

## TERMS AND CONDITIONS CONTRACT

1. As used in this contract, "JIT" means JIT Transportation, a motor carrier (CA 109522) 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 JIT 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 JIT.
3. The shipper agrees that carriage hereunder is subject to the terms and conditions stated herein and to those terms and conditions contained in JIT's 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 JIT's option, be opened and inspected.
5. JIT 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 commotion, or hazards or dangers incident to a state of war, (b) the act of the default of the shipper or consignee, including any breach of the warranty set forth in Paragraph 4; (c) the nature of the shipment, or any defect characteristic or inherent vice thereof; (d) violation by the shipper or consignee of any of these Conditions of Contract; (e) compliance or non-compliance with delivery or special instructions. JIT 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 JIT must be reported in writing to JIT within fifteen days after delivery of a shipment with privilege to JIT to inspect the shipments and its container(s) and packing materials within fifteen days after receipt of such notice.
7. Claims for loss, damage, or delay must be made in writing and received by JIT within nine months after the date of acceptance of the shipment by JIT. 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. JIT 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 one year after the date written notice was given to the claimant that JIT has disallowed the claim in full or in part.
9. Limitation of Liability: JIT shall not be liable for loss or damage in any amount exceeding \$50 (fifty dollars U.S.) for any shipment of 100 pounds or less, and not exceeding .50 (fifty-cents U.S.) per pound for any shipment weighing in excess of 100 pounds. This includes transborder 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 JIT, and the shipper pays additional charges pertaining to that declared value. JIT Transportation' maximum liability not to exceed \$2500.00.
10. To the extent that it is not governed by Federal Law, this Contract and JIT's 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. Shipper, consignee, and consignor and bill to party are jointly and severally liable for all charges related to this shipment. Charges may be reversed to the responsible parties if shipment is refused or payment not made by the originally designated party 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 JIT for freightage, charges for services and advances due on freight previously delivered upon the promise of shipper to pay freightage, charges and advances. The lien shall also include billed freight charges, cost of storage, and appropriate security for the subsequent shipment held by JIT, and the costs of sale, notification and attorney fees.
13. Late Payment Charge: In the event shipper or third party billing payer does not pay this invoice within thirty (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 Fees: In the event of any dispute between JIT and any other party to the shipment described on this document, the prevailing party is entitled to attorney fees, litigation and court costs, and collection costs. In the event JIT exercises a possessory lien, the shipper, consignor or third party billing payor shall also pay for JIT attorney 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 shipment. Timely payment is a precondition of this discounted fee. Failure to pay freight charges for this shipment shall result in the full, non-discounted rate being charged to the customer.
16. Forum, Venue and Choice of Law: The exclusive forum and venue for any lawsuit or other proceeding including arbitration, shall be Santa Clara County, California, U.S.A. The choice of law shall be California law. This shipment is subject to both the Uniform Straight Bill of Lading and to JIT Transportations' tariff terms and conditions including a limitation of liability.