

TERMS AND CONDITIONS OF **BROKERAGE**

Prepared By:

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Effective Date: October 1, 2008

1. General. Schneider Logistics, Inc. ("SLI"), a licensed property broker operating under Permit No. 297630, undertakes to arrange for the interstate transportation of shipments on behalf of its various customers (the "Customer(s)") from various origins and destinations throughout the United States, Canada and Mexico. The transportation is furnished by carriers selected by and under contract with SLI. The terms and conditions of brokerage set forth herein are applicable to the transportation of any shipment by SLI undertaken on the Customer's behalf. In the event that SLI and the Customer have entered into a written contract containing terms and conditions different than those set forth in these Terms and Conditions of Brokerage, the written contract will control.

The Terms and Conditions of Brokerage set forth herein supersede all previous conditions of transportation and other prior statements concerning the rates and conditions of SLI's services. SLI reserves the right from time to time to modify, amend or supplement its Terms and Conditions of Brokerage without notice. Copies of SLI's most recent Terms and Conditions of Brokerage may be obtained by contacting SLI, and will be periodically updated on SLI's web site.

2. Application of Charges. The rates and charges for the brokerage services provided by SLI shall be in accordance with the rates and charges set forth in a Rate Confirmation Contract (the "Rate Confirmation") prepared by SLI and provided to Customer for each individual shipment. Each Rate Confirmation can be supplemented or revised upon timely written notification by SLI that is not disputed by Customer within four (4) business hours from such notification. Payment shall be due from Customer within fifteen (15) days of the date of SLI's invoice.

3. Selection and Use of Motor Carriers. SLI will subcontract the transportation services required by Customer to motor carriers that are duly authorized to transport such shipments pursuant to all applicable regulatory authority (the "Carriers"). It is understood and agreed that the Carriers are independent contractors with the exclusive control over their respective drivers and employees, and are not agents, employees or authorized representatives of SLI.

4. Bills of Lading. Each shipment tendered by Customer and accepted by SLI shall be evidence by and subject to the terms, conditions and provisions of a bill of lading or other proof of delivery receipt. In the event of a conflict between the terms, conditions and provisions of such bill of lading or receipt and these Terms and Conditions of Brokerage, the terms, conditions and provisions of these Terms and Conditions shall govern.

5. Hazardous Materials. Customer shall not tender to SLI for transportation any hazardous material, as that term is used and defined in the Hazardous Material Transportation Act, 49 U.S.C. § 50101, et seq. In the event Customer does tender hazardous materials to SLI or the Carriers, Customer

shall first provide SLI with advanced written notice of the product and a current Material Safety Data Sheet for the hazardous material shipment. Customer agrees to indemnify, defend and hold harmless SLI 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 SLI 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 SLI or the Carriers.

6. Force Majeure. The brokerage services provided by SLI will be temporarily suspended to the extent that during any period Customer, SLI or the Carriers are unable to carry out their respective obligations by reason of act of God or the public enemy, fire, flood, labor, disorder, civil commotion, terrorist act, government interference, or any other event or occurrence beyond the reasonable control of the affected parties, and neither party shall have any liability to the other for delay in performance or failure to perform while the services are temporarily suspended, except for Customer's payment obligations for services performed.

7. Cargo Loss or Damage. For loss or damage to shipments that occur while the shipments are in the Carriers' exclusive care, custody and control, the Carriers' liability shall be that of a common carrier under 49 U.S.C. § 14706 and controlling case law under the Carmack Amendment. The Carrier shall pay to Customer the full actual loss for the kind and quantity of the product so lost, damaged or destroyed; provided, however, that the maximum liability for any single shipment shall not exceed \$100,000. As a property broker only, SLI hereby assumes no liability or responsibility for any loss or damage to the shipments incurred while the shipments are in the possession or control of the Customer or the Carriers, unless such loss or damage is caused by the sole negligence of SLI or its employees. Any claim for loss or damage to any shipment must be made to SLI in writing within thirty (30) days after the actual date of delivery of the shipments by the Carriers. Each claim must contain information necessary to identify that portion of the shipment lost or damaged, the basis for liability and the amount of the alleged loss or damage, as well as all supporting documentation. Customer shall cooperate with SLI, the Carriers and their respective insurers in the investigation of any claim or potential claim made by Customer. Any civil action brought by Customer for cargo loss or damage must be filed by Customer within two (2) years after the date of delivery; provided, however, that Customer's failure to comply with the claims notice and filing requirements set forth herein shall bar any such civil action. Neither party will liable to the other party for any

indirect, consequential, special or punitive damages including, but not limited to, loss of production, loss of income or loss of profits (collectively "Special Damages") arising out of claims brought by the other party even if notice was given as to the possibility of such Special Damages and even if the Special Damages were reasonably foreseeable.

8. Access to Customer's Facilities. Customer shall provide the Carriers with access to the facilities necessary to load or unload the tendered shipments. Access to the facilities by the Carriers shall be without charge to the Carriers unless otherwise agreed to in writing between the parties. Customer is solely responsible for maintaining the loading and unloading facilities in a good and safe condition, and in compliance with all applicable laws, codes and regulations. Customer hereby waives and releases SLI from any liability for any loss or damage to its facilities or to Customer's personal property located on such facilities.

9. Packing and Marking. All shipments tendered by Customer must be prepared and packaged to ensure safe ground transportation. By tendering a shipment to SLI or the Carriers, Customer certifies that the shipment is sufficiently packaged to withstand the normal rigors of truck transportation. Each package must be legibly marked, prior to the shipment being tendered for transportation. Any article susceptible to damage by ordinary handling must be adequately protected and packaged and marked in such a way as to alert SLI or the Carriers of the possibility of damage from ordinary handling and must bear appropriate labels.

10. Shipments Not Accepted. SLI 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; or
- Certain bulk commodities of hazardous substances.

SLI 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.

11. Overcharge, Duplicate Payment and Over-Collection Claims. Any overcharge, duplicate payment or over-collection claim made by Customer must be filed, in writing, with SLI within one hundred eighty (180) days from the date of SLI's original freight bill.

12. Dispute Resolution. SLI and Customer agree to cooperate fully with one another in connection with the resolution of any dispute that may arise in connection with the brokerage services provided by SLI. If the representatives of SLI and Customer that are primarily responsible for the negotiation and/or performance of such brokerage services are unable, after reasonably diligent effort, to resolve any dispute or controversy, the matter will be referred to an executive panel consisting of an executive of SLI and an executive of Customer that have not been directly involved in the negotiation of services, their performance, or prior efforts to resolve the dispute in question. If the executive panel is unable to resolve any dispute after reasonably diligent effort, the matter may, by mutual agreement, be referred to binding arbitration, or either party may resort to litigation. Any dispute shall be governed by the laws of the State of Wisconsin (including the choice-of-law rules of such state), or applicable federal or international law; any civil action shall be brought by either party exclusively in the federal and 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.

13. Independent Contractor Relationship. The relationship performed between SLI and Customer is that of one independent contractor with another, and that nothing herein is intended to create a joint venture, partnership, agency, or any employment relationship.

14. Mileage Computation. Customer understands and agrees that SLI is currently an authorized licensee of Rand McNally-TDM, Inc.'s MileMaker System, Version Mileage Guide ICC HGB 100-G, Tariff #19, and any subsequent revisions to this Guide. All rates and charges that are based on miles will, unless otherwise notified by SLI in writing, be determined using the shortest route calculation in TDM's MileMaker System.

15. Waiver. Customer and SLI waive any and all rights and remedies allowed under 49 U.S.C. § 14101 to the extent that such rights and remedies conflict with the terms and conditions of brokerage.