 –
GOVERNING PUBLICATIONS AND DEFINITIONS**

Item 100 **BILLS OF LADING**

The terms and conditions of the following bill of lading shall apply.

The terms and conditions of the Standard Truckload Bill of Lading shall apply notwithstanding the use by Shipper of any other bill of lading or shipping document. Drivers are not authorized to bind Carrier to non-conforming bills of lading and execute bills of lading with alternative terms and conditions as receipts for the shipment only.

Item 120 **APPLICATION OF CIRCULAR**

Each provision of this rules circular shall apply to each transportation agreement entered into by carrier unless expressly waived in a signed, written agreement.

Item 130 **MILEAGE GUIDE**

Where rates are set forth in cents per mile or other calculation based on mileage, distances shall be determined by utilizing PC MILER. Mileage will be the distance between the point of origin and point of destination by the shortest regularly traveled available highway routes.

ALK Associates Version 14, PC Miler Shortest Route

Item 135 **IMPRACTICAL OPERATIONS**

Nothing in this rules circular shall require the carrier to perform pick-up or delivery service at any location from or to which it is impracticable, through no fault or neglect of the carrier to operate vehicles because of:

- (a) The condition of roads, streets, driveways or alleys;
- (b) Inadequate loading or unloading facilities; or
- (c) Riots, Acts of God, the public enemy, the authority of law, strikes or labor unrest the existence of violence, or such possible disturbances as to create reasonable apprehension of danger to person or property.

Item 140 **RATES AND SCHEDULES**

The rules published herein are applicable to all shipments transported by Carrier unless expressly waived in a signed bilateral contract pursuant to 49 U.S.C. 14010 (b). Rates and schedules may be published in rate catalogues, on a shipper specific basis or pursuant to a spot market rate quotation.

Item 150 **NOTICE AND AMENDMENTS**

Upon written request, Carrier will provide its customers and shippers with copies of all applicable rules circulars and rates.

Item 160 **CANCELING ORIGINAL & REVISED PAGES, except Title Page.**

When this rules circular is formally amended by revised pages, the cancellation of prior pages will be effected by means of this item. A revised page will not show a cancellation notice. Revisions of each page will be filed in numerical sequence. Except where a specific cancellation is shown on a new revised page, a revised page cancels any and all uncanceled revised or original pages, or uncanceled portions thereof, which bear the same page number (see Exception). For example: "1st Revised Page 10" for a particular shipper will have the effect of canceling Original Page 10, "5th Revised Page 12" will have the effect of canceling 4th Revised Page 12.

Item 180 **DEFINITIONS**

- (A) Shipment is a tender of freight received from one consignor, at one time, at one place, destined to one consignee at one location, and covered by one bill of lading.
- (B) Carrier shall be named on the bill of lading as the origin carrier of all shipments.
- (C) Unless arranged or agreed upon in writing prior to shipment, carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is responsible to transport a shipment with reasonable dispatch, as that term is defined at common law. Carrier shall not be responsible for special or consequential damages resulting from delayed delivery.
- (D) Spot rate shall mean a rate agreed upon by only shipper and carrier as applicable to a single shipment or, if in writing, a limited number of shipments representing a continuous number of shipments arranged at a single time with a single offer and a single acceptance.

Item 190 ABBREVIATIONS AND REFERENCE MARKS

Explanation of abbreviations and reference marks:

@	=	Addition
()	=	Increase
()	=	Reduction
()	=	Change in wording which results in neither increase/decrease.
(D)	=	For any mileage not shown, use greater mileage.
VMW	=	Volume Minimum Weight
FS	=	Full Service – Loading & unloading included in rate.
N/A	=	Not Applicable
FMCSA	=	Federal Motor Carriers Safety Administration
STB	=	Surface Transportation Board
LB	=	Pound or pound
LTL	=	Less-than-truckload
M	=	Thousand
MF	=	Motor freight
NOS	=	Not otherwise specified herein
TL	=	Truckload
STBOL	=	Standard Truckload Bill of Lading

**SECTION 2 –
SCOPE OF OPERATIONS**

Item 200 TERRITORIAL SCOPE

Carrier is authorized by the Federal Motor Carrier Safety Administration (FMCSA) in Certificate No. MC 221046 and DOT No. 611357 to engage in transportation as a contract carrier, by motor vehicle, in interstate or foreign commerce; over irregular routes, transporting general commodities (except household goods).

Item 205 COMMODITY LIMITATIONS

Carrier does not hold out to transport jewelry, objects d'art, currency, documents items of unusual value or rare metals. Unless otherwise indicated herein or agreed to by contract.

Item 210 HAZARDOUS MATERIALS PROVISION

Shipper accepts all U.S. Department of Transportation requirements governing placarding of hazardous material. A surcharge of \$100.00 applies to all hazardous material loads handled by carrier. A charge of \$150.00 per load will apply to shipments picked up or delivered beyond a 125-mile radius.

Item 215 INTERMODAL SHIPMENTS

Carrier does participate in the Uniform Intermodal Interchange Agreement/UIIA.

Item 225 REGULATED VERSUS EXEMPT

The rules set forth in the circular shall apply to shipments exempting from the economic regulation as well as shipments subject to the jurisdiction of the FMCSA. Liability for loss, damage and delay shall be governed by 49 U.S.C. 14706 (the Carmack amendment).

Item 230 INTERSTATE VERSUS INTRASTATE

The rules set forth in this circular shall apply to all shipments handled by Carrier regardless of the origin or destination.

Item 235 SHIPMENT LIMITATIONS

Carrier shall not be required to accept for transportation any truckload shipment which exceeds 45000 pounds or which occupies more than the full visible capacity of the trailer which is provided.

Item 245 APPOINTMENTS/PICKUP AND DELIVERY TIMES

Appointments shall be made at no charge. Carrier shall not be liable for late deliveries or unkept appointments unless such late delivery or unkept appointment is beyond carrier's duty of reasonable dispatch. Consignee shall facilitate prompt unloading in the event of missed appointments.

Item 250 IMPORT AND EXPORT FREIGHT

Limitations of Carrier's Liability for Proper Customs Clearance. Carrier assumes no responsibility for insuring or otherwise providing for clearance of merchandise through or inspection by U.S. Customs. Carrier does not represent and specifically disclaims any knowledge or expertise in proper customs clearance and inspection matters. Carrier is not responsible for the acts or omission of the U.S. Customs Agent or its affiliated Freight Forwarders that may be selected for the purpose of clearing shipper's merchandise through Customs Agent (and the Customs Agents' Freight Forwarder) at Shipper's request and only as a convenience to shipper. Carrier or party in possession shall not be liable for loss, damage, deterioration of the freight or delay in delivery due to the duration of the period required by customs clearance or inspection.

Item 255 PICKUP AND DELIVERY SERVICE

The rates named herein include pickup or delivery at all points within the limits of the cities, towns, villages and other points from and to which rates apply, but each shipment will include only one pickup and one delivery.

Item 260 SHIPPER LOAD AND COUNT

All shipments shall be loaded by the consignor and unloaded by the consignee. Carrier's drivers are instructed to sign bills of lading as shipper load and count or "SLC". Inadvertent omission of this notation shall not result in a presumption of carrier liability for shortage or damage (in the absence of upset or accident) where the driver was either not present or not allowed to observe the loading and unloading.

Item 265 FREE TIME

One hour of free time shall be allowed for pickups and deliveries. Carrier shall allow 24 hours of free time both for loading and unloading of spotted containers. Such time shall commence at midnight of the day the container is spotted, but Saturdays, Sundays or holidays shall not be included in the calculation of free time.

Item 270 SUBSTITUTED SERVICE

For its operating convenience, carrier reserves a right to hire other carriers' qualified subcontractors to provide all or part of given movements. Carrier agrees to protect the rates set forth herein when substituted services are provided and warrants that all terms, conditions, duties and obligations owed to shipper by this circular, bill of lading, and/or contract will be provided.

**SECTION 3 –
ACCESSORIAL CHARGES**

Item 300 APPLICATION OF ACCESSORIAL CHARGES

In addition to the line haul or base rate for any shipment and unless otherwise agreed in writing, the following accessorial charges shall apply and shall be reflected on the Carrier's invoice for services rendered.

Item 305 DETENTION – VEHICLES WITH POWER UNITS

- (A) This item applies on shipments when the carrier's vehicles with driver and power units are delayed or detained beyond the free time provided for herein at time of delivery to the consignee or at time of pick-up at the consignor's place of business when such delay is not the fault of carrier.
- (B) Unless otherwise agreed, charges for detention will be charged to the party contracting motor carrier for its services.
- (C) When computing time, the beginning time shall be the time the driver notifies the shipper or consignee of driver's arrival and that the container is available for loading or unloading, as the case may be, but in no case shall time commence prior to the time of any appointment or the actual time of loading or unloading, whichever comes first.
- (D) If, at the end of business day, unloading has not been completed and cannot be completed that day, the shipper or consignee shall be given the following options:
 - (1) The party contracting the motor carrier for its services shall be charged a lay-over fee of not less than \$150.00 for which Carrier will remain at the shipper or consignee until the following day at the commencement of shipper's or consignee's work day; or,
 - (2) Carrier will spot trailer at shipper or consignee location and return following completion of loading or unloading, and further, container will be subject to charges for detention without power pursuant to Item 310 beginning immediately upon spotting of the container; and,
 - (3) In either case, any unused free time from the first day will continue into the second day, charges to commence when all free time has expired.
- (E) If a vehicle is both unloaded and reloaded, each transaction will be considered separately and free time shall apply to each separately.
- (F) When delay occurs beyond free time, the charge for detention shall be \$75.00 per hour or fractions thereof.

Item 305 DETENTION – VEHICLES WITH POWER (Continued)

- (G) Carrier shall give shipper or consignee the opportunity of signing the detention records and the shipper or consignee is to make any corrections to these records at the time. If shipper or consignee refuses to sign said records, Carrier's records will govern.

Item 310 DETENTION – VEHICLES WITHOUT POWER UNITS

- (A) This item applies when carrier spots a container at the facilities of the shipper or consignee for the loading or unloading of shipments upon the request of shipper, but this item nor detention under any other term or condition shall apply if the carrier spots the container for carrier's convenience with or without the authorization of shipper or consignee.
- (B) Time shall commence with the spotting of the trailer or container and shall end 24 hours from the time carrier is notified by the shipper or consignee that the trailer or container is available for removal from the premises of the shipper or consignee.
- (C) If a container is both unloaded and re-loaded, an additional day of free time shall be allowed.
- (D) After expiration of free time as provided herein, charges for delaying carrier's owned or leased container beyond free time shall be \$60.00 per 24 hour period or fraction thereof.
- (E) For intermodal equipment, free time shall be the same as designated by the equipment lessor and charges shall be the same as designated by the equipment lessor plus 10% handling fee for the carrier.

Item 315 LOADING AND UNLOADING

Rates in this circular contemplate loading of the freight by the shipper and the unloading of freight by the consignee, except that if the shipper or consignee requests and carrier furnishes outside labor to load or unload the vehicle, all charges for such outside labor are to be paid by the party contracting the motor carrier for its services, who will be billed for actual cost of outside labor. If the driver is requested to assist with loading and/or unloading a charge of \$75.00 per hour or fraction thereof will be assessed in addition to all other applicable charges. All charges for additional labor shall be agreed to in writing at the time services are provided. When carrier is required to load or unload freight on Saturdays, Sundays or national holidays, a charge of \$200.00 will be assessed in addition to other applicable charges. Holidays will include New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving Day, and Christmas Day.

Item 320 PALLET EXCHANGE

In those instances where a party requests carrier perform pallet exchange services, said services will be performed by carrier at a charge of \$20.00 per pallet in addition to all other applicable rates and charges. Requests for pallet exchange service may be noted on the bill of lading at the time of pick-up by carrier. Charges for this service will be billed to the party paying the freight charges.

Item 325 EQUIPMENT ORDERED BUT NOT USED

Where call-on-demand service is requested and then canceled within twenty-four (24) hours of scheduled pick-up, contracting party shall pay a minimum of \$150.00 for equipment ordered but not used, plus \$1.75 per mile for all out of route miles incurred by carrier in positioning equipment for canceled pick-up. Additional charges may be applicable based on the circumstances.

Item 330 COLLECT ON DELIVERY

Carrier does not hold out to provide a collect on delivery service. Carrier's drivers are not authorized to accept bills of lading which require the consignee to pay driver in cash or by check for the goods transported as a precondition of delivery. If a collect on delivery shipment is inadvertently accepted and delivered without obtaining payment or if payment is stopped on uncertified funds, shipper's sole resource shall be to the consignee. Carrier will collect charges from actual consignee ONLY when requested in writing by customer and when charges are paid by cashier's check or money order. A fee for collection COD amounts will be charged at the rate of \$100.00 per check collected. It is the responsibility of the contracting party to ensure availability of funds prior to delivery.

Item 335 ADDITIONAL LICENSE, PERMIT FEES AND INBOND PERMITS

Whenever any additional license or permits are required, such as but not limited to, foreign commerce or customs fee, the charge for same shall be added to the freight invoice.

Item 337 US CUSTOMS BOND HANDLING

Shipments moving under U.S. Customs bond will be subject to a charge of \$100.00 for handling of each shipment.

Item 340 RECONSIGNMENT OR DIVERSION

A request for the reconsignment or diversion of a shipment will be subject to the following definitions, conditions and charges:

1. Request for reconsignment or diversion must be in writing, which shall include facsimile transmissions.
2. Reconsignment prior to movement of a shipment shall bear the rate that would otherwise have applied if the shipment was originally scheduled for movement to the final destination.
3. Diversion en route shall bare a charge of \$150.00 for each shipment reconsigned or diverted. Charges from origin to point of reconsignment or diversion shall be determined on the basis of the distance from origin to final destination via reconsignment or diversion point
4. If the shipment is returned to the origin point, the rate to be applied will be the applicable rate to the most distant point actually traveled in addition to the mileage rate from same back to point of origin.

Item 345 STOP – OFFS

The following provisions govern shipments accorded additional stops in transit to partially load or unload, except as otherwise specifically provided.

- (A) Shipments received from one consignor at one point at one time and covered by one bill of lading, may be stopped in transit for partial loading and/or unloading only at points within the scope of carrier's operations or as otherwise agreed by carrier.
- (B) The party or parties authorized and designated by the shipper to accept or tender freight at a point or place of stop-off may be the same or other than the billed consignee.
- (C) The bill of lading shall designate the following:
 1. Stop-off point or points and places.
 2. The weight, quantities, markings, and description of articles to be loaded or unloaded.
 3. The name and address of the party authorized to tender freight or to accept freight for unloading at point of stop-off.
- (D) The driver of the vehicle shall obtain in writing a statement such as a notation on the freight bill or delivery receipt of the quantity and description of the portion of the shipment unloaded at each stop-off point or on the bill of lading.

Item 345 STOP – OFFS (Continued)

- (E) Stop-offs for partial loading or unloading will not be permitted on shipments moving on which Section 7 of the bill of lading has been executed.
- (F) The substitution of freight for that originally loaded or any exchange of contents at a point or place of stop-off may be permitted if agreed to with shipper and noted on the bill of lading.
- (G) Freight charges on a shipment stopped to partially load or unload must be prepaid or guaranteed by the shipper. If not prepaid, the shipper must show on the bill of lading the name of one party from whom the entire freight charges, including the stop-off charges, shall be collected, which must be a party to whom a portion of the shipment is to be delivered.
- (H) The rate that shipper shall pay for carrier's stop-off service shall be \$75.00 for each of the first three stop-off offs in transit. A charge of \$125 shall apply to each stop thereafter.
- (I) Transportation charges, other than the charges for the stop-off service shall be assessed at the rate applicable from point of origin to final destination.

Item 350 EXPEDITED SERVICE / EXCLUSIVE USE

Carrier is not bound to transport property in any particular vehicle in time for any particular market other than to transport merchandise with reasonable dispatch. Carrier is not responsible for any loss which might be incurred as a result of special or consequential damages.

Unless shipper makes arrangements for team drivers or special relays, shipper understands that truckload shipments will be transported from origin to destination by a single driver in accordance with the U.S. Department of Transportation hours of service requirements.

When carrier is requested by consignor or consignee to provide expedited or team service, spot rates will apply.

The bill of lading must be noted "Carrier requested to provide expedited or team service".

These charges will be in addition to all other applicable charges.

Item 357 SCALE TICKETS

Single - \$50.00 and Light/heavy - \$75.00; Additional Out-of-Route mileage fees will be charged if carrier's stop-offs require more than ten (10) miles.

Item 365 PER DIEM / DEMURRAGE CHARGES

Carrier will comply with all Equipment Interchange Agreements in Accordance with UIIA provisions. However, all container use and per diem charges incurred will be assessed to customer to include and additional 15% administration fee with a minimum of \$35.00 per invoice submitted.

Carrier is not responsible for container use, per diem, claims, theft or loss value for equipment dropped at shipper's facility.

Item 366 STORAGE OF LOADS AT CARRIER'S FACILITY

Carrier will assess \$30.00 per day applicable for all loads stored at carrier's Chicago area facility.

Item 368 PULL AND HOLD

Carrier will pick-up shipment(s) at the rail, port or container yard and deliver to carrier's terminal for a minimum rate of \$150.00 per shipment. This fee includes activity fees, and drayage. A storage fee of \$30.00 per day will be assessed by carrier. Additional charges shall apply to more distant Chicago area rail heads.

Item 369 IN-BOND SHIPMENTS

Reliable Transportation Specialists, Inc. U.S. Customs Bond Number is 399702951. Where the carrier is named as the bonded carrier, a charge of \$150.00 per container will be assessed in addition to all other charges.

Item 370 HAZARDOUS MATERIAL SHIPMENTS

Carrier will assess a 20% surcharge (minimum of \$100.00) in addition to the normal charges for delivery of hazardous materials. Customer must disclose contents in writing prior to release of shipment to carrier.

Item 372 LAYOVER CHARGES

When a carrier has performed services in compliance with the shipper and/or consignee, and the carrier's personnel are required to remain with the equipment overnight at shipper's/consignee's request, a fee (minimum of \$150.00) will be assessed to all other charges

Item 374 FINES

Shipper and/or Customer shall be responsible party for payment of or reimbursement to carrier, for any fines resulting from excess weight of any shipment that causes the carrier to be in violation of any local, state, or federal law. Fines incurred for equipment defects are the responsibility of the equipment owner.

Item 375 OVERWEIGHT CHARGES

Overweight shipments that are accepted and performed by carrier which require permits will be subject to a surcharge of \$100.00 for the permit for over axle and \$150 for over gross plus the cost of any special license or permit required. The terms and conditions of the Uniform Safe Container Act shall apply and Shipper shall be responsible for any violation thereof.

Item 379 FUEL SURCHARGE

Transportation services are subject to a fuel surcharge. The fuel surcharge will be based on the Department of Energy (DOE) U.S. National Average price of diesel fuel. A fuel surcharge will be assessed when diesel fuel reaches \$1.134 per gallon. The table attached hereto as Appendix A will be used to determine applicable fuel surcharges. The current Department of Energy National Average for diesel fuel can be viewed at their website (<http://www.eia.doe.gov>).

- (A) The U.S. Average Diesel Fuel price issued by the DOE's Energy Information Administration, National Energy Information Center (202) 586-6966 #1, EACH Monday will be the weekly fuel cost used. If the fuel index is not issued on Monday, the next index issued will be used.
- (B) The fuel surcharge will be calculated monthly.
- (C) The fuel surcharge will be effective the first Monday of the month based on the most recent diesel fuel price referred to in (A) issued by DOE.

Item 382 EQUIPMENT DAMAGE CHARGES

Damages of any kind incurred to Equipment of any type (whether owned by motor carrier or by another equipment provider) while at the facility of and/or under the care of shipper, consignee, will be the responsibility of the contracting party. Motor carrier reserves the right to recover any unpaid charges from shipper, consignee, etc. as necessary.

Failure of the consignor, consignee, or their respective agents and spotting service to note damages at time of tender shall be prima facie evidence that same was spotted in good condition. Consignor and/or consignee shall be liable for the repair cost to any equipment damaged while spotted at their facility. Such damage shall be noted by carrier personnel at time of pick-up and invoices for repairs shall be accompanied by supporting documents.

Motor carrier reserves the right to seek and recover any unpaid damages from any party involved in the incident, including contracting party's customers, consignee, consignor, shipper, etc.

Item 385 AFTER HOURS PICKUPS / DELIVERIES BY SPECIAL AGENT

Carrier will make pickups and deliveries on weekends, holidays, and after hours by special request for a charge of \$200.00. In addition, detention as otherwise provided herein shall apply between the time of arrival and loading or unloading and/or the time of subsequent dispatch.

Item 390 STORAGE AND/OR DEMURRAGE CHARGES

Storage is incurred for failure to pick up loads at the railroad within the designated amount of free time.

Demurrage is incurred for failure to pick up loads at the port or container yards within the designated amount of free time.

Reliable Transportation will be allowed 48 hours free time to pick up equipment (day of notification, weekend and holidays excluded). In the event Reliable Transportation fails to remove equipment within free time, storage/demurrage will be Reliable Transportation's responsibility. Reliable Transportation will not accept responsibility for storage, demurrage when proper notification is not provided or 48 hours free time is not allowed.

In the event storage/demurrage is incurred, Reliable Transportation requires continued notification on a daily basis that charges are accruing for its account. Reliable Transportation will not accept storage/demurrage charges without daily notification.

Proper Notification is defined as, "notification in 48 hours (excludes Holidays, Saturdays and Sundays) prior to expiration of free time and only when the equipment is ready and available for pick up. "*Proper Notification* requirements:

1. Container Number
2. Location of Cargo
3. Mounted on Road worthy chassis
4. Ocean Carrier released
5. Available pick-up number

Notification received after 1700 hours will roll to the next working day at 0800 for the purposes of determining last free day.

ADVANCED STORAGE CHARGES – At customer's written request and subject to authorization, Reliable Transportation will forward immediate payment to railroad for storage on loads awaiting delivery. However, an additional 10% will be assessed in addition to railroad storage with a minimum of \$35.00.

Item 393 DROP AND HOOK CONTAINER LOADS

When carrier is requested to drop an intermodal container at a customer's facility for the customer's convenience in unloading, carrier will, upon written request, return empty equipment to the port or rail head of embarkation at no additional charge when round-trip pricing is in effect. Customers shall be billed separately pursuant to rate and schedules in effect when requested to make pickup of an empty container for which there is no corresponding inbound drop and hook movement.

Customer shall be fully liable for all per diem incurred from the time of delivery of loaded container until the pickup of same by carrier after duly received notice. Carrier shall have 48 hours from written notice to pickup any empty containers. No order for service shall be deemed to have been accepted unless acknowledged by carrier fax or email.

Item 395 MOTOR CARRIER'S RECOURSE W/Regard - LIABILITY OF CHARGES

All accessorial charges, including but not limited to rail storage, demurrage, per diem, etc., are the responsibility of the party contracting motor carrier for its services. Motor carrier has full recourse and permission of the contracting party, including but not limited to door moves with equipment owners, to seek and recover any/all funds from the shipper, consignee, etc.

Item 399 PIER AND/OR RAMP REFUSAL

If and/or when Reliable Transportation driver(s) are refused entry due to improper documentation, lack of rail billing, etc. the fee of \$75.00 per hour will be assessed accordingly. Additional fees for out-of-route miles, railroad non-use charges, driver detention, and/or storage will also be applicable.

**SECTION 4 –
CLAIMS LIABILITY AND LIMITATIONS**

Item 400 LIMITATION OF CARRIER LIABILITY

Carrier will not be liable to the owner of property for loss or delay caused by (1) an act of default of the shipper, owner or consignee; (2) an Act of God, the public enemy, authority of law, quarantine, embargo, riot, strike, perils of navigation, or hazard and danger incident to a state of war; and (3) freezing or spoiling of any perishable goods or property or for natural shrinkage. Carrier shall not be liable for any special, incidental, indirect or consequential damages (including without limitation lost profits or business opportunity) or punitive or exemplary damages incurred or suffered by the shipper as a result of overage, shortage or damage to shipments transported.

Item 405 PACKING OR PACKAGING – SHORTAGE

Carrier will not be responsible for shortages on shipments. All cargo is packaged and loaded by shipper or consignee prior to carrier taking possession of equipment.

Item 410 SPECIAL AND CONSEQUENTIAL DAMAGES

Carrier shall not be liable for special, incidental, indirect or consequential damages (including without limitation, lost profits or business opportunity, or punitive and exemplary damages incurred or suffered by the Shipper as a result of shortage, damage or delay.

Item 415 RELEASED EVALUATION / SIMPLIFIED PRICING

Unless otherwise agreed in writing, all motor carrier shipments are rated as Freight All Kinds for named customers and are subject to a maximum cargo liability of \$250,000.00 per truckload shipment.

Item 420 ALTERNATIVE RATES AVAILABLE

Shippers may obtain rates for shipments with higher release value than those indicated above from carrier's rates group by calling 219-926-8850 or e-mailing rates@reliabletrans.com. Any such alternative rate shall be reflected by the insertion of the higher release value and specially assigned identification number on the bill of lading at the time of pick-up.

Item 430 SPOTTED EQUIPMENT

Carrier responsibility for cargo begins when Carrier picks up a shipment from the equipment owner's facility, the Shipper's dock, or in the case of spotted equipment, when Carrier takes possession of the loaded container. Carrier's responsibility ends when the shipment is delivered or in the case of spotted equipment, when the loaded trailer is placed in the consignee's premises for its unloading convenience.

Item 435 ADDITIONAL LIABILITY LIMITS

In no event shall carrier's liability for cargo loss or damage exceed the maximum set forth in any through bill of lading or otherwise agreed to between the shipper (or beneficial owner) and the party which retains carrier's services.

Item 440 RELEASED EVALUATION / USED MACHINERY

Unless otherwise agreed in writing, all used machinery is released to a maximum evaluation of \$0.10 per pound per article.

Item 445 PROTECTIVE SERVICES

Carrier will provide no protective service for temperature sensitive cargo.

Item 450 EXPIRATION OF FREE TIME / WAREHOUSEMAN STATUS

The shipper and/or consignee shall be responsible for all applicable per diem and detention time after the expiration of free time where shipper and/or receiver have declined to accept timely tender or have failed to timely request pickup of intermodal equipment spotted at their facilities for their loading or unloading convenience. Where a consignee's failure to accept timely tender has resulted in expiration of free time, carrier's liability for cargo in its possession pending re-delivery shall be that of a warehouseman only and, in the absence of negligence, carrier shall not be liable for theft or mysterious disappearance.

Item 455 SHIPPER CONTROLLED POOLS

Carrier will not accept liability for equipment while in the care and custody of the shipper.

Item 460 OBLIGATION TO RESCHEDULE SHIPMENTS

In the event of a missed pickup or delivery appointment, shipper or consignee shall have 48 hours to reschedule delivery and shall be liable for any per diem or storage charges incurred after the expiration of this time limit.

**SECTION 5 –
CLAIMS PROCESSING AND SALVAGE**

Item 500 CARGO CLAIMS APPLICATION

The provisions of this Circular are filed in compliance with Federal Claim, Loss and Damage Regulation (49 C.F.R. 370 and the STBOL) which shall govern the investigation and disposition of claims for loss, damage, or delay to property transported or accepted for transportation in interstate or foreign commerce.

Item 510 FILING OF CLAIMS

- (A) Claims in writing are required within nine (9) months from the date of delivery or a reasonable time during which delivery should have been accomplished. A claim for loss, damage, injury or delay to cargo shall not be voluntarily paid by carrier unless in writing, as provided in subparagraph (b) of this item with carrier within the specified time limits applicable thereto and as otherwise may be required by law, the terms of the bills of lading or other contract of carriage, and all rules circular provisions applicable thereto. Claims for concealed damages will be submitted to carrier within forty-eight (48) hours of delivery. Any suit to recover loss of damage or delay to cargo must be instituted no later than two years and one day after the claim is denied.
- (B) Minimum filing requirements. A communication in writing from a claimant, filed with carrier within the time limits specified in the bill of lading or contract of carriage or applicable contract between carrier and shipper and (1) containing facts sufficient to identify the shipment (or shipments) of property involved; (2) asserting liability for alleged loss, damage, injury or delay; and (3) making claims for the payment of a specified or determinable amount of money, shall be considered as sufficient compliance with the provisions for filing claims embraced in the bill of lading or contract of carriage or applicable contract between carrier or shipper.
- (C) Documents not constituting claims such as bad order reports, appraisal reports of damage, notations of shortages or damage, or both, on freight bills, delivery receipts, or other documents, or inspection reports issued by shipper or its inspection agency, whether the extent of loss or damage is indicated in dollars and cents or otherwise shall, standing alone, not be considered by carrier as sufficient to comply with the minimum claim filing requirements specified in subparagraph (b) above.
- (D) Claims filed for certain amounts. Whenever a claim is presented against carrier for an uncertain amount such as "\$100 more or less," carrier shall determine the condition of the baggage or shipment involved at the time of delivery by it, if it was delivered, and shall ascertain as nearly as possible the extent, if any, of the loss or damage for which it may be responsible. It shall not, however, voluntarily pay a claim under such circumstances unless and until a formal claim in writing for a specified or determinable amount of money shall have been filed in accordance with the provisions of subparagraph (b) above.

Item 520 ACKNOWLEDGEMENT OF CLAIMS

- (A) Carrier shall, upon receipt in writing of a proper claim in the manner and form described in these regulations, acknowledge the receipt of such claim in writing to the claimant within thirty (30) days after the date of its receipt by carrier unless carrier shall have paid or declined such claim in writing within thirty (30) days of the receipt thereof. Carrier shall indicate in its acknowledgement to the claimant what, if any, additional documentary evidence or other pertinent information may be required by it to further process the claim as its preliminary examination of the claim, as filed, may have revealed.
- (B) Carrier shall, at the time each is received, create a separate file and assign thereto a specific unique claim file number and note that number on all documents filed in support of the claim and all records and correspondence with respect to the claim, including the written acknowledgement of receipt and, if in its possession, the shipping order and delivery receipt, if any covering the shipment involved. At the time such claim is received, carrier shall cause the date of receipt to be recorded on the face of the claim document, and the date of receipt shall also appear in carrier's written acknowledgement.

Item 530 INVESTIGATION OF CLAIMS

- (A) Prompt investigation is required. Each claim filed against carrier in the manner prescribed herein shall be promptly and thoroughly investigated if investigation has not already been made prior to receipt of the claim. Unless perishable commodities are involved, the shipper or consignee in possession shall afford carrier five (5) days to inspect any damaged shipment prior to dispensation.
- (B) Supporting documents. When a necessary part of any investigation, each claim shall be supported by the original bill of lading, evidence of the freight charges, if any, and either the original invoice containing invoice value, a photographic copy of the claim to be true and correct with respect to the property and value invoiced in the claim; or certification of prices or values, with trade or other discounts, allowances or deductions of any nature whatsoever and the terms thereof, or depreciation reflected thereon; provided, however, that where the property shows on the bill of lading or where the invoice does not show price or value, or where the property involved has not been sold, or where the property has not been transferred at bookkeeping values only, carrier shall, before voluntarily paying a claim thereon, require the claimant to establish the destination value in the quantity shipped, transported, or involved and certify the corrections thereof in writing or show an alternative applicable value arising by reason of alternatively applicable contract terms.
- (C) Verification of loss. A prerequisite to the voluntary payment by carrier of a claim for loss of an entire package or entire shipment shall be the securing by it of a certified statement in writing from the consignee of the shipment involved that the property for which the claim has not been received from any other source.

Item 540 DISPOSITION OF CARGO CLAIMS

Carrier shall pay, decline, or make a firm compromise settlement offer in writing to the claimant within one hundred twenty (120) days after receipt of the claim by carrier; provided, however, that if the claim cannot be processed and disposed of within 120 days, after expiration of each succeeding sixty (60) day period while the claim remains pending, carrier shall advise the claimant in writing of the status of the claim and the reason for delay in making final disposition thereof and it shall retain a copy of each such advice to the claimant in its claim file thereon.

Item 550 CLAIMS LOSS AND DAMAGE – SALVAGE

- (A) Whenever property transported by carrier is damaged or alleged to be damaged and is, as a consequence thereof, not delivered or is rejected or refused upon tender thereof to the owner, consignee, or person entitled to receive such property, carrier, after giving due notice, wherever practicable to do so, to the owner and other parties that may have an interest therein, and unless advised to the contrary after giving such notice, shall undertake to sell or dispose of such property directly or by the employment of a competent salvage agent. Carrier shall only dispose of the property in a manner that will fairly and equally protect the best interests of all persons having an interest therein. Carrier shall make an itemized record sufficient to identify the property involved so as to be able to correlate it to the shipment or transportation involved, and claim, if any, filed thereon. Carrier shall also assign to each loss of such property a successive lot number and note that lot number on its record of shipment and claim, if any is filed thereon.
- (B) Whenever disposition of salvage material of goods shall be made directly to an agent or employee of carrier or through a salvage agent or company in which carrier or one or more of its directors, officers, or managers has any interest, financial or otherwise, carrier's salvage records shall fully reflect the particulars of each such transaction or relationship, or both, as the case may be.
- (C) Upon receipt of a shipment on which salvage has been processed in the manner herein before prescribed, carrier shall record on its claim file thereon the lot number assigned, the amount of money recovered, if any, from the disposition of such property, and the date of transmittal of such money to the person or persons lawfully entitled to receive the same.

Item 560 DISPOSITION OF OVERAGE

Consignee shall accept overages in fulfillment of its duty to mitigate damages. Overages will be returned to the consignee or shipper by carrier upon request in return for payment of carrier's applicable freight charges.

In the event consignor and consignee decline to accept overages and mitigate damages, carrier shall treat any overage as salvage and after notice shall sell same in accordance with the bill of lading contract and the terms of this circular. The proceeds of any such sale less carrier's freight and storage charges shall be remitted to the person or persons lawfully entitled to receive same.

Carrier shall not be liable for any difference between the sales price of overage and the destination market value where the shipper and consignee decline to mitigate damages.

Item 570 DISPOSITION OF CONTESTED CARGO CLAIMS

Unless the parties agree to voluntary alternative dispute resolution, disputed claims will be subject to 49 U.S.C. 14706 (the Carmack Amendment) subject to any applicable released evaluation. Claimant waives any right to setoff or offset of contested and unliquidated cargo claims against freight charges otherwise due to carrier as a pre-condition of service. Claimants agree to forfeiture of any contested claim asserted by it as a setoff notice and demand for freight charges.

**SECTION 6 –
COLLECTION AND PAYMENT OF FREIGHT CHARGES**

Item 610 INVOICES

Carrier shall submit an invoice to the specified party in accordance with the requirements of Federal regulations governing regulated transportation. Carrier will retain delivery receipts and proofs of delivery which will be provided upon specific request in accordance with the provisions of this circular.

Item 620 COLLECTION AND PAYMENT OF CHARGES

Except as otherwise provided in this rule, transportation charges will be collected by carrier at the time shipments are delivered.

Upon taking precautions deemed by carrier to be sufficient to assure payment of charges within the credit period herein specified, carrier shall make delivery of freight in advance of the payment of charges thereon and will extend credit in the amount of such charges to those who undertake to pay them for a period of thirty (30) days from the invoice date, unless otherwise agreed to with shipper in writing.

Item 630 PAYMENT WITHOUT OFFSET

Consignor and/or Consignee shall pay all freight charges when due without offset for any cause, including but not limited to, cargo claims. All claims for loss or damage shall be governed by this circular and following and neither consignor nor consignee shall deprive carrier or proper cargo insurance adjustment by unilateral deduction from payment of freight charges due.

Item 640 INTEREST AND FEES ON PAST DUE ACCOUNTS

Carrier will assess one and one-half percent (1½%) per month on past due indebtedness for collection, handling, late fees and interest. In the event carrier deems it necessary to retain the services of legal counsel to collect any outstanding indebtedness, shipper shall pay attorney's fee in the amount of \$500.00 or thirty-three percent (33%) whichever is greater.

Item 650 THIRD PARTY BILLING

Carrier does not employ property brokers or other intermediaries as its agents for the solicitation of shipments or the collection of freight charges. Carrier will invoice the shipper's broker, bank or other agent for freight charges. Carrier reserves the right to bill and collect freight charges from the shipper on prepaid shipments or the consignee on collect shipments in the event full payment of freight charges is not received pursuant to third party billing.

Item 660 PRIORITY OF FREIGHT CHARGE OBLIGATION

When arrangements are made with intermediaries for transportation services provided by carrier and the intermediary in turns bills the shipper or beneficial owner of the goods for freight charges inclusive of carrier's rates, the following rules shall apply:

- (1) The intermediary will segregate money due owing to carrier from other accounts.
- (2) Intermediary will pay carrier without offset from funds received and shall not commingle, pledge, encumber or hypothecate funds received by it intended for payment of freight charges to carrier.
- (3) When the arranger of transportation is a carrier or freight forwarder, a constructive interline trust shall apply.
- (4) When the arranger of transportation is a property broker, the regulation set forth at 49 C.F.R. 371 shall apply and monies received by the broker shall be segregated from its other assets and liabilities.
- (5) In no event shall accounts receivable pledge or encumber by any intermediary be inclusive of freight charges billed by it to the extent those freight charges are due and owing to carrier.

Carrier preserves recourse for payment of all freight charges to the consignor, unless Section 7 of the STBOL is signed, and to the consignee unless prior notice is given that the consignee is not to be responsible for freight charges in accordance with Section 7 of the STBOL.

Item 670 LIEN FOR FREIGHT CHARGES

Carrier shall have a possessory lien on shipments in its dominion and control for the payment of freight charges past and present.