
**RED CLASSIC TRANSPORTATION SERVICES, LLC
("Broker")**

**TERMS AND CONDITIONS
OF
PROPERTY BROKERAGE SERVICE**

BETWEEN

POINTS IN NORTH AMERICA (EXCEPT MEXICO)

ALL FEES, SUMS & VALUATIONS STATED IN U.S. DOLLARS

THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THE CLAUSES HEREOF WHICH EXCLUDE OR LIMIT BROKER'S LIABILITY, AND THOSE WHICH REQUIRE THE CUSTOMER TO INDEMNIFY BROKER IN CERTAIN CIRCUMSTANCES. NOTICE IS HEREBY GIVEN THAT NO PERSON, OTHER THAN AN OFFICER OR DIRECTOR OF BROKER, HAS OR WILL BE GIVEN AUTHORITY TO AGREE TO ANY VARIATION, CANCELLATION, OR WAIVER OF THESE TERMS AND CONDITIONS.

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**Item 10: APPLICATION OF TERMS AND CONDITIONS**

These terms and conditions of Property Brokerage Service (these “Terms and Conditions”) apply to arrangement of carriage of goods by a motor carrier or any other mode by any third party with respect to such goods moving to, from and between points in the United States and Canada and with respect to cargo moving within points located in the same state or province (“Services”) for Customer by Broker. For purposes of these Terms and Conditions, “Customer” shall mean the consignor and consignee of goods with respect to which Services are provided, the owner of the goods (including any packaging, containers or equipment) to which any business conducted under these Terms and Conditions relates and any other person who is or may become interested in them, as well as any person at whose request or on whose behalf the Company undertakes any Services.

Any terms and conditions in a document exchanged between the parties or maintained by Customer other than these Terms and Conditions, as revised from time to time, shall not apply to any Services and shall not be binding on or applicable to Broker unless set forth in a separately executed Transportation Contract between Customer and Broker.

Customer understands and agrees that Broker functions as an independent entity, and not as a carrier, in selling, negotiating, and arranging for transportation for compensation, and that the actual transportation of shipments tendered to Broker shall be performed by third-party carriers (“Servicing Carriers”). Customer further acknowledges and agrees that the actual transportation services performed by the Servicing Carrier are not subject to or governed by these Terms and Conditions and are rather governed by the transportation contracts in place, if any, between Customer and the Servicing Carrier, the terms of which may be maintained in tariffs, bills of lading, or similar documentation maintained by the Servicing Carrier.

Broker and Customer represent and warrant that their relationship is that of independent contractors and that their respective employees are under their respective exclusive management and control. Nothing in these Terms and Conditions shall be deemed to require Broker to provide Services upon request of Customer and Broker reserves the right to accept or decline, in its sole discretion, any particular request for Services.

Broker may revise these Terms and Conditions at any time. Revised Terms and Conditions will be posted on Broker’s website at [www.redclassic.com](http://www.redclassic.com) and will take effect at 12:01 A.M. Eastern Time as of the Effective Date shown on the revised Terms and Conditions. Broker has no duty to provide notice of any revisions to these Terms and Conditions to Customer by means other than stated herein.

**Item 20: COMPLIANCE WITH LAW**

Broker and Customer shall each comply with any and all laws, rules and regulations applicable to their respective operations and businesses.

Broker is duly and legally qualified to operate as a property broker as defined by federal law and to provide the Services contemplated herein.

**Item 30: CUSTOMER WARRANTIES AND RESPONSIBILITIES**

Customer warrants and represents that it is the owner of the cargo or is otherwise authorized to tender the cargo in question to Broker and that all descriptions of the cargo are complete, accurate, and include all information required by applicable law, rules or regulation.

If Customer tenders for transportation cargo designated as hazardous materials or dangerous goods, Customer shall be solely responsible for complying with any and all applicable laws, rules, regulations, or conventions with respect to classifying, tendering, packaging and labeling such cargo and must provide notice of any such cargo at the time a request for Services is first initiated by Customer to Broker. Customer will not tender or attempt to tender any consignment containing any waste; any goods of a noxious, dangerous, hazardous or flammable or explosive nature;

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or any goods likely to cause damage unless Broker has given express written consent to accept such cargo in response to a written request for service by Customer which request identifies the hazardous or dangerous nature and risks related thereto.

In no event will Broker have any obligation to provide any instructions to the Servicing Carrier with respect to cargo other than those expressly agreed to in writing by Broker.

Customer warrants that all goods have been properly and sufficiently prepared, packed, packaged, stowed and labeled and/or marked for normal handling, including any special handling requested by the Customer if applicable, and that the goods have been properly loaded in a suitable transport unit in suitable condition to carry the goods. Except where Broker has accepted special instructions in writing, and has issued written acknowledgement of its acceptance thereof, Customer warrants that: (i) the consignor shall be responsible for loading, blocking and bracing the shipment in such proper and timely manner to prevent shifting of the shipment during normal transportation and to comply with highway weight limits and (ii) consignee will unload shipments in a timely manner and within free time allowed by the Servicing Carrier or other equipment owner. Detention beyond allowed free time may cause assessment of additional charges.

**Item 40: SHIPMENT DOCUMENTATION**

In no event shall any terms or conditions of any bill of lading, cargo receipt, proof of delivery or other shipment-specific documentation relating to a shipment, including but not limited to any tariff provisions referenced or incorporated therein, whether issued, prepared, generated or provided by any entity involved in or associated with the shipment apply to any Services provided by Broker or otherwise be binding on Broker. Any bill of lading, cargo receipt, proof of delivery or other shipment-specific documentation related to a shipment, including but not limited to any tariff provisions referenced or incorporated therein, issued by Customer or any Servicing Carrier shall constitute and be considered a delivery receipt only. Customer will not insert Broker's name as the "carrier" on a bill of lading, and reference to Broker as the "carrier" on any bill of lading shall not impact Broker's status as a property broker.

**Item 50: SELECTION OF SERVICING CARRIERS**

Broker's sole responsibility with respect to selection of any Servicing Carriers is to ensure that any such Servicing Carrier holds the applicable authorizations and approvals necessary to perform the underlying transportation services in question based on the information provided to Broker by Customer.

The foregoing notwithstanding, if Customer instructs Broker to utilize any specific Servicing Carrier, Broker shall have no responsibility with respect to selection of any such Servicing Carrier.

**Item 100: RATES**

In the absence of Customer-specific pricing signed by Customer and Broker, the rates charged by Broker and paid by Customer will be as set forth in rate catalogues or sheets maintained by Broker. Customer-specific pricing may likewise be set forth in rate catalogues or sheets that are signed by Broker and Customer, or pursuant to a spot market rate quotation provided by Broker to Customer.

Rates and service quotations are good faith estimates based upon information provided to Broker, but final rates and services may vary based upon the cargo actually tendered, unknown circumstances, incorrect or incomplete information, and additional services provided by Broker or Servicing Carriers not contemplated at the time of tender. If any information provided by Customer is inaccurate or incomplete, Customer acknowledges and agrees that agreed upon rates may, in Broker's sole discretion, be revised to reflect the goods actually tendered.

**Item 110: MILEAGE**

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If Broker's rates are based on mileage, mileage shall be calculated using predetermined mileage as negotiated or, if none, via the mileage guide (including version) used by Broker as of the date the goods in question are physically tendered to a Servicing Carrier retained by Broker hereunder.

Item 120: ACCESSORIAL SERVICES

Customer shall also be responsible for additional charges for services that were not anticipated by or which were not otherwise included in the rate quoted by Broker to Customer, including, but not limited to, accessorial charges for wait time, loading and unloading, cancellation fees, diversion, stop-off in-transit, border crossing fees, etc.

Item 130: PAYMENT

Broker will charge and Customer will pay the applicable rates and charges without offset within fifteen (15) days of receiving the invoice, with interest accruing monthly at a rate of one percent (1%) per month on any unpaid balance. Customer shall also be liable for any expenses, including attorney fees and collection costs/commissions, Broker 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 Broker and any such payment will not relieve Customer of its payment obligations to Broker.

Item 140: SUPPORTING DOCUMENTS

Unless expressly agreed to in writing by Broker prior to the date on which the Services in question are performed, Broker shall have no obligation to provide any proof of delivery or other documentation with its invoice evidencing the provision of Services, and failure to provide such documentation shall not relieve Customer of its payment obligations hereunder.

Item 150: UNDERCHARGE AND OVERCHARGE CLAIMS

The time limit for Customer or Broker to file initial claims for alleged undercharges or overcharges related to Services under these Terms and Conditions shall be one hundred and twenty (120) days from the date of delivery of the shipment. Failure to file a claim challenging initial charges within said one hundred and twenty (120)-day period shall forever bar any action at law for recovery of same. Any action at law by Broker or Customer to collect alleged undercharges or overcharges with respect to Services provided under these Terms and Conditions shall be commenced not later than eighteen (18) months after delivery of the shipment. Expiration of said eighteen (18)-month term shall be a complete and absolute defense against any such claim, regardless of any extenuating or mitigating circumstances or excuses of any nature whatsoever.

Claims by Customer for overcharge or duplicate payment shall be accompanied by sufficient information to allow Broker to conduct an investigation and pay or decline the claim. Claims shall include the name of the claimant, its file number and the amount of the refund sought to be recovered and shall be accompanied by the original freight bill along with all other documents or data in the possession of the claimant which substantiates the basis for the claim. Claims for duplicate payment shall be accompanied by the original freight bill(s) for which charges were paid and by applicable payment information.

Item 200: LIABILITY OF BROKER FOR CARGO LOSS AND DAMAGE

Broker shall have no liability for loss, damage, injury or shortage to any goods for which it arranges the transportation thereof pursuant to these Terms and Conditions except to the extent such claims are directly and proximately caused by Broker's gross negligence or willful misconduct. In the event of any judgment, ruling or verdict finding that

Broker's negligence directly and proximately caused loss, damage, injury or shortage, Broker's liability shall be limited to the charges assessed by Broker and paid by Customer with respect to the Services involving such goods. Broker shall have no liability for any delay in the delivery of goods for which it arranges the transportation thereof pursuant to these Terms and Conditions, except to the extent such claims are directly and proximately caused by Broker's gross negligence or willful misconduct. In the event of any judgment, ruling or verdict finding that Broker's negligence directly and proximately caused loss, damage, injury or shortage, Broker's liability shall be limited to the charges assessed by Broker and paid by Customer with respect to the Services involving such goods.

Item 210: LIABILITY OF SERVICING CARRIERS

Customer acknowledges that Servicing Carriers may limit their liability for cargo loss, damage or delay. It will be Customer's responsibility to insure product in-transit and Customer acknowledges that if Customer wishes to declare excess value higher than the Servicing Carrier's limitation, Broker will have no responsibility to do so and it will be Customer's responsibility to do so directly with the Servicing Carrier. In no event will Broker have any liability arising from or related to the Servicing Motor Carrier's refusal to accept full value liability or the Servicing Motor Carrier otherwise limiting its liability for cargo loss and damage. If a shipment is sealed at origin, there shall be a presumption that the Servicing Carrier was not able to observe the cargo at the time of or prior to loading.

Item 220: CLAIM FILING AND PROCESSING - CARGO LOSS AND DAMAGE

Broker may, at its sole discretion and without liability to Customer, facilitate claims filing and processing with the Servicing Carrier if Customer submits to Broker, within six (6) months of the date of delivery, a written claim, fully supported by all relevant documentation, including but not limited to the signed delivery receipt, listing the nature and cause of the claim for cargo damage. Broker may, in its sole discretion and without liability to Customer, discontinue pursuit of claims with the Servicing Carrier if such claim is not resolved within sixty (60) days of receipt by Broker or if Customer, in Broker's sole discretion, fails to cooperate with Broker in filing of claims with the Servicing Carrier.

Should Customer seek Broker's assistance in facilitating claims filing and processing with the Servicing Carrier in accordance with the preceding paragraph, all such claims must be in writing and: (1) contain facts sufficient to identify the shipment (or shipments) or property involved, (2) assert liability for alleged loss, damage, injury, or delay, and (3) make claim for the payment of a specified or determinable amount of money. Notations of shortage or damage, or both, on freight bills, delivery receipts, or other documents will not be sufficient to comply with the minimum claim filing requirements specified above.

When requested by Customer to assist in facilitating claims filing and processing with the Servicing Carrier, Broker reserves the right to require any and all other documentation it deems necessary, in its sole discretion, to investigate any claim. Regardless of the foregoing, each claim will be supported by the original bill of lading, evidence of the freight charges, if any, and either the original invoice, a copy of the original invoice, or an extract made therefrom, certified by the claimant to be true and correct.

If no shortage or damage is indicated on the bill of lading or delivery receipt, and more than fifteen (15) days pass between date of delivery and the date of report of loss or damage, there will be a presumption that loss or damage occurred subsequent to delivery and it shall be the obligation of the claimant to offer reasonable evidence that loss or damage occurred prior to delivery.

All transportation charges must be paid in full before any settlement for a claim for loss or damage will be made. No payor or other party with an interest in a shipment may deduct or offset any cargo loss, damage, or delay claims from any freight charges owed to Broker.

Item 230: COMMENCING LEGAL ACTION RELATED TO CARGO LOSS AND DAMAGE

Any lawsuit or other legal action arising from cargo loss, damage or delay must be commenced against Broker within eighteen (18) months of denial of all or any part of such claim. Customer acknowledges and agrees that the sole liability of Broker with respect to loss, damage or delay to cargo shall be as set forth in these Terms and Conditions.

Item 300: LIABILITY LIMITATIONS AND WARRANTIES

IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES REGARDLESS OF WHETHER THE PARTY TO BE CHARGED HAD NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL LIABILITY OF BROKER WITH RESPECT TO ANY CLAIMS OR DAMAGES ARISING FROM OR RELATED TO SERVICES PROVIDED PURSUANT TO THESE TERMS AND CONDITIONS WILL BE FOR THE AMOUNT CHARGED BY BROKER 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.

Item 310: INDEMNITIES

CUSTOMER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BROKER FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LIABILITIES, FINES, JUDGMENTS, PENALTIES AND AMOUNTS (INCLUDING REASONABLE ATTORNEY FEES) ARISING FROM OR RELATED TO: (i) BREACH BY CUSTOMER OF THESE TERMS AND CONDITIONS; (ii) THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF CUSTOMER, ITS REPRESENTATIVES, CONTRACTORS OR EMPLOYEES; (iii) VIOLATION BY CUSTOMER, ITS REPRESENTATIVES, CONTRACTORS OR EMPLOYEES OF ANY APPLICABLE LAWS, RULES OR REGULATIONS; (iv) COMPLIANCE WITH OR RELIANCE ON ANY INSTRUCTIONS, DIRECTIONS, OR REQUEST OF CUSTOMER; (v) SELECTION OF A SERVICING CARRIER SELECTED OR APPOINTED BY CUSTOMER FOR THE PERFORMANCE OF THE UNDERLYING TRANSPORTATION; or (vi) ANY ALLEGATION OR ARGUMENT THAT THESE TERMS AND CONDITIONS ARE INAPPLICABLE TO SERVICES PROVIDED BY BROKER.

Item 320: INTERMODAL RAIL SERVICE

In the event any cargo tendered for transportation hereunder is transported by rail, Customer acknowledges and agrees that the services, including, but not limited to, liability for loss or damage to cargo, and terms and conditions of services are governed by tariffs, circulars or similar documents maintained by the underlying rail carrier and/or by third party intermodal marketing companies (the “Rail Conditions”) and Customer is bound by and will comply with the Rail Conditions.

Customer shall be solely responsible for proper packing, blocking and bracing of all cargo in accordance with the Rail Conditions, and shall further be responsible for compliance with any and all obligations or charges imposed by the Rail Conditions with respect to tender of cargo for rail and/or intermodal transportation.

Any additional charges levied on Broker under the Rail Conditions and not accounted for in the rate agreed upon by the parties will be passed through to and be the responsibility of Customer.

CUSTOMER SHALL INDEMNIFY AND HOLD BROKER HARMLESS FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, FINES, PENALTIES, COSTS, CLAIMS, INTEREST AND EXPENSES (INCLUDING COST OF DEFENSE, SETTLEMENT AND REASONABLE ATTORNEY FEES), ARISING FROM OR RELATED TO CUSTOMER’S FAILURE TO COMPLY WITH, OR BREACH OF, THE RAIL CONDITIONS.

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**Item 400: FORCE MAJEURE AND IMPRACTICABLE OPERATIONS**

Broker shall not be liable for any failure to perform, including failure to timely perform, Services where such failure is wholly or partially due to an Act of God, War, Fire, Weather, Explosion, Riot, Civil Commotion, Act of Terrorism, Restriction by Government or other Authority, Strikes, Lock Outs, Failure of Suppliers, or to any cause whatsoever which is beyond the direct and exclusive ability of Broker to control, or which could not be reasonably anticipated by Broker.

Nothing in these Terms and Conditions shall be construed as making it binding upon Broker to provide Services or arrange delivery to locations to which it is impracticable to operate vehicles, or if perceived to constitute a risk to environment, vehicle, cargo, vehicle operators, the general public, or pose a security risk.

**Item 410: NON-WAIVER**

Failure by Broker to apply or enforce the provisions of these Terms and Conditions shall not be considered a waiver of its ability to enforce application of such with respect to any past, current or future Services.

**Item 420: STORAGE RIGHTS**

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, Broker shall be entitled to recover any and all costs in any way associated with the storage of any cargo and shall have no liability arising from or related to such storage or the arrangement thereof. At its sole option, Broker may arrange for deposit of the cargo in a public warehouse or storage facility under the Customer's name so that storage fees do not accrue against Broker.

**Item 430: DISPUTE RESOLUTION**

These Terms and Conditions shall be deemed to have been drawn in accordance with the statutes and laws of the State of North Carolina\_ and in the event of any disagreement or dispute regarding services subject to these Terms and Conditions, to the extent not otherwise governed by federal law, the laws of the State of North Carolina shall apply and suit must be brought in a state or federal court in Mecklenburg County, NC as each party specifically submits to the exclusive personal jurisdiction of such courts.