



BROKERAGE FREIGHT SERVICES TERMS AND CONDITIONS

USA Truck, Inc., operating as a freight broker under SCAC Code USIL, is in the business of arranging transportation of property by third-party motor carriers and holds authority from the Federal Motor Carrier Safety Administration under Permit Number MC #161412, to engage in operations as a transportation broker of general commodities (except Household Goods) in interstate or foreign commerce. SHIPPER understands and acknowledges that for purposes of Brokerage Freight Services (1) USA Truck is not a motor carrier, (2) USA Truck is a broker which arranges for the transportation of freight by third-party motor carriers and (3) USA Truck intends to engage and contract with one or more Servicing Motor Carriers (as defined below) for purposes of satisfying obligations under these Terms and Conditions.

By tendering freight to USA Truck, SHIPPER acknowledges and agrees to be bound by these Brokerage Freight Services Terms and Conditions ("Terms and Conditions").

SHIPPER and USA Truck enter into these Terms and Conditions, along with any terms and conditions of any USA Truck provided rate quote/confirmation, if any, in accordance with 49 U.S.C. § 14101(b)(1) and expressly waive any and all rights and remedies that each may have under 49 U.S.C. § 13101 through § 14914 that are contrary to the specific provisions of these Terms and Conditions.

1. **APPLICABILITY.** Unless expressly superseded by a written contract signed by an officer of **USA Truck, Inc.** ("BROKER") and the shipper, consignor, consignee, or any other entity claiming an interest in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 property brokerage service (which, for purposes hereof, shall mean the arrangement of motor carrier transportation to be performed by third party Servicing Motor Carriers as defined below) provided by BROKER ("Services"), including services provided pursuant to a load confirmation. Any terms and conditions on 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, 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").

2. **RELATIONSHIP.** 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 create an exclusive relationship between SHIPPER and BROKER, nor 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.

3. **COMPLIANCE WITH LAW.**

- a. **By Broker:** 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.
- b. **By Shipper:** SHIPPER warrants and represents that it is 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. 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. When requesting service with respect to any shipment containing food that is subject to regulations of the Food and Drug Administration (“FDA”) (hereinafter, “Food”), SHIPPER shall be solely responsible for identifying handling obligations necessary for the safe and sanitary handling of food and, at the time of the initial request for services with respect to the individual shipment, will provide written notice (each a “Food Handling Notice”) to BROKER that the consignment contains Food which Food Handling Notice must also include any special instructions or handling requirements to be imposed on the Servicing Motor Carrier. Any such Food Handling Notice shall specifically identify the consignment to which it relates and in no event shall any Food Handling Notice apply to more than one shipment regardless of whether BROKER confirms receipt of a Food Handling Notice purporting to apply to multiple conveyances. 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 a load confirmation provided by BROKER to SHIPPER and BROKER has no obligation to comply with or pass on to the Servicing Motor Carrier any handling instructions received after the initial request for service. If SHIPPER does not provide a Food Handling Notice, SHIPPER warrants and represents that the cargo is appropriately packaged to ensure safe and sanitary transportation without the need for any specialized handling by the Servicing Motor Carrier. SHIPPER acknowledges and agrees that BROKER’s sole obligation with respect to food handling and food safety is to pass through to the Servicing Motor Carrier instructions contained in a Food Handling Notice.

4. **PAYMENT AND CHARGES.** SHIPPER must obtain credit approval from USA Truck before the arrangement of transportation services by submitting a fully executed credit application to the Credit Department. BROKER will charge and SHIPPER will pay the rates and charges set forth in a load confirmation or as otherwise agreed for services provided by BROKER without offset. SHIPPER agrees to pay BROKER without offset and within thirty (30) days of receiving the invoice, with interest accruing monthly at a rate of one percent (1%) 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 load confirmation. 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.

5. **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 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. SHIPPER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BROKER FROM AND AGAINST, AND SHALL PAY AND REIMBURSE BROKER FOR, 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) SHIPPER’S FAILURE TO PROVIDE, OR BROKER’S COMPLIANCE WITH OR RELIANCE ON, INSTRUCTIONS, DIRECTIONS, OR REQUEST OF SHIPPER. THE FOREGOING NOTWITHSTANDING, SHIPPER’S OBLIGATION TO HOLD HARMLESS, DEFEND, INDEMNIFY, PAY AND REIMBURSE SHALL NOT APPLY TO THE EXTENT ANY CLAIM IS CAUSED BY THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF BROKER 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. BROKER IS NOT LIABLE FOR THE CONSEQUENCES OF IDENTIFY THEFT OR FRAUDULENT CONDUCT OF THIRD PARTIES, INCLUDING UTILIZING THE SERVICES OF ENTITIES REPRESENTING THEMSELVES TO BE SERVICING MOTOR CARRIERS OR REPRESENTATIVES THEREOF.

6. **SERVICING MOTOR CARRIERS.** BROKER sole responsibility with respect to selection and retention of Servicing Motor carriers is to make reasonable efforts to place SHIPPER's loads with responsible Servicing Motor Carriers: (i) authorized to perform the services required by SHIPPER; (ii) which such carriers do not hold an "unsatisfactory" or unfit safety rating from the U.S. Department of Transportation; and (iii) that possess all insurance coverages required by applicable law. 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.

- a. **INSURANCE COVERAGE.** USA Truck requires all Servicing Motor Carriers to demonstrate :
 - i. Commercial Automotive Liability Insurance including property damage coverage in the amount not less than \$1,000,000.00 USD per occurrence;
 - ii. Commercial general liability insurance in the amount of not less than \$1,000,000 USD per occurrence;
 - iii. Workers' compensation insurance as well as employer's liability insurance as required by state, federal provincial, or other applicable law;
 - iv. Motor Truck Cargo insurance in the amount not less than \$100,000.00 USD per shipment.
- b. **CONTROL.** While USA Truck may arrange for the handling and transportation of SHIPPER's goods by Servicing Motor Carrier, SHIPPER expressly acknowledges all Servicing Motor Carriers are separately licensed and insured independent contractor and that USA Truck exercises no control over Servicing Motor Carrier equipment, facilities, personnel, subcontractors, agents, routes, or manner of performance. Similarly, USA Truck does not physically accept, supervise, or control the commodities in shipment, or the manner which such is packaged, loaded, or transported.

7. **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. USA Truck agrees to maintain at its own expense, the following insurance coverage amounts:

- a. **GENERAL LIABILITY** in an amount no less than one million dollars (\$1,000,000.00 USD) per occurrence;
- b. **CARGO INSURANCE** in an amount no less than one hundred thousand dollars (\$100,000.00 USD) per shipment.

USA Truck agrees to maintain a surety bond as required by the FMCSA in the amount of at least \$75,000 or as otherwise required by the FMCSA.

8. **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. SHIPPER acknowledges and agrees that failure or alleged failure by the Servicing Motor Carrier to comply with shipment handling instructions, or a broken trailer seal, shall not, in and of itself, be grounds for rejection of a shipment or filing of a claim for cargo loss and damage without proof of actual loss or damage. 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.

9. **RAIL TRANSPORTATION.** Notwithstanding anything in these Terms and Conditions to the contrary, in the event, whether upon request of SHIPPER or in BROKER's discretion, any portion of the underlying transportation is performed by a rail carrier ("Rail Carrier"), SHIPPER acknowledges and agrees that the Rail Carrier services, including, but not limited to, charges, liability (including limitations) for loss or damage to cargo, and terms and conditions of services are governed by tariffs, circulars or similar documents maintained by the Rail Carrier or other third party logistics provider arranging such Rail Carrier services (the "Rail Conditions"). SHIPPER acknowledges and agrees that SHIPPER, and not BROKER, shall be deemed as a shipper or beneficial cargo owner for purposes of application of the Rail Conditions. As between SHIPPER and BROKER, SHIPPER shall be solely responsible for: (a) proper packing of any and all shipments; (b) blocking and bracing all such cargo in accordance with the Rail Conditions, as well as in accordance with industry standards (including, but not limited to, those imposed by the American Association of Railroads via Circular 43, Rules Governing the Loading, Blocking and Bracing of Freight in Closed Trailers and Containers for TOFC/COFC Service); and (c) compliance with any and all obligations or charges imposed by the Rail Carrier with respect to tender of cargo for rail and/or intermodal transportation, including but not limited to any and all charges for accessorial services imposed by Rail Carriers whether or not included in the initial rates agreed upon by the parties.

10. **SHIPPING DOCUMENTS.** Shipments tendered hereunder may be evidenced by a bill of lading or similar transportation document. In no event will BROKER being shown as the "carrier" on any such document change BROKER's status as a property broker. SHIPPER certifies and represents that the information inserted on the face of the bill of lading or other similar shipping document is complete and accurate. SHIPPER hereby expressly waives any terms and conditions set forth on any subsequent bill of lading that are contrary to these Terms and Conditions. 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. SHIPPER waives access to BROKER's records pursuant to 49 C.F.R. Part 371.

11. **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.

12. **MEXICO LIABILITY EXCLUSION.** Regardless of the fact that any shipment hereunder may be moved under a through bill of lading, BROKER shall not be liable for any cargo loss or damage which occurs in Mexico nor for seal integrity, loss, damage, or destruction of shipments occurring at or across the U.S./Mexico border. For purposes of determining BROKER's liability for cargo loss and/or damage hereunder, all shipments either originating in or ultimately destined for a point in Mexico shall be deemed as either originating or terminating at the border crossing point in the United States and as shipments in Mexico, despite the issuance of a through bill of lading.

Pursuant to the authority of 49 U.S.C. Section 14101 (b) (1), BROKER and SHIPPER expressly waive any and all rights and remedies under the provisions of 49 U.S.C. Section 14706 (Motor) for shipments moving from or to points in Mexico. Any concealed loss or damage will be presumed to have occurred in Mexico. This waiver shall be effective regardless if the bill of lading is a through or international bill of lading and regardless of the mode of transportation. Venue for any dispute covered by this Section will be in the United States District Court for the Western District of

Arkansas. SHIPPER shall look solely to the Servicing Motor Carrier(s) for any damages and/or recourse, should loss, damage, or delay occur in Mexico.

Title 49 cargo liability rights and remedies which are contrary to these Terms and Conditions, or other cargo liability provisions contained herein, are hereby waived to the fullest extent legally permitted.

13. **DISPUTE RESOLUTION.** These Terms and Conditions shall be deemed to have been drawn in accordance with the statutes and laws of the state of Arkansas 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 Arkansas shall apply, without regard to that state's conflict of laws principles, and suit must be brought in the Circuit Court of Crawford County in Van Buren, Arkansas as each party specifically submits to the exclusive personal jurisdiction of such courts for disputes between them or otherwise involving BROKER's services.

14. **NOTICE.** All notices or other communications referenced under these Terms and Conditions shall be made in writing and sent to the other party. All notices shall be deemed given to the other party if delivered receipt confirmed using one of the following methods: registered or certified first class mail, postage prepaid; recognized courier delivery; or electronic mail.

15. **NONWAIVER.** Failure of either BROKER or SHIPPER to insist upon performance of any of the terms, conditions or provisions of these Terms and Conditions, or to exercise any right or privilege herein, or the waiver of any breach of any of the terms, conditions or provisions of these Terms and Conditions, shall not be construed as thereafter waiving any such terms, conditions, provisions, rights or privileges, but the same shall continue and remain in full force and effect as if no forbearance or waiver had occurred.

16. **FORCE MAJEURE.** Neither BROKER or SHIPPER shall be liable to the other for failure to perform any of its obligations under these Terms and Conditions during any time in which such performance is prevented by fire, flood, or other natural disaster, war, pandemic, embargo, riot, civil disobedience, or the intervention of any government authority, or any other cause outside of the reasonable control of the parties, provided that the party so prevented uses its best efforts to perform under these Terms and Conditions and provided further, that such party provide reasonable notice to the other party of such inability to perform. Performance requirements are extended by the amount of the delay except for payment obligations.

17. **REMEDIES CUMULATIVE.** Except as otherwise specifically stated herein, remedies shall be cumulative and there shall be no obligation to exercise a particular remedy.

18. **PARAGRAPH HEADINGS.** Form paragraph headings used in this Agreement are for reference only and shall not be used or relied upon in the interpretation of these Terms and Conditions.

19. **ASSIGNMENT.** Neither BROKER or SHIPPER may assign or transfer these Terms and Conditions, in whole or in part, without the prior written consent of the other party.

20. **SEVERABILITY/SURVIVABILITY.** In the event that the operation of any portion of these Terms and Conditions results in a violation of any law, or any provision is determined by a court of competent jurisdiction to be invalid or unenforceable, the parties agree that such portion or provision shall be severable and that the remaining provisions of the Agreement shall continue in full force and effect. The representations and obligations of the parties shall survive the termination of these Terms and Conditions for any reason.

21. **CONFIDENTIALITY.** Other than as required to comply with the law or legal process requiring disclosure, the Parties agree to the following:

- a. The term "CONFIDENTIAL INFORMATION" shall mean any and all information which is disclosed by either party ("OWNER") to the other ("RECIPIENT") verbally, electronically, visually, or in a written or other tangible form which is either identified or should be reasonably understood to be

confidential or proprietary. Confidential Information may include, but not be limited to, trade secrets, computer programs, software, documentation, formulas, data, techniques, marketing plans, client lists, employee information, salary and benefits information, financial information, confidential information concerning Owner's business or organization, as Owner has conducted it or as Owner may conduct it in the future. In addition, Confidential Information may include information concerning any of Owner's past, current, or possible future products or methods, including information about Owner's research, development, software, engineering, purchasing, marketing, selling, staffing, and/or business strategy.

- b. In addition to Confidential Information protected by law, statutory or otherwise, the Parties agree that all of their financial information and that of their customers, including but not limited to freight and brokerage rates, amounts received for brokerage services, amounts of freight charges collected, freight volume requirements, as well as personal customer information, customer shipping, or other logistics requirements shared or learned between the Parties and their customers, shall be treated as confidential, and shall not be disclosed or used for any reason without prior written consent. You specifically waive any rights You may have under 49 CFR Section 371.3.
- c. In the event of a violation of provisions of this Section 20, the parties agree that the remedy at law, including monetary damages, may be inadequate and that the parties shall be entitled, in addition to any other remedy they may have, to an injunction restraining the violating party from further violation of these Terms and Conditions in which case the non-prevailing party shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney's fees.

22. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement intended by and between the Parties and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements, and understandings, whether oral, written, expressed or implied, with respect to the subject matter hereof.

USA Truck, Inc. – Logistics Division

3200 Industrial Park Road
Van Buren, Arkansas 72956
(479) 471-2500

www.usa-truck.com

© USA Truck, Inc. – All rights reserved

Effective September 1, 2021