

**SCHNEIDER TRANSPORTATION MANAGEMENT,  
A DIVISION OF SCHNEIDER NATIONAL CARRIERS, INC.  
("STM")**

**TERMS AND CONDITIONS  
OF  
PROPERTY BROKERAGE SERVICE**

**THE CUSTOMER SHOULD PAY PARTICULAR ATTENTION TO THE PROVISIONS  
THAT ADDRESS STM'S LIABILITY OR REQUIRE THE INDEMNIFICATION OF  
STM IN CERTAIN CIRCUMSTANCES.**

**PLEASE ALSO NOTE THAT NO PERSON OTHER THAN AN OFFICER  
OF STM HAS OR WILL HAVE AUTHORITY TO CHANGE,  
CANCEL, OR WAIVE ANY OF THESE TERMS AND CONDITIONS.**

**These Terms and Conditions are hereby issued and effective as of June 3, 2026.**

- 1. Application; Definitions; Amendment.** These Terms and Conditions of Property Brokerage Service (as in effect on the date of shipment, these “Terms and Conditions”) apply to any transportation arranged by Schneider Transportation Management (“STM”), a division of Schneider National Carriers, Inc. All transportation services arranged or provided by STM are performed in STM’s capacity as a property broker, not as a carrier or freight forwarder. At Customer’s request, STM will arrange for carriage by a motor carrier or any mode of transportation by third parties of goods moving to, from and between points in the United States, Canada, and Mexico, and within points located in the same U.S. state or the same Canadian province (“Services”). Upon STM’s Acceptance, STM will arrange for motor carriers, rail carriers, third party logistics providers, and other third parties (each a “Servicing Carrier”) to perform the actual transportation; STM’s role is solely that of a property broker.

For purposes of these Terms and Conditions, “Customer” means the consignor, consignee, or owner of the goods with respect to which Services are provided, any other person who is or may become interested in the goods or their transportation, as well as any person at whose request or on whose behalf STM undertakes any Services. References to “goods” include the actual commodities being transported as well as any packaging, pallets, containers or equipment in which such commodities are transported.

By tendering goods to STM for Services, Customer expressly accepts these Terms and Conditions and agrees that these Terms and Conditions have been accepted by and will be binding on Customer.

STM may revise these Terms and Conditions at any time. STM will post revised versions of these Terms and Conditions on its website at [www.Schneider.com](http://www.Schneider.com) and the revised version will take effect at 12:01 A.M. Central Time as of the Effective Date shown on the revised Terms and Conditions. STM has no duty to provide notice of any revisions to these Terms and Conditions to Customer other than by posting the updated Terms and Conditions on its website.

- 2. Transportation Contracts; Effect of other Shipment Documents.** These Terms and Conditions apply except to the extent expressly superseded or waived in a transportation contract signed by authorized representatives of both Customer and STM. STM and Customer may, in a transportation contract signed by authorized representatives of both parties, agree to additional or amended service terms. In the case of conflict between any of these Terms and Conditions and such a signed transportation contract, the terms of the transportation contract will govern. Where the transportation contract is silent on any matter and does not expressly disclaim these Terms and Conditions, the provisions of these Terms and Conditions will apply with respect to such matter. If there is a conflict between these Terms and Conditions and the provisions set forth in any STM-issued rate quote or load confirmation, the provisions of STM’s rate quote or load confirmation will govern. Any provisions in any load tender, bill of lading, delivery receipt or any other document issued by Customer will not apply to the Services or be binding on STM unless STM has expressly agreed to such provisions in a transportation contract signed by an authorized representative of STM. Customer agrees that it will not insert STM’s name as

the “carrier” on a bill of lading, and reference to STM as the “carrier” on any bill of lading will not impact STM’s status as a property broker.

**3. Compliance with Laws.**

- a. General. STM and Customer will each comply with the applicable provisions of applicable laws, rules and regulations applicable to their respective operations and businesses. STM is duly and legally qualified to operate as a property broker as defined by federal law and to provide the Services contemplated herein.
- b. Hazardous Materials. In the event Customer tenders hazardous materials to STM or the Carriers, Customer shall first provide STM with advanced written notice of the product and a current Material Safety Data Sheet for the hazardous material shipment. Customer agrees that STM shall have no liability for and Customer shall indemnify, defend and hold harmless STM and its officers, employees, agents and insurers, against all claims, liabilities, losses, fines, reasonable attorney fees and other expenses arising out of or related to the release of any hazardous material, including without limitation, fines or expenses related to the removal or treatment of hazardous material or other remedial action pertaining to the hazardous material under federal or state law, if Customer fails to provide advanced notice prior to tendering hazardous material to STM or the Carriers; the contact, exposure or release resulted from the improper packaging or loading or other acts or omissions of the Customer, its employees or agents; or the contact, exposure or release occurred subsequent to the transport of the hazardous material by STM or the Carriers.
- c. Customs and Export Controls. STM will not be responsible for the importation of the cargo or compliance with any related customs, tax or other regulatory procedures/requirements – nor any export controls.

**4. Customer Warranties.** By tendering goods to STM for transportation, Customer makes the following representations and warranties:

- a. Suitability of Goods for Transportation. (1) All goods have been properly and sufficiently prepared, packed, stowed, are fully and accurately described, labeled, and/or marked, and the preparation, packing, stowage, labeling and marking are appropriate to any operations or transactions affecting the goods and the characteristics of the goods and the intended mode of transportation; (2) the goods are suitable for transportation in or on the intended trailer or container type or mode of transportation; and (3) for LTL shipments, any goods susceptible to damage by ordinary handling in the LTL environment must be adequately protected, packaged and marked in such a way to alert STM or the Servicing Carrier(s) of the possibility of damage from ordinary handling and must bear appropriate labels.

- b. Sufficient Information and Instructions. Customer will provide all information and instructions that are reasonably necessary for STM to effectively arrange for the performance of the transportation and related services requested by Customer in accordance with any applicable laws, rules, regulations or conventions.
- c. Accurate Goods Descriptions. Customer will provide detailed and accurate descriptions of any goods tendered for transportation and their accurate weights. Customer is responsible to be aware of and to apply and pay for all licenses, permits or authorities required by governmental authorities to conduct the business and transportation contemplated by Customer.
- d. No Tender of Prohibited Goods. Customer will not tender any goods that will or would reasonably be expected to contaminate, taint, corrode, or otherwise adversely impact the quality or condition of other goods being transported, or the trailer/container used in transporting the goods. STM will not accept shipments for transportation of the following nature:
- Explosives;
  - Shipments requiring "protective security service" or "armed guard surveillance service";
  - Human Remains;
  - Precious metals, bullion, or currency;
  - Original works of arts, collections, antiques or precious stones;
  - Certain bulk commodities of hazardous substances; or
  - Hemp or hemp-derived products including but not limited to cannabidiol ("CBD") oil.

Further commodity restrictions may be applicable by the Servicing Carrier. A list of restrictions can be found on the Servicing Carrier's website. STM and/or the Servicing Carrier reserves the right to refuse any shipment at point of acceptance that its representatives deem unacceptable for transit due to any security or safety concern.

- e. Handling of Equipment. Customer will cause all empty trailers and containers tendered for loading to be inspected before loading and reject any equipment that is not in apparent suitable condition to protect and preserve the goods during transportation. Customer will promptly notify STM of any rejected equipment. If Customer requests that STM arrange for trailers, containers or chassis to be dropped at a location for Customer's convenience and left unattended, Customer will pay for loss or damage to such equipment occurring during or because of such possession or use.
- f. Authority to Bind Others to Terms. The person or entity tendering the goods to STM represents and warrants to STM that it has authority to agree to, accept and bind, as applicable, the consignor, consignee, owner and insurer of the goods and



charges that may be assessed to Customer. Other assessorial charges may be invoiced to Customer for the successful delivery of an individual shipment.

- b. **Rate Basis; Adjustment.** All rates, charges, and pricing quoted or agreed to by Customer and STM are expressly based upon the accuracy and completeness of the information provided by Customer (or its agents) at the time of tender or rate quotation, including, without limitation, the weight, dimensions, commodity description, freight classification (including NMFC class, if applicable), piece count, packaging, hazardous material designation, temperature-control requirements, and any assessorial services requested (collectively, the “Shipment Information”). Customer represents and warrants that all Shipment Information provided is accurate, complete, and compliant with applicable laws and industry standards, and that STM is relying on such Shipment Information in determining applicable rates and service commitments. In the event that any Shipment Information is inaccurate, incomplete, or changes at any time (including upon inspection, re-weigh, re-classification, audit, or pick-up by the Carrier), STM reserves the right to adjust the applicable rates, charges, and transit commitments to reflect the actual characteristics and services required for the shipment. Such adjustments may include, without limitation, revised linehaul charges, reclassification charges, dimensional weight adjustments, fuel surcharge recalculations, and applicable assessorial charges. Customer shall be responsible for all such adjusted charges, and payment shall not be withheld or delayed based on any dispute relating to the original quoted rate where such dispute arises from inaccurate or incomplete Shipment Information. Nothing herein limits STM’s right to refuse, hold, or require correction of any shipment that is inaccurately described or not properly prepared for transportation.
  - c. **Additional Charges Based on Actual Transportation; Mileage.** If STM’s rates are based on mileage, mileage will be calculated using predetermined mileage as negotiated or, if none, via the mileage guide (including version) used by STM as of the date the goods in question are physically tendered to a Servicing Carrier retained by STM to perform the Services.
  - d. **Taxes and Duties Not Included.** Unless otherwise expressly stated in the rate quotation or confirmation, any state, county or harmonized sales taxes, or other use or value-added taxes, duties or similar charges are not included, and Customer will be liable for such taxes, duties or charges.
7. **Payment Terms.** Customer will pay the applicable rates and charges for the Services without offset within fifteen (15) days of receiving the invoice, with interest accruing monthly at a rate of one percent (1%) per month (or the highest amount allowed by law, whichever is higher) on any unpaid balance. Customer will also be liable for any expenses, including attorney fees and collection costs/commissions, STM incurs in collecting its rates and charges. In no event will Customer remit payment to any Servicing Carrier directly or otherwise pay any third-party with respect to Services provided by STM, and any such payment will not relieve Customer of its payment obligations to STM.

- 8. Overcharge and Undercharge Claims.** The time limit for Customer or STM to file initial claims for alleged undercharges or overcharges related to the Services will be one hundred and eighty (180) days from the date of delivery of the shipment. Failure to file a claim challenging initial charges within that one hundred and eighty (180)-day period will forever bar any action at law for recovery of such charges. The time limit for Customer and STM to bring an action at law to collect alleged undercharges or overcharges with respect to the Services will be eighteen (18) months after delivery of the shipment. Failure to bring a suit within such eighteen (18) month period will be a complete and absolute defense against any such claim, regardless of any extenuating or mitigating circumstances or excuses of any nature whatsoever. Customer will provide sufficient information to allow STM to conduct an investigation and pay or decline any overcharge or duplicate payment claim. Claims will include the name of the claimant, its file number and the amount of the refund sought to be recovered and will be accompanied by the original freight bill along with all other documents or data in the possession of the claimant that substantiate the basis for the claim. Claims for duplicate payment will be accompanied by the original freight bill(s) for which charges were paid and by applicable payment information.
- 9. Additional Terms for Intermodal Transportation.** In addition to the terms contained in these Terms and Conditions, including but not limited to those in Section 4 the following terms apply to any intermodal transportation requested by Customer or arranged by STM.
- a. Applicability of Rail Carrier’s Published Conditions. All intermodal transportation provided by a Servicing Carrier (each a “Rail Servicing Carrier”) is subject to the terms, conditions, requirements, limitations, restrictions and procedures of the applicable Rail Servicing Carrier’s intermodal directory, rules & policies/procedures, tariff, shipping guide or agreement in effect at the time of shipment and published on the Rail Servicing Carrier’s website (the “Rail Conditions”). The Rail Conditions establish limitations of liability, cargo claims procedures and provisions, commodity restrictions, loading, blocking and bracing requirements, indemnification obligations, payment terms, arbitration of disputes requirements and other important restrictions. Customer should be familiar and comply with the provisions of the Rail Conditions before becoming involved in any intermodal transportation movement. By tendering goods to STM for intermodal transportation, Customer and any person claiming an interest in the goods or their transportation through Customer will be conclusively presumed to have agreed to and will be obligated to comply with the Rail Conditions.
  - b. Customer’s Responsibility for Blocking & Bracing. Customer will ensure that the goods have been packaged, loaded, blocked and braced within the intermodal container in a manner to prevent shifting during intermodal transportation and in accordance with applicable industry standards, including the Intermodal Loading Guide of the Association of American Railroads, the Rail Conditions and other guidelines of the applicable Rail Servicing Carrier.

- c. Accurate Weights. Customer will ensure that the weight of the goods and the intermodal container/trailer will not exceed applicable weight limitations and will be accurately stated in Customer's shipping instructions.
- d. Prohibited and Restricted Goods. Customer will not tender any goods for intermodal transportation that are designated as prohibited under the Rail Conditions. Prohibited commodities include, but are not limited to, hazardous wastes, garbage, explosives, metal coils, scrap metal or parts and sodium compounds or other commodities that would reasonably be expected to contaminate or otherwise render the trailer or container unsuitable for future shipments. Customer will comply with any special procedures applicable to goods designated as restricted under the Rail Conditions. Restricted commodities include but are not limited to bulk commodities, rolled paper, household goods, metal banding, dense metal items, rubber shavings, tire fabric, over-dimension loads, currency, postage stamps and mail. Other commodities that could be considered to pose a safety or health issue, are easily perishable, are considered to be of extraordinary value, or need temperature protective services may also be designated as restricted commodities and be subject to limitations or special requirements. Before tendering any such goods for transportation, Customer will make the required prior arrangements with STM, such as obtaining special rates for that commodity, signing any special indemnity or commodity agreement, and agreeing to comply with approved commodity loading and equipment inspection protocols.
- e. Cross-Border Issues. Special rules and requirements apply to shipments crossing borders between the United States and Canada or Mexico. STM and the Rail Servicing Carriers will hold shipments at the origin ramp or at intermediate ramps or may prevent the shipment from entering the terminal gate if customs and other documentation is not provided at the time that the shipment arrives at the origin terminal. Customer is responsible for all drayage, loading and unloading charges; storage and equipment use charges; train set-outs; customs brokerage costs; filing costs; and other costs associated with the government inspections or documentation requirements assessed by the Rail Servicing Carriers with respect to cross-border shipments.
- f. Special Intermodal Fuel Surcharge and Accessorial Charges. On intermodal shipments, Customer will pay any applicable intermodal-specific fuel surcharges and/or accessorial charges contained within STM's standard intermodal fuel surcharge exhibit which is included in either the rate confirmation or spot quotation issued by STM to the Servicing Carrier.
- g. Additional Charges. In addition to the intermodal linehaul rates, fuel surcharge and accessorial charges assessed by STM, any additional charges levied on STM under the Rail Conditions and not accounted for in the agreed-upon rate will be passed through to and will be the responsibility of Customer.

**10. Additional Terms for Flatbed Transportation**. In addition to the terms contained in

these Terms and Conditions, including but not limited to those in Section 4, the following terms apply to any transportation requested by Customer or arranged by STM that requires use of flatbed trailers.

- a. Equipment Loading Instructions Before Tender. Customer will provide STM with instructions in advance specifying the equipment required to properly secure Customer's freight which may include, but is not limited to: tarp(s), straps, winches, chains, and binders.
- b. Additional Charges. Over-dimensional or specialized equipment charges may be assessed by STM. Additionally, any applicable government-issued over-dimensional permit costs or bonds will be invoiced to Customer. Permit costs include the actual state/provincial over-dimensional or overweight permit costs, transceiver fees, and administrative costs associated with obtaining the permits/bonds.

#### **11. Additional Terms for Partial Truckload**

- a. Co-mingling/Blending for Freight. Customer acknowledges and agrees that STM may co-mingle or blend Customer's freight with the freight of other third-party shippers for partial truckload movements.

#### **12. Cargo Loss, Damage and Delay Liability and Limitations**

- a. Basis for STM's Liability. STM will have no liability for any claims for loss, damage, delay, injury or shortage to any goods for which it arranges the transportation except to the extent such claims are directly and proximately caused by STM's gross negligence or willful misconduct.
- b. Limited Liability for STM's Negligence. For U.S. and Canadian shipments, in the event that any judgment, ruling or verdict deems that STM's negligence directly and proximately caused a cargo loss, damage, delay, injury or shortage, Customer agrees that STM's liability will be limited to the *lesser of*: (i) the transportation charges assessed by STM and paid by Customer with respect to the Services involving such goods; or (ii) Five Thousand US Dollars (\$5,000.00).
- c. Liability of Servicing Carriers. Customer acknowledges and agrees that the actual transportation services performed by the Servicing Carrier are subject to the terms of the agreements between STM and the Servicing Carrier or those terms that may be maintained in tariffs, bills of lading, or similar documentation maintained by the Servicing Carrier. Unless higher limits have been established in accordance with Section 2 or 12e, the Servicing Carrier's liability for loss, damage, delay, injury, or shortage of goods shall be subject to the terms contained in 49USC 14706 et seq. and shall be limited by mode of transportation or types of goods as follows:
  - i. Truckload, Refrigerated, Flatbed, Partial Truckload, and Rail Servicing

Carriers: the lesser of (i) the actual loss value of the goods, or (ii) one hundred thousand US dollars (\$100,000USD) per trailer or conveyance for new items.

- ii. Servicing Carriers Providing Less-Than Truckload (LTL) Transportation: the lesser of: (i) the limitation of liability for the freight classification of the commodity as classified in the most recent edition of the NMFC 100 Book, subject to a maximum of fifty thousand US dollars (\$50,000.00 USD) per occurrence; or (ii) five US dollars (\$5.00 USD) per pound per package, subject to a maximum of fifty thousand US dollars (\$50,000 USD) per occurrence. For refrigerated LTL transportation, the limitation of liability shall be the coverage provided by the Servicing Carrier.
  - iii. Intra-Canadian shipments: the lesser of (i) the actual loss value of the goods, or (ii) a maximum of \$2.00(CA\$) per pound or as regulated.
  - iv. Mexico: Liability as stated in Section 12d.
  - v. Used or Reconditioned Goods: the lower of the limits set forth in another category in this section or \$10,000 per trailer or container per occurrence. Goods will be considered reconditioned if they have been in previous service and were later reconditioned, regardless of the percentage or value of the new, unused, or reconditioned parts added during the reconditioning processes.
- d. Cargo Liability in Mexico. For Mexico shipments, neither STM nor any Servicing Carrier will have any liability for loss, damage, delay, injury or shortage of goods or shipments occurring in Mexico. If this geographical liability limitation is judicially or otherwise determined to be ineffective for any reason whatsoever, then the Servicing Carrier's liability for loss, damage, delay, injury or shortage in Mexico will be limited to terms of the applicable Mexican law (article 66, 67, 68 & 69 of Ley de Caminos Puentes y Autotransporte Federal) as published in the Diario Oficial on Dec. 22, 1993. Claims for such Mexican losses to be asserted within the time limits provided under Mexican law (including Articles 66 & 67 of the *Ley de Caminos Puentes y Autotransporte Federal* as published in the *Diario Oficial de la Federación* on December 22, 1993, STM shall have no liability for loss, damage, delay, injury or shortage of goods or shipments occurring in Mexico under any circumstances.
- e. Steps to Obtain Cargo Liability Limits Available. The rates for the Services are predicated on the liability of STM and the Servicing Carriers for loss, damage, delay, injury or shortage of goods being limited to the amounts described in these Terms and Conditions. Customer acknowledges that Customer has the option to obtain higher limits of liability (up to a maximum of Two Hundred and Fifty Thousand US Dollars (\$250,000.00) per conveyance) if and only if Customer has (1) stated the value of the goods to STM in writing and its intention for STM or the Servicing Carrier to assume greater liability; (2) provided at least five (5) days advance notice of the desired liability coverage and date of services (to enable

STM or the Servicing Carrier to procure insurance or other coverage for the goods); and (3) paid such additional charges required to obtain insurance or otherwise cover the declared value of the goods. The Servicing Carrier will be responsible for paying for loss or damage to goods up to the stated value requested and paid for by Customer (up to a maximum of Two Hundred and Fifty Thousand US Dollars (\$250,000.00) per conveyance), with the understanding that this responsibility will only apply if subclauses (1) through (3) have been duly fulfilled by the Customer; otherwise the standard cargo liability limits stated in these Terms and Conditions will apply. Customer waives any right to recover for loss, damage, delay, injury, or shortage to any goods in excess of the limitations in these Terms and Conditions, including any rights under the Carmack Amendment (49 U.S.C. 14706), in any situation where Customer has not complied with all of the steps described in subclauses (1) through (3) of this Subsection.

- f. Defenses to Liability. Neither STM nor any Servicing Carrier will be liable for any loss, damage, delay, injury or shortage of goods or equipment to the extent due to: (1) packaging, loading, unloading, blocking, bracing or securing of the goods; (2) inherent vice or defect in the goods transported, including rusting of metals, swelling of wood caused by humidity, moisture or condensation, deterioration of perishable products, or damages caused by heat or cold or altitude; (3) force majeure events as described in these Terms and Conditions; (4) an act, omission or default of Customer; (5) shipments stopped and held in transit at Customer's request; (6) goods that violate any applicable law or regulation, have not been accurately described, or have been loaded in a trailer or container so that the combined weight exceeds applicable weight limits; (7) loss, damage, delay, injury or shortage occurring before pick-up or after delivery, or (8) the freezing or overheating of goods shipped in dry trailers or containers, unless Customer specifically requests freeze and/or heat protection services on or before tendering the shipment to STM in accordance with these Terms and Conditions and pays an additional charge for such services.
- g. Liability Limitations for Transit Delays. STM WILL NOT BE RESPONSIBLE FOR COMPLYING WITH ANY TRANSIT, PICK-UP OR DELIVERY APPOINTMENT DATES OR TIMES OR FOR MISSED APPOINTMENTS AND WILL NOT BE LIABLE IN ANY WAY FOR TRANSPORTATION DELAYS OR THEIR CONSEQUENCES. IN NO EVENT SHALL A TIME QUOTATION BE CONSIDERED A GUARANTEE OF ANY TRANSIT, PICK-UP OR DELIVERY TIME. STM will request Servicing Carriers to perform the transportation with reasonable dispatch as defined by federal common law. The maximum liability of a Servicing Carrier that has failed to transport a shipment with reasonable dispatch will be the lower of (a) Fifty percent (50%) of the linehaul charges payable for the late shipment or (b) the losses suffered by Customer, such as deterioration of the goods, alternative transportation charges for the late shipment or a replacement shipment, fines or charges assessed by the receiving facility, and equipment or facility storage or detention or demurrage charges.

### **13. Claims Handling and Procedures.**

- a. Time Limit on Filing Claims and Bringing Suits. Customer must file a written claim for any loss, damage, delay, injury or shortage of goods within (a) nine (9) months of shipment's delivery date (or the scheduled delivery date if never delivered) if the loss, damage, delay, injury or shortage occurred in the United States or Canada or (b) sixty (60) days of shipment's delivery date (or the scheduled delivery date if never delivered) if the loss, damage, delay, injury or shortage occurred in Mexico. Any lawsuit or other legal action arising from loss, damage, delay, injury or shortage of goods must be commenced against Servicing Carrier and STM within (a) two (2) years and one (1) day of denial of all or any part of such claim if the loss, damage, delay, injury or shortage occurred in the United States or Canada during motor carrier transportation, (b) one (1) year of denial of all or any part of such claim if the loss, damage, delay, injury or shortage occurred in the United States or Canada during rail transportation, or (c) one hundred twenty (120) days of denial of all or any part of such claim if the loss, damage, delay, injury or shortage occurred in Mexico. Failure to file the claim or initiate the lawsuit within those time periods will waive Customer's right to recover for such loss, damage, delay, injury or shortage.
- b. Documentation of Cargo Claims. STM will facilitate the filing of the cargo loss and damage claim with the appropriate Servicing Carrier if Customer requests STM to do so and Customer provides STM with sufficient written documentation of the claim within the time limits stated in these Terms and Conditions. Sufficient documentation will include the original bill of lading, evidence of the freight charges (if any), invoices, certifications, photographs, and other documentation requested by the Servicing Carrier. Customer agrees that any cargo loss, damage or shortage claim filed with STM must have a minimum claim amount of one hundred fifty dollars (\$150.00 USD). Any claim filed by Customer that is less than one hundred fifty dollars (\$150.00 USD) will be rejected by STM. In addition to the standard documentation required to support a cargo claim in the United States, cargo claims involving services rendered within Mexican territory (regardless of point of origin or destination) must also be supported by a copy of the Servicing Carrier's *carta de porte* (which is the confirmation of the shipping instructions with all information necessary for the carrier to perform the service), Customs Declaration, if applicable, and the Inspection or Surveyor's Report of Damage, if available, for the lost or damaged cargo. These documents may be provided in copy or facsimile or other electronic form. They may also be extracted or excerpted from other documents.
- c. Claims Procedures under Federal Regulations. Claims will be filed, processed, investigated, and settled in accordance with procedures established by 49 CFR Part 370 (and interpreted by federal common law).
- d. Concealed Damage; Notations on Delivery Receipt. Customer must report concealed damage in writing within five (5) calendar days from the date of

delivery. If the loss, damage, delay, injury, or shortage is not noted on the bill of lading or delivery receipt, the goods are considered to have been received and delivered in good condition; thereafter, customer will be obligated to offer reasonable evidence that loss, damage, delay, injury, or shortage did not occur while the goods were in the consignee's possession.

- e. No Offsets. Customer will not withhold or set-off outstanding invoices for claims of loss, damage, delay, injury, or shortage of goods and will pay all invoices in full.
- f. Mitigation; Salvage Allowance. Customer is obligated to mitigate its damages for loss, damage, delay, injury or shortage of goods and is not entitled to abandon the goods to STM or the Servicing Carrier. Customer must promptly provide disposition instructions for handling of damaged goods. Any claim for loss, damage, delay, injury, or shortage of goods will nevertheless be reduced by a reasonable salvage allowance (even if Customer does not permit the goods to be salvaged) and by reasonable storage, equipment use charges or other costs incurred while waiting for disposition instructions, as such salvage allowance and other costs are determined by STM in its discretion.
- g. Seal Procedures. Unless otherwise agreed by STM, Customer is responsible for applying the seal to any trailer or container tendered for Services. For shipments of food or certain other commodities, Customer will apply 1.5 mm diameter or greater cable seals. If the seal originally applied to the trailer or container is intact upon delivery, neither STM nor the Servicing Carrier will be liable for shortage or theft unless there is physical evidence of unauthorized entry into the trailer or container while it was in the possession of the Servicing Carrier and proof of actual damage or loss of goods. Shortage or theft claims must be supported by seal records and actual loading and unloading records. Such absolution of liability for shortage or theft will also occur if the seal is broken (1) at the direction and under the supervision of a governmental authority and is resealed after inspection by such governmental authority; (2) because it becomes reasonably necessary to do so to inspect, reposition, or protect the goods or the trailer/container or to comply with applicable laws or regulations; or (3) at the direction of the Customer. The Servicing Carrier will be requested to document the breaking of the original seal and application of a new seal in such circumstances. A broken seal, missing seal, tampered seal, mismatched seal number or other seal integrity issue alone is not sufficient to support a claim; claimant must provide additional evidence which supports actual loss, damage, shortage or contamination of the goods. The consignee may not refuse delivery of a shipment, even for food grade loads, due to broken or missing seals unless there is direct physical evidence of product tampering or contamination beyond the broken or missing seal. Contamination claims must be supported by appropriate quality inspections outlining the full actual loss.
- h. Temperature Controlled Shipments (other than Intermodal). Neither STM nor any Servicing Carrier is responsible for any damage or loss to goods requiring

protection from heat or cold (including any goods governed by the U.S. Food and Drug Administration) unless Customer, in advance, provides STM with written notice and instructions for handling the shipment, including but not limited to the temperature at which the refrigerated trailers should be set during transportation, and an authorized STM representative (at the Manager or Director level or higher) has signed the notice and provided special rates for such commodities. A bill of lading will not be considered “notice” of handling requirements and will not be binding.

- i. Intermodal Shipments Requiring Protection from Heat or Cold. Neither STM nor any Rail Servicing Carrier will have any responsibility whatsoever, either in whole or in part, for any loss or damage resulting from a failure to protect a shipment against heat, cold, or the elements in general, including, but not limited to that arising from any equipment failure, damage, and/or shipment delays. The issuance or inclusion of instructions on shipping documents regarding temperature protection (e.g., shipments requiring tarping, transportation in temperature-controlled containers or other protection from heat or cold) will not be binding on STM nor any Rail Servicing Carrier unless and until STM or the Rail Servicing Carrier agrees in writing to be bound by such terms.

**14. LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES.** IN NO EVENT WILL STM OR ANY SERVICING CARRIER BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, INCOME OR SAVINGS, REGARDLESS OF WHETHER STM OR ANY SERVICING CARRIER HAD NOTICE OF THE POSSIBILITY OF SUCH DAMAGES OR SHOULD HAVE KNOWN THE POSSIBILITY OF SUCH DAMAGES. STM’S TOTAL LIABILITY WITH RESPECT TO ANY CLAIMS OR DAMAGES (OTHER THAN CLAIMS FOR LOSS, DAMAGE, DELAY, INJURY OR SHORTAGE OF GOODS WHICH SHALL BE GOVERNED BY THE LIMITATIONS IN SECTION 12) ARISING FROM OR RELATED TO SERVICES PROVIDED UNDER THESE TERMS AND CONDITIONS WILL BE LIMITED TO THE AMOUNT CHARGED BY STM WITH RESPECT TO THE SERVICES SPECIFICALLY GIVING RISE TO SUCH CLAIMS OR DAMAGES. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE SERVICES ARE PROVIDED “AS IS” AND “AS AVAILABLE,” WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO WARRANTIES AS TO WORKMANSHIP OR FITNESS FOR A PARTICULAR PURPOSE.

**15. Indemnification.** Customer will defend, indemnify and hold harmless STM and the Servicing Carrier from and against any and all claims, damages, liabilities, fines, judgments, penalties and amounts (including cost of investigation, defense, settlement, enforcement of indemnity rights, clean-up or environmental remediation, and reasonable attorney fees) arising from or related to: (a) Customer’s breach of these Terms and Conditions or the Rail Conditions; (b) the negligence or other wrongful conduct of Customer, its representatives, contractors or employees; (c) violation by Customer, its representatives, contractors or employees of any applicable laws, rules or regulations; (d)

compliance with or reliance on Customer's instructions, directions, or request; (e) any allegation or argument that these Terms and Conditions are inapplicable to Services provided by STM; and (f) any claim for loss, damage, delay, injury or shortage of goods in excess of the limitations under these Terms and Conditions or filed other than in accordance with these Terms and Conditions.

- 16. Force Majeure.** STM and the Servicing Carrier will not be liable for any failure to perform, including failure to timely perform, the Services where such failure is wholly or partially due to an act of God, flood or other natural disaster, war, epidemics, pandemics, or government-instituted quarantines, shelter-in place orders, embargo, fire, weather, explosion, riot, civil commotion, act of terrorism, closure of highways, marine or air ports or other transportation infrastructure, restriction by government or other authority, strikes, lock-outs, failure of suppliers, or to any cause whatsoever that is beyond the direct and exclusive ability of STM or the Servicing Carrier to control, or that could not be reasonably anticipated by STM or the Servicing Carrier.
- 17. Refused or Rejected Shipments; Disposal.** On refused, rejected or other shipments where the Servicing Carrier is unable to deliver a shipment or part of a shipment, to its intended final destination, STM will be entitled to recover any and all costs in any way associated with the storage of any goods and will have no liability arising from or related to such storage or its arrangement. At its sole option, STM may arrange for deposit of the goods in a public warehouse or storage facility under the Customer's name so that storage fees do not accrue against STM. If Customer fails to give STM instructions for the disposal of undeliverable, refused or rejected shipments within a reasonable time, STM may sell or otherwise dispose of the goods without further liability.
- 18. Severability; Entire Agreement.** If a court of competent jurisdiction determines that any portion of these Terms and Conditions results in a violation of any law or is invalid or unenforceable, that portion of these Terms and Conditions will be severable and the remaining provisions of these Terms and Conditions will continue in full force and effect. These Terms and Conditions, any STM-issued rate quotation or confirmation and the documents referenced herein constitute the full and complete understanding and agreement of Customer and STM and supersedes all prior understandings, whether oral or written. STM has not made any representation, promise, inducement or statement which is not stated in these Terms and Conditions, and STM will not be bound by or liable for any alleged representation, promise, inducement or statement of intention not so stated.
- 19. Non-Waiver.** Customer's or STM's delay or failure to insist upon performance of any of these Terms and Conditions or to exercise any of its right or privileges will not be construed as waiving any such terms, conditions, provisions, rights, or privileges, all of which will continue and remain in full force and effect as if no forbearance or waiver or delay had occurred. Customer's or STM's consent or approval to any act requiring consent or approval will not be deemed to waive or render unnecessary consent or approval of any subsequent similar act.
- 20. Dispute Resolution; Choice of Law; Choice of Forum.** The terms of Sections 12 and

13 of these Terms and Conditions will govern the processing of claims for loss, damage, delay, injury, or shortage to goods transported, or accepted for transportation in intrastate, interstate or foreign commerce. No state laws shall apply to cargo claims in any manner. STM and Customer agree to cooperate fully with one another in connection with the resolution of any dispute that may arise in connection with the Services provided by STM. If representatives of STM and Customer are unable, after reasonably diligent effort, to resolve any dispute or controversy, the matter may, by mutual agreement, be referred to binding arbitration, or either party may resort to litigation. Any civil action shall be brought by either party exclusively in the federal and/or state courts serving Brown County, Wisconsin; and, such courts shall have jurisdiction over the parties and venue will be proper for such suits in Brown County, Wisconsin. Except to the extent federal transportation law applies, the laws of the state of Wisconsin will apply, without regard to its choice or conflict of laws rules, to these Terms and Conditions and the Services contemplated herein. Each Party hereby irrevocably waives any and all rights it has or may acquire in the future to request a trial by jury in any action or proceedings.

**21. Independent Contractor; Relationship between Customer, STM, and Servicing**

**Carriers.** STM's and Customer's relationship is that of independent contractors, and their respective employees are under the exclusive management and control of the party employing such persons. The Servicing Carrier engaged by STM will have sole and exclusive control over the manner in which it performs the actual transportation, including the operations of all vehicles and equipment used to perform the transportation. The Servicing Carriers and their drivers, employees or representatives will not, under any circumstances, be deemed employees or agents of STM or involved in any kind of joint venture and/or partnership with STM. The foregoing notwithstanding, STM and the Servicing Carriers may agree to designate STM to act as the Servicing Carrier's agent for the sole purpose of collecting the agreed-to freight charges from Customer related to the Services. Except for such specific designation, none of the terms of these Terms and Conditions, or any act or omission of either Customer or STM will be construed for any purpose to express or imply a joint venture, partnership, principal/agent, fiduciary, employer/employee relationship between Customer, STM, or the Servicing Carriers.