

FALCON TRANSPORT INC. MOTOR CARRIER RULES TARIFF

GENERAL RULES AND SPECIAL CHARGES

Provisions of the Rules Tariff apply on shipments tendered to Carrier on or after July 1, 2016. Charges shown herein are not represented in standard line haul rates and are not included in standard intermodal trucking charges. All such special charges are the responsibility of the customer paying the line haul charges. Any exceptions to these rules or charges must be agreed to by all parties, either by written contract or by confirmed written communication prior to shipment tender or prior to the performance of the services shown herein. Confirmed written communication providing quotes on special charges by Carrier's Agent will apply if different from those shown herein.

Application of Tariff. Each provision of this rules tariff shall apply to each transportation agreement entered into by Carrier unless expressly waived in a signed, written agreement.

Notice and Amendments. Upon written request, Carrier will provide its customers and shippers with copies of all applicable rules tariffs and rates. Rules tariffs and accessorial charges are available on Carrier's website at: www.pfqcompanies.com.

Effective Date. This Rules Tariff is effective July 1, 2016 and will remain in effect until otherwise notified. This Rules Tariff may be changed from time to time and Carrier will endeavor to provide 30 days advance notice of such changes. This Rules Tariff replaces all prior Rules Tariffs.

Credit Terms. All invoices are due in full and payable within 30 days of the billing date shown on the invoice. Acceptance of these terms is acknowledged with shipment tender and the customer agrees that any credit granted shall be paid promptly in accordance with these terms. Carrier may add 1.5% interest per month to any outstanding balance over 30 days plus collection costs to include attorney's fees and court fees in the event of default. Customer may not deduct from freight charges or short pay freight charges unless previously authorized in writing to do so. Customer waives its rights to any contested cargo claim that is improperly setoff against freight charges.

Bill of Lading. Customers should use the Standard Truckload Bill of Lading. The terms and conditions expressed on the Standard Truckload Bill of Lading will not apply when they conflict with the terms and conditions of this Rules Tariff. Bills of Lading with conflicting language signed by representatives of Carrier will be as receipt of goods only.

Cargo Liability. Carrier's cargo liability does not commence until the loaded equipment is pulled from port, rail or customer's facility. Carrier's liability for cargo loss or damage will not exceed \$100,000 per occurrence and shipments will not be accepted unless Released Value is \$100,000 or less or by written agreement prior to pick up. The customer may request an increase in legal liability by submitting a written request for a higher Released Value and paying an additional charge equal to .15% of the difference between the desired Released Value and \$100,000. If a shipment exceeding \$100,000 is accepted inadvertently without written agreement, Carrier's liability will be limited to no more than \$100,000. Carrier will not be liable for any special, incidental, indirect or consequential damages or punitive or exemplary damages incurred or suffered by the customer as a result of coverage shortage or damage to shipments transported. Carrier does not hold out to transport jewelry, objects d'art, currency, documents, and items of unusual value or rare metals.

Storage Liability. Certain shipments may be temporarily stored, either for the convenience of Customer or for that of Carrier. After twenty-four (24) hours, Carrier's legal liability will be that of a warehouseman, and will comply with the

standard care applicable to warehouseman in the state where such service is provided. Saturdays, Sundays, and Holidays do not extend this twenty-four (24) hour period.

Container Loading. The shipper is responsible for load count, legal loading, proper blocking and bracing. In addition to loading the container with legal weights, shipper is responsible to follow "The SOLAS Container Weight Verification Requirement" with the certified weight shown on the bill of lading.

Overweight Liability. It is the responsibility of the shipper or their designated party to provide accurate weights and abide by weight restrictions under Federal, State and local laws. Carrier will not accept responsibility or liability for any violations. The customer is responsible for any fines or expenses resulting from overweight violations.

Per Diem Charges. Carrier will not accept liability for equipment per diem if charges are not the sole responsibility of Carrier. It is the customer's responsibility to know the equipment free time provided by the Ocean Carrier and to load or unload within those terms. All per diem billed to Carrier because of the customer's failure to abide by equipment free time will be invoiced to the customer with an additional ten (10) per cent administrative charge, subject to a minimum of \$25.00.

Carrier will request appointments once equipment is available at the port or rail and will not accept liability for per diem charges when appointments are not scheduled before free time expires. Carrier must have adequate time to return equipment following appointment in order to avoid per diem but no more than two (2) days.

Chassis Charges. Unless provided at no charge by the Ocean Carrier, Carrier will add daily chassis charges to all customer invoices based on the daily rate provided with the rate quote. Unless provided at no charge by the Ocean Carrier, there are no free days provided for chassis use. Carrier will not accept liability for chassis charges if charges are not the sole responsibility of Carrier. Chassis charges apply to all days beginning with day of out gate through day of in gate inclusive of Saturdays, Sundays and holidays.

Customer Requested Drop of Container/Chassis for Loading or Unloading. The party requesting that equipment be dropped for loading or unloading, accepts responsibility for all per diem and chassis charges that is not the sole responsibility of Carrier. The customer is required to notify the Carrier Agent via email when the equipment is available for pickup and will be responsible for per diem and chassis charges up to two (2) days following email notification. Carrier cannot accept notification via phone or fax.

In addition to equipment charges, the requesting party accepts liability for damage, loss or theft of equipment while the equipment is dropped. Failure of the consignor, consignee, or their respective agents and spotting service to note trailer damage at time of tender shall be prima facie evidence that same was spotted in good condition. Consignor and/or consignee shall be liable for the repair cost to any trailer damaged while spotted at their facility. Such damage shall be noted by carrier personnel at time of pickup and invoices for repairs shall be accompanied by supporting documents.

Drop Yards/Storage/Last Free Day Pulls. For the customer's convenience and/or per their request to reduce or avoid port or rail charges, Carrier may pull equipment to Carrier Agent's facility or yard. Customer requested pre-pulls to avoid demurrage, storage or detention at ports, rails or other sites will be \$75 per container plus fuel surcharge. Plus \$20 per day yard storage fee. Carrier's responsibility shall be that of a warehouseman and will comply with applicable state laws where the service is provided. This applies to all shipments held beyond 24 hours including those waiting for appointments or tendered and refused.

Stop Off Charges.

First Stop	.	.	.	\$100
Second Stop	.	.	.	\$110
Third and each thereafter	.	.	.	\$125

If for any reason, the stop off causes a layover to the next business day without fault of the carrier, layover with power charges shall apply in addition to stop off charges.

Layover Charges with Power. When loading or unloading results in layover with power through no fault of Carrier, a charge of \$500 will be assessed in addition to all other charges.

Driver and Equipment Detention Charges. This applies on shipments when driver and equipment are delayed beyond 2 hours free time at any stop, port or rail ramp. Computation of Free Time is as follows:

- \$20 per 15 minutes (Minutes are rounded up to the nearest quarter hour.)
- Free time begins when the driver arrives with equipment available for loading or unloading.
- If appointments are required, free time begins with appointment time or actual start of loading or unloading whichever occurs first.
- Shipper/Consignee lunch, coffee, rest breaks do not extend free time and are not excluded from the 2 hour free time allowed.

Vehicle Ordered But Not Used. If cancellation of an order is not received prior to dispatch, the regular rate will be charged. Additional charges will apply for return and storage until the order is rescheduled. The customer will be responsible for per diem, chassis charges or penalty charges assessed by the port, rail or owner of the equipment.

Advance Payment. Cost plus a ten (10) percent administrative fee with a \$25 minimum whenever Carrier agrees to pay port, rail, per diem, demurrage, overweight or other fees on behalf of customer.

Scale. \$50 per scale ticket. (\$100 for empty and loaded scale tickets.) Additional charges for out of route miles may also apply based on proximity of scale. (See Out of Route Miles)

Reconsignment. \$50 per shipment when pick up or delivery address is changed after dispatch. Additional line haul charges will also apply using the per mile charge from the original move quote. New rates may be applicable for destinations that are distant from the original delivery point. (Over 250 miles.)

Equipment Cleaning Charged by Equipment Provider. Cost plus ten (10) percent with a \$25 minimum or \$20 per 15 minutes (Minutes are rounded up to the nearest quarter hour) if performed by driver.

Hazardous Material Charge. \$100 additional charge for any shipment containing hazardous material. (Rate applies absent any specific written agreement or quote with the customer responsible for paying the freight charges.) Shipper accepts all U.S. Department of Transportation requirements governing placarding of hazardous material. Unless otherwise noted, rates published by carrier do not include services for hazardous materials.

Intermodal Shipments. Carrier does participate in the Uniform Intermodal Interchange Agreement (UIIA).

Port/Ramp Refusal. \$75 plus fuel surcharge per container when driver is turned away for improper documentation, rail billing, and improper or missing weight certification.

In Bond Shipments. \$100 per shipment for all containers/trailers moving in bond.

Additional License, Permit Fees, and In Bond Permits. Whenever any additional license or permits are required, such as but not limited to, foreign commerce or customs fees, the charges for same shall be added to the freight invoice.

Out of Route and Bobtail Miles. Additional services that require out of route miles of ten (10) miles or greater will be charged an additional fee for each additional mile above the quoted rate. The additional fee will be the per mile rate used in the original move quote.

Pickup or Termination Charge or Chassis Split. \$75 per pickup or termination when either container or chassis goes anywhere other than port or rail ramp from which shipment originated or terminated. (Rate applies absent any specific written agreement or quote with the customer responsible for paying the freight charges.)

Accessorial Charges. Charges that occur during or after delivery will be presented via email for confirmation and approval and must be returned to the applicable terminal within twenty-four (24) hours. If the customer fails to approve and return within the allotted time, tacit approval will be deemed as received

Fuel Surcharge. Due to unknown fluctuations in fuel prices, Pioneer will apply fuel surcharges to all shipments. Absent any specific written agreement or quote with the customer responsible for paying the freight charges, the following will apply:

Fuel Price	Surcharge %	Fuel Price	Surcharge %	Fuel Price	Surcharge %
1.250-1.299	0.75	2.300-2.349	16.50	3.350-3.399	32.25
1.300-1.349	1.50	2.350-2.399	17.25	3.400-3.449	33.00
1.350-1.399	2.25	2.400-2.459	18.00	3.450-3.499	33.75
1.400-1.449	3.00	2.450-2.499	18.75	3.500-3.549	34.50
1.450-1.499	3.75	2.500-2.549	19.50	3.550-3.599	35.25
1.500-1.549	4.50	2.550-2.599	20.25	3.600-3.649	36.00
1.550-1.599	5.25	2.600-2.649	21.00	3.650-3.699	36.75
1.600-1.649	6.00	2.650-2.699	21.75	3.700-3.749	37.50
1.650-1.699	6.75	2.700-2.749	22.50	3.750-3.799	38.25
1.700-1.749	7.50	2.750-2.799	23.25	3.800-3.849	39.00
1.750-1.799	8.25	2.800-2.849	24.00	3.850-3.899	39.75
1.800-1.849	9.00	2.850-2.899	24.75	3.900-3.949	40.50
1.850-1.899	9.75	2.900-2.949	25.50	3.950-3.999	41.25
1.900-1.949	10.50	2.950-2.999	26.25	4.000-4.049	42.00
1.950-1.999	11.25	3.000-3.049	27.00	4.050-4.099	42.75
2.000-2.049	12.00	3.050-3.099	27.75	4.100-4.149	43.50
2.050-2.099	12.75	3.100-3.149	28.50	4.150-4.199	44.25
2.100-2.149	13.50	3.150-3.199	29.25	4.200-4.249	45.00
2.150-2.199	14.25	3.200-3.249	30.00	4.250-4.299	45.75
2.200-2.249	15.00	3.250-3.299	30.75	4.300-4.349	46.50
2.250-2.299	15.75	3.300-3.349	31.50	4.350-4.399	47.25

Current fuel prices will be based on the index published by the U.S. Department of Energy.

Cargo Claims Application. The provisions of this tariff are filed in compliance with Federal Claim, Loss and Damage Regulations (49 C. F. R. 370 and the STBOL) which shall govern the investigation and disposition of claims for loss, damage, or delay to property transported or accepted for transportation in interstate.

Filing of Claims.

- (A) Claims in writing are required within nine (9) months from the date of delivery or a reasonable time during which delivery should have been accomplished. A claim for loss, damage, injury or delay to cargo shall not be voluntarily paid by carrier unless filed in writing with carrier within the specified time limits applicable thereto and as otherwise may be required by law, the terms of the bills of lading or other contract of carriage, and all rules tariff provisions applicable thereto. Claims for concealed damages will be submitted to carrier within forty-eight (48) hours of delivery. Any suit to recover loss of damage or delay to cargo must be instituted no later than two years and one day after the claim is denied.
- (B) Minimum filing requirements. A communication in writing from a claimant, filed with carrier within the time limits specified in the bill of lading or contract of carriage or applicable contract between carrier and shipper and (1) containing facts sufficient to identify the shipment of property involved; (2) asserting liability for alleged loss, damage, injury or delay; and (3) making claims for the payment of a specified or determinable amount of money, shall be considered as sufficient compliance with the provisions for filing claims embraced in the bill of lading or contract of carriage or applicable contract between carrier and shipper.

GENERAL PROVISIONS

Regulated Versus Exempt. The rules set forth in this tariff shall apply to shipments exempt from economic regulation as well as shipments subject to the jurisdiction of the FMCSA. Liability for loss, damage and delay shall be governed by 49 U.S.C 14706 (Carmack Amendment).

Store Door Delivery. Shipments moving on through intermodal bills of lading issued by maritime carriers or other third parties, commonly known as Store Door Delivery, may only have a portion of the actual charges incurred covered by the through intermodal rates offered by such carriers or intermediaries. The shipper or consignee or other third party requiring the transportation services of Carrier, will be responsible for all charges incurred on the Store Door Delivery movements that have not been compensated by the maritime carriers or other through bill of lading intermediaries involved. Such uncompensated Store Door charges that shippers or consignees may be responsible for may include (but are not limited to) trucking rate differentials, waiting time, driver unloading or loading, stop off charges, chassis returns, yard storage, trip permits, or other accessorial charges.

Notice to Customers. The party engaging the carrier, shippers and consignees are advised that you are receiving use of a controlled container with limited "free time" that is not owned by Carrier. Maritime carriers own the containers and set free times. You must accept delivery and release back to the carrier within free time to avoid additional charges. While Carrier is required to incur liability per the UIIA for rail and ocean carrier charges on your behalf, Carrier is permitted to recover these charges from you.

Interstate Versus Intrastate. The rules set forth in this Tariff shall apply to all shipments handled by Carrier regardless of the origin or destination.

Shipper Load and Count. All shipments shall be loaded by the consignor and unloaded by the consignee. Carrier's drivers are instructed to sign bills of lading as shipper load and count or "SLC". Inadvertent omission of this notation shall not result in a presumption of carrier liability for shortage or damage (in the absence of upset or accident) where the driver did not perform or participate in loading function.

Collect On Delivery. Carrier does not hold out to provide a collect on delivery service. If a collect on delivery shipment is inadvertently accepted and delivered without obtaining payment or if payment is stopped on uncertified funds, shipper's sole recourse shall be to the consignee.

Liability for Accessorial Charges. Carrier reserves the right to bill and collect accessorial charges from the consignor or consignee which incurred those charges.

Limitation of Carrier Liability. Carrier will not be liable to the owner of property for loss or delay caused by (1) an act of default of the shipper, owner or consignee; (2) An Act of God, the public enemy, authority of law, quarantine, embargo, riot, strike, perils of navigation, or hazard and danger incident to the state of war; and (3) freezing or spoiling or any perishable goods or property or for natural shrinkage. Carrier shall not be liable for any special, incidental, indirect or consequential damages (including without limitation lost profits or business opportunity) or punitive or exemplary damages incurred or suffered by the shipper as a result of overage, shortage or damage to shipments transported.

Released Valuation/Used Machinery. Unless otherwise agreed in writing, all used machinery is released to a maximum valuation of \$.10 per pound per article.