

TERMS AND CONDITIONS

10-4 Systems, Inc. (“10-4”) is a technology service that streamlines the actions of freight delivery, truckload, intermodal, either domestic or international.

10-4’s proprietary systems allow shippers, carriers, brokers, forwarders and cargo owners to arrange their own seamless freight deliveries.

As a Customer who engages our services, you agree to our **TERMS AND CONDITIONS** of use of our systems, without change or alteration, except as may be provided with our written permission.

10-4 is neither a freight carrier, freight forwarder, freight broker nor other type of transportation intermediary that requires licensing by a government agency. We simply and effortlessly – on your part – allow you to interact with others in the freight transport system that is so vital to our world economy, to your business and your bottom line. We do not have responsibility for the freight transaction itself. We introduce the participants.

AS TO RULES OF CARRIAGE

Each party to a transaction initiated by using 10-4 systems is obligated to arrange for rules and obligations for freight deliveries, either by direct contract, tariffs, or Bills of Lading. For example, a shipper may enter a contract with a carrier; or a freight broker may rely on the tariffs or Bill of Lading issued by a carrier. Agreements between you and others using 10-4 systems will always take precedence over anything to the contrary in these Terms and Conditions.

RATES AND CHARGES

Rates and charges for freight delivery are to be determined by you and the counter-party. 10-4 does not set or recommend rates or charges for any aspect of freight delivery; nor does it act in resolution of any charges or rates.

Generally, Truckload rates are negotiated rates for door-to-door services, with negotiations for “accessorial” charges such as load or unload charges, detention charges, equipment ordered but not used charges, or late delivery charges.

Flatbed, intermodal, over-dimensional or specialty freight may be based upon size or weight, road use permits or other commodity pricing, or specialty transport equipment and/or personnel.

Transit times are, generally, estimates only unless negotiations include terms for time definite services.

BILLS OF LADING

All bills of lading used by you or others involved in a transaction are non-negotiable and are governed by state or federal law. 10-4 does not prepare or issue bills of lading. However, if you

or a counterpart to a transaction fails to complete or issue any documents necessary to complete the freight delivery, 10-4 may, at its discretion, complete or correct the document in order to facilitate the delivery. 10-4 shall not be liable to you or any counter-party or third persons for these actions on behalf of you or a counter-party.

YOUR OBLIGATIONS

You and your counterparts are responsible for compliance with all applicable laws and regulations, including but not limited to international or domestic customs laws, movement of hazardous materials, import and export restrictions and laws, and any regulation, law, ordinance of any municipality, state, local or federal U.S. agency that may apply to the freight delivery.

You and your counterparts warrant and guarantee each other and 10-4 that each of you has all necessary permits, licenses, documentation, tax stamps, permissions that may be required for the freight delivery.

YOUR FEE

Freight providers will be charged a Transaction Fee of \$9.95 for every shipment transacted through the Marketplace. A transaction occurs when both parties to the shipment agree to work together by hitting the “Accept” button. In order to use 10-4 Systems products, you agree to undergo credit review by us or our agents. We reserve the right to deny access to 10-4 Systems products, for any reason, as exercised in our sole discretion.

In certain transactions, 10-4 may provide third-party billing services to the carrier. These transactions will show 10-4 invoicing for Freight Charges, as well as any applicable Transaction Fees. The freight provider shall pay 10-4 directly, Net 15, from date of delivery. Freight provider shall communicate any POD dispute within two (2) business days of receipt of POD. Any POD not disputed within this timeframe shall be deemed valid for the purposes of payment to 10-4.

A Truck Ordered, Not Used (TONU) fee of \$200.00 shall be charged to freight provider for any truck booked through 10-4 and not cancelled at least 24 hours prior to scheduled pickup time.

Charges for using 10-4 Systems products are to be paid in U.S. Dollars and charges are due immediately upon receipt. Any payment not received with ten (10) calendar days of your receipt of our bill are subject to late charges of 2% per month, or partial month, or as may be permitted by applicable law. Overpayments by you do not accrue interest and may be refunded or credited to future charges against your account in our sole discretion.

If 10-4 retains an attorney or collection agency to collect from you any unpaid charges or for enforcement of these Terms and Conditions, you will pay our attorney fees, costs of collection and/or court costs. In addition, 10-4 shall have a lien on all freight involved in your transactions for outstanding balances due 10-4 until fully paid or released.

CORRECTIONS

As to misidentified freight, commodity, size, weight or other quality of freight, 10-4 reserves the right to correct and re-invoice you for incorrect information if additional costs are incurred by the carrier to perform the freight delivery, as determined in 10-4's sole discretion.

CLAIMS AND LIABILITY

As stated above, 10-4 does not assume any liability for the freight transaction between you and your counterpart. 10-4 does not participate in resolving freight damage or loss claims, as that is specifically controlled by your agreement with your counterpart, federal law or carrier tariffs. Carrier liability may also be governed under the Carmack Amendment to the Interstate Commerce Act, 49 U.S.C. § 14706 and 49 C.F.R. § 370, et seq., or by state law.

It is your responsibility to ascertain that the carrier or shipper will meet your transportation needs.

LOCATION SERVICES

To use any of 10-4's location services, you agree that you have the permission of each individual driver dispatched on loads to allow the system to obtain, report and retain their locations. You also agree to indemnify 10-4 for any claim, loss, suit, violation of laws or regulations of any jurisdiction arising from the use and retention of location data. 10-4 has no responsibility, control, or liability for any violations of privacy laws, regulations or common law, nor does 10-4 have any control over the retention and security of the data obtained thru this process.

CHOICE OF LAW AND VENUE

As a Customer who engages our systems for freight delivery, any dispute between you and 10-4 is subject to the laws of the State of Arizona, without regard to Arizona choice of law rules; and any action brought against 10-4 shall be brought in either the Superior Court of Arizona, in and for the County of Maricopa, or the U.S. District Court for the District of Arizona, Phoenix vicinage.

Before suit may be commenced, however, the parties to the dispute must submit the dispute to mediation by JAMS, and must fully and materially participate in a good faith effort to resolve the dispute. This is a condition precedent to any suit and must be accomplished before suit commences.

NO WARRANTIES FOR 10-4 SYSTEMS PRODUCTS

10-4 neither offers nor makes any warranty, guarantee, express or implied, as to its services or the services, agreements, obligations, safety or licensing by you or your counterpart. 10-4 neither offers nor makes any warranty of fitness or merchantability for any purpose regarding its services, website, freight deliveries, or transactions agreed upon or completed by or through 10-4's services and in no event shall 10-4 be liable for any damages, special, incidental, consequential or punitive arising from in whole or in part from the use of 10-4 Systems services or products, whether or not 10-4 had actual or constructive knowledge that such damages may occur.