BROKERAGE TERMS & CONDITIONS

1.   **APPLICABILITY**. Unless expressly superseded by a written contract signed by an officer Mid-Pacific Transportation, Inc. ("BROKER") and the shipper, consignor, consignee, or any other entity claiming an interest in goods for which BROKER arranges transportation ("SHIPPER") these Terms and Conditions shall govern brokerage service provided by BROKER ("Services"), including services provided pursuant to a Rate Confirmation Agreement ("RCA"), regardless of whether this RCA is signed by the parties. Any terms and conditions on any RCA or similar document exchanged between the parties 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. SHIPPER understands and agrees that BROKER functions as an independent entity, and not as a carrier, in selling, negotiating, providing and arranging for transportation for compensation, and that the actual transportation of shipments tendered to BROKER shall be performed by third-party motor carriers ("Servicing Motor Carriers"). SHIPPER further acknowledges and agrees that the actual transportation services performed by the Servicing Motor 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 SHIPPER and the Servicing Motor Carrier, the terms of which may be maintained in tariffs, bills of lading, or similar documentation maintained by the Servicing Motor Carrier. BROKER and SHIPPER represent and warrant that their relationship is that of independent contractors and that the 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 SHIPPER and BROKER reserves the right to accept or decline, in its sole discretion, any particular request for Services.

2.   **COMPLIANCE WITH LAW.** BROKER represents and warrants that it is duly and legally qualified to operate as a property broker and to provide the Services contemplated herein. BROKER agrees to comply with all applicable federal, state and local laws regarding the provision of such brokerage Services. SHIPPER warrants and represents that it is authorized to tender the cargo in question to BROKER and that all descriptions of the cargo (including, but not limited to, commodity descriptions, dimensions and weight) are complete, accurate, and include all information required by applicable law, rules or regulation. Without in any way limiting the foregoing, if SHIPPER tenders for transportation cargo designated as hazardous materials or dangerous goods, SHIPPER 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 SHIPPER to BROKER. In no event will BROKER have any obligation to provide any instructions to the Servicing Motor Carrier with respect to cargo other than those expressly noted by the SHIPPER on the RCA.

3.   **PAYMENT AND CHARGES**. BROKER will charge and SHIPPER will pay the rates and charges set forth in the RCA or as otherwise agreed for services provided by BROKER without offset. SHIPPER agrees to pay BROKER without offset and within fifteen (15) days of receiving the invoice, with interest accruing monthly at a rate of one percent (1.5%) per month on any unpaid balance. SHIPPER shall also be liable for any expenses, including attorney fees, BROKER incurs in collecting its rates and charges. SHIPPER shall also be responsible for any additional accessorial charges imposed by the Servicing Motor Carrier which were not anticipated by BROKER at the time BROKER arranged for services with Servicing Motor Carrier or which were not otherwise included in the rate set forth in the RCA. If any information provided by SHIPPER is inaccurate or incomplete, SHIPPER acknowledges and agrees that agreed upon rates may, in BROKER's sole discretion, be revised to reflect the goods actually tendered.

4.   **INDEMNIFICATION, WARRANTIES AND LIMITATION OF LIABILITY**.   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 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. SHIPPER 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 SHIPPER OF THESE TERMS AND CONDITIONS; (ii) THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF SHIPPER, ITS AGENTS, CONTRACTORS OR EMPLOYEES; (iii) VIOLATION BY SHIPPER, ITS AGENTS, CONTRACTORS OR EMPLOYEES OF ANY APPLICABLE LAWS, RULE OR REGULATION; OR (iv) COMPLIANCE WITH OR RELIANCE ON ANY INSTRUCTIONS, DIRECTIONS, OR REQUEST OF SHIPPER. THE SERVICES ARE PROVIDED "AS IS" AND "AS AVAILABLE," WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE.

5.   **SERVICING MOTOR CARRIERS**. BROKER shall make reasonable efforts to place SHIPPER's loads with responsible Servicing Motor Carriers authorized to perform the services required by SHIPPER for the purposes of transporting the loads with reasonable dispatch under the direction of SHIPPER. In no event will BROKER tender any goods of SHIPPER to a Servicing Motor Carrier holding an "unsatisfactory" safety rating from the U.S. Department of Transportation. BROKER also agrees to utilize only Servicing Motor Carriers that possess all insurance coverages required by applicable law. However, the Parties understand and agree that BROKER makes no express or implied warranties or guarantees concerning delivery time or the locating of a Servicing Motor Carrier to provide the transportation services requested by SHIPPER.

6.   **BROKER INSURANCE**. BROKER shall comply with all insurance and bonding requirements imposed upon it by law, including its obligation to maintain a surety bond or trust fund agreement.

7.   **CARGO LOSS, DAMAGE, OR SHORTAGE**. SHIPPER acknowledges that Servicing Motor Carriers may limit their liability for cargo loss, damage or delay. It will be SHIPPER's responsibility to insure product in-transit and SHIPPER acknowledges that if SHIPPER wishes to declare excess value higher than the Servicing Motor Carrier's limitation, BROKER will have no responsibility to do so and it will be SHIPPER's responsibility to do so directly with the Servicing Motor Carrier. BROKER may facilitate claims filing and processing with the Servicing Motor Carrier if SHIPPER 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 SHIPPER, discontinue pursuit of claims with the Servicing Motor Carrier if such claim is not resolved within sixty (60) days of receipt by BROKER or if SHIPPER, in BROKER's sole discretion, fails to cooperate with BROKER in filing of claims with the Servicing Motor Carrier.   BROKER shall have no liability for cargo loss, damage, or shortage except to the extent such claims are caused by BROKER's negligent acts or omissions, in which case, BROKER's liability shall be limited to the charges assessed by BROKER and paid by SHIPPER with respect to the goods at issue. SHIPPER is responsible for filing a claim with BROKER alleging BROKER's liability for cargo loss and damage within six (6) months of the date of delivery of the cargo in question (or, if none, within six (6) months of the date cargo should have been delivered). Failure to do so will result in an absolute bar to any such claim and will relieve BROKER of any and all liability with respect thereto. 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. BROKER shall be under no obligation to arrange, and Servicing Motor Carrier shall be under no obligation to provide, service in accordance with any set pick-up or delivery schedule; BROKER's sole obligation is to ensure Servicing Motor Carriers provide services with reasonable dispatch. Any lawsuit arising from such claim must be

commenced within eighteen (18) months of denial of all or any part of such claim. SHIPPER acknowledges and agrees that the sole liability of BROKER with respect to loss, damage or delay to cargo shall be as set forth in this provision and SHIPPER warrants and represents that if it is not the owner of such cargo, SHIPPER holds authority from such owner to bind the owner to the provisions of these Terms and Conditions.

8.   **SPECIALIZED SERVICE AND EQUIPMENT**. Depending on size and weight information provided by SHIPPER, BROKER may determine that tendered cargo will require oversize permits, overweight permits, specialized equipment, or otherwise be subject to additional requirements including, but not limited to, shipment routing and pilot car requirements. SHIPPER understands and agrees that any conditions imposed under any applicable law, rule or regulation, or under any required permits or approvals, will supersede and instructions or requests of the SHIPPER. SHIPPER will be responsible for the costs of obtaining any such permits and approvals, and for costs associated with complying therewith. Without in any way limiting the foregoing, SHIPPER shall be responsible for the costs of any required pilot car service, and costs associated with loading cargo on and off of the Servicing Motor Carrier's equipment, including, but not limited to, any crane or rigging services and charges imposed by Servicing Motor Carriers for use of specialized equipment, including charges for any such services requested by BROKER (by way of example, if BROKER requests rigging services to unload oversize or overweight cargo where SHIPPER has provided inaccurate weight or dimension information). SHIPPER shall reimburse BROKER for any costs incurred by BROKER which are the responsibility of SHIPPER hereunder. In no event will BROKER have any liability to SHIPPER arising from or related to services provided by any pilot car service, rigging or crane service.

9.   **SHIPPING DOCUMENTS**. Shipments tendered hereunder may be accepted by the Servicing Motor Carrier on a bill of lading or similar transportation document setting forth the respective legal rights and obligations of SHIPPER and the Servicing Motor Carrier. In no event shall the terms or conditions of any such bill of lading or other document used by SHIPPER and the Servicing Motor Carrier apply to BROKER's Services or otherwise be binding on BROKER. Upon request of SHIPPER, BROKER shall request that Servicing Motor Carriers obtain a delivery receipt from the consignee, showing the products delivered, the condition of the shipment and the date and time of such delivery.

10.   **NOTIFICATION OF ACCIDENTS OR DELAYS**. BROKER agrees to notify SHIPPER of any accident or other event of which BROKER is apprised and which prevents the motor carrier from making a timely or safe delivery.

11.   **DISPUTE RESOLUTION**. These Terms and Conditions shall be deemed to have been drawn in accordance with the statutes and laws of the state of Washington 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 Washington shall apply and suit must be brought in Washington as each party specifically submits to the exclusive personal jurisdiction of such courts for disputes involving this RCA.

SHIPPER (identified on the first page)

Signature: _____

Name and Title: _____

Date: _____

Amount of Credit Desired: _____

PERSONAL GUARANTY

The undersigned jointly and severally guarantee payment of all sums due or which become due from Shipper to Broker.

_____
Signature of Owner/Officer

_____
Name and Title

Date: _____

_____
Signature of Owner/Officer

_____
Name and Title

Date: _____