



PDS TRUCKING, INC.

A subsidiary of Pacer Distribution Services, Inc.

RULES TARIFF and ACCESSORIAL CHARGES

December 2008

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INTRODUCTION

Application of Tariff; Conflicts with Agreements.

This Rules Tariff applies to all shipments tendered to PDS Trucking Services, Inc. ("PDS") for transportation. PDS is a subsidiary of Pacer Distribution Services, Inc. ("Pacer Distribution"), a provider of warehouse, transload and related services primarily in Southern California. Warehouse, transloading or other services provided by Pacer Distribution are generally provided under standard warehouse agreements and are not covered by this Rules Tariff.

In the event of any direct inconsistency between the terms and conditions set forth in this Tariff and in a written agreement signed by an authorized representative of PDS, the terms and conditions in the written agreement will prevail. If the terms of the written agreement and the terms of this Tariff are not inconsistent (for instance, the written agreement does not address an issue addressed by the provisions of this Tariff), the terms of this Tariff shall apply in addition to the terms in the written agreement.

Changes to this Tariff:

This Tariff may be changed from time to time without notice, although PDS will generally endeavor to provide 30 days prior notice of any change. Customers are advised that the terms, conditions, limitations and charges set forth in this Tariff in effect on the shipment tender date shall apply. The current version of this Tariff may be obtained from our website at www.pacer.com.

Terminology:

As used in this Tariff, "Customer" refers to the person or entity contracting to engage PDS's services with respect to a shipment as well as any other person or entity having an interest in the cargo, including the consignee, consignor, ocean carrier, NVOCC, other third party logistics provider and the beneficial owner. "Detention" refers to the charges assessed for the period of time that a driver or power unit is waiting. "Per diem equipment charges" refer to the daily use charges assessed by providers of chassis, containers and trailers for use and possession of such equipment. A delivery order or a work order refers to the transportation instructions from Customer to PDS requesting pick up of the shipment from the consignor, harbor, rail ramp, a distribution facility (including the warehouses operated by Pacer Distribution Services, Inc.) or other origin or delivery of the shipment to the consignee, harbor, rail ramp, a distribution facility (including the warehouses operated by Pacer Distribution Services, Inc.) or other destination. "Storage charges" (sometimes referred to as demurrage) refers to the daily charges assessed by rail terminal, container yard and other facility operators for storage of container or trailers at their facilities. "UFC" refers to the Uniform Freight Classification.

EFFECTIVE DATE

December 1, 2008. This Rate Tariff supersedes all prior tariffs issued previously by PDS.

TRANSPORTATION RATES AND PAYMENT

Application of Rates:

PDS generally quotes rates for harbor-related and other moves on a round-trip basis based on transportation between and within pre-set zones. Charges for miscellaneous services, often called accessorial, are not included in PDS's transportation rates. All additional charges are the responsibility of the Customer paying the transportation charges. Any exceptions must be confirmed prior to shipping.

Payment Terms:

All invoices are due and payable within seven (7) days. A finance and collection charge of 1%

per month will be added to any invoices not paid within thirty (30) days. **THE REDUCTION OR OFFSET OF AMOUNTS DUE TO PDS FOR CARGO CLAIMS, PER DIEM EQUIPMENT, STORAGE OR OTHER CHARGES, INVOICE DISPUTES OR ANY OTHER AMOUNT ALLEGED TO BE DUE FROM PDS IS NOT PERMITTED UNLESS AUTHORIZED IN WRITING BY PDS BEFORE SUCH OFFSET OR REDUCTION IS MADE.**

Fuel Surcharge:

PDS's transportation rates are subject to a fuel surcharge based on the price of diesel at the time of shipment and determined with reference to the following matrix, unless PDS has agreed otherwise in writing.

When the DOE Average Is (\$):			The Fuel Surcharge Is:
0.981	to	1.03	-1.4%
1.031	to	1.08	-0.9%
1.081	to	1.28	0.0%
1.281	to	1.33	1.3%
1.331	to	1.38	1.8%
1.381	to	1.43	2.3%
1.431	to	1.48	2.8%
1.481	to	1.53	3.3%
1.531	to	1.58	3.8%
1.581	to	1.63	4.3%
1.631	to	1.68	4.8%
1.681	to	1.73	5.3%
1.731	to	1.78	5.8%
1.781	to	1.83	6.3%
1.831	to	1.88	6.8%
1.881	to	1.93	7.3%
1.931	to	1.98	7.8%
1.981	to	2.03	8.3%
2.031	to	2.08	8.8%
2.081	to	2.13	9.3%
2.131	to	2.18	9.8%
2.181	to	2.23	10.3%
2.231	to	2.28	10.8%
2.281	to	2.33	11.3%
2.331	to	2.38	11.8%
2.381	to	2.43	12.3%
2.431	to	2.48	12.8%
2.481	to	2.53	13.3%
2.531	to	2.58	13.8%
2.581	to	2.63	14.3%
2.631	to	2.68	14.8%
2.681	to	2.73	15.3%
2.731	to	2.78	15.8%
2.781	to	2.83	16.3%
2.831	to	2.88	16.8%
2.881	to	2.93	17.3%
2.931	to	2.98	17.8%

When the DOE Average Is (\$):			The Fuel Surcharge Is:
2.981	to	3.03	18.3%
3.031	to	3.08	18.8%
3.081	to	3.13	19.3%
3.131	to	3.18	19.8%
3.181	to	3.23	20.3%
3.231	to	3.28	20.8%
3.281	to	3.33	21.3%
3.331	to	3.38	21.8%
3.381	to	3.43	22.3%
3.431	to	3.48	22.8%
3.481	to	3.53	23.3%
3.531	to	3.58	23.8%
3.581	to	3.63	24.3%
3.631	to	3.68	24.8%
3.681	to	3.73	25.3%
3.731	to	3.78	25.8%
3.781	to	3.83	26.3%
3.831	to	3.88	26.8%
3.881	to	3.93	27.3%
3.931	to	3.98	27.8%
3.981	to	4.03	28.3%
4.031	to	4.08	28.8%
4.081	to	4.13	29.3%
4.131	to	4.18	29.8%
4.181	to	4.23	30.3%
4.231	to	4.28	30.8%
4.281	to	4.33	31.3%
4.331	to	4.38	31.8%
4.381	to	4.43	32.3%
4.431	to	4.48	32.8%
4.481	to	4.53	33.3%
4.531	to	4.58	33.8%
4.581	to	4.63	34.3%
4.631	to	4.68	34.8%
4.681	to	4.73	35.3%
4.731	to	4.78	35.8%
4.781	to	4.83	36.3%
4.831	to	4.88	36.8%

Thereafter, the Fuel Surcharge will increase .5% for each 5 cent increase in the index over \$3.43 cents per gallon.

Fuel Surcharge Conditions

1. Payment of the surcharge will be effective for any week that the diesel fuel index reported by the Department of Energy D.O.E.) is at least \$1.281 per gallon.
2. Collection of a rebate will be effective for any week that the index is below \$1.081 per gallon.
3. Present cost per gallon will be the **California average** cost of self-serve diesel fuel as reported by D.O.E. on the first (1st) working day of the week.
4. Net fuel surcharge/rebate amount will be shown as a separate line item on the freight bill.

Overcharges and Undercharges:

Customer should promptly notify PDS of any invoice disputes. Under federal law, if PDS alleges undercharges or Customer alleges overcharges, duplicate payment, overcollection or other invoice disputes, PDS and Customer each must give notice of such claims or unidentified payments within 180 days of receipt of the invoice or payment declination and must file a civil action or arbitration proceeding within eighteen (18) months of delivery or tender of delivery of the shipments involved. The processing, investigation and disposition of overcharge, unidentified payment, duplicate payment, or overcollection claims shall be governed by federal regulations 49 C.F.R. Part 378 (or any successor regulation).

PDS Responsibility for Per Diem and Storage Charges:

PDS requires free time of at least the day of notification and one business day before it will accept any responsibility for per diem charges. The day of notification means the day that PDS receives an order requesting pick-up from the harbor or other origin or receives confirmation of availability of the empty Equipment for pickup at shipper/consignee or pool locations, except that if PDS receives notification after 12:00 pm, local time, on a Friday, the day of notification shall be the next business day (not any intervening Saturday, Sunday or Holiday).

If the Customer believes that PDS is responsible for per diem equipment charges or for harbor or terminal storage, Customer must invoice PDS within 30 days after the equipment use or storage has ended and include supporting documentation for the charges. Failure to meet this invoicing deadline will be considered a waiver of the right to collect these charges. Upon receipt of an invoice for per diem or storage charges and backup documentation, PDS will review the per diem invoice and will notify the Customer if it disputes the invoice within 30 days of such receipt. If PDS does not receive a response to a dispute from the Customer within 30 days, it will be presumed that the dispute has been accepted and the invoice has been voided. PDS will pay any undisputed invoices for equipment per diem or storage charges for which it is responsible under this Section within 45 days of receipt.

DELIVERY ORDERS AND WORK ORDERS**Delivery or Work Order:**

Customer must submit the work order or delivery order to PDS by 3:00 pm, local time, on the day before in order for transportation described in a work order or delivery order to be provided on the next day. The liability of PDS for loss or damage to the shipment will not begin until the shipment is in PDS's actual possession (as evidenced by a signed bill of lading or interchange receipt). Any accessorial services requested (such as driver load, unload, count, stop-offs) and any pre-approved miscellaneous charges should be stated on the delivery or work order. Delivery or work orders may be provided to PDS by e-mail, facsimile, electronic data interchange or other mutually agreed upon means.

Additional Data in Delivery or Work Orders:

The delivery or work order should also include the following information: (1) name of Customer; (2) telephone number of Customer's office providing the shipping instructions; (3) commodity description; (4) container identification number; (5) container length and height; (6) shipment

weight in pounds; (7) service required; (8) shipment origin and contact numbers; (9) shipment destination and contact numbers; and (10) any special routing or handling instructions (such as reefer temperature, fumigation, stop-off locations).

Commodity Descriptions:

With heightened focus on transportation security, Customers must provide more detailed and accurate descriptions of commodities. Descriptions such as "FAK (Freight All Kinds)," "SLAC (Shippers Load and Count)," chemicals, household goods, sporting goods and consolidated cargo are no longer acceptable. Those descriptions are too vague and do not specifically describe a commodity. Customer should avoid use of vague catchall phrases and industry jargon. An example of an improved description may be "golf clubs" and "golf balls" instead of "sporting goods"; or "television sets" instead of "electronics." Failing to provide accurate and detailed descriptions may result in transportation delays, additional accessorial and related costs and other adverse consequences.

COMMODITY RESTRICTIONS AND REQUIREMENTS**Hazardous Materials:**

PDS does not provide transportation for hazardous materials. No hazardous materials should be tendered to PDS for transportation.

Any hazardous materials found to have been misdeclared and/or tendered to PDS may be warehoused at Customer's risk and expense or destroyed without compensation. In addition to all other charges that may apply to that shipment and without limiting other remedies available to it, PDS may assess an administrative charge, as liquidated damages not as a penalty, of \$2,000 for any shipment of hazardous materials that is not declared as containing hazardous materials.

Restricted and Prohibited Commodities

PDS generally does not accept shipments containing commodities prohibited by ocean or rail transportation providers, including but not limited to commodities that may pose a health or safety risk or may contaminate or otherwise damage trailers/containers. Commodities requiring warehousing in food-grade warehouses should not be tendered to PDS for transportation and subsequent warehousing by Pacer Distribution Services unless Customer has made special arrangements with PDS. In addition to commodities restricted or prohibited by ocean or rail carriers, PDS does not accept shipments containing the following commodities (and its rates cannot be used for such commodities) and Customer agrees not to tender any of the following commodities for transportation by PDS: (1) animals, fish, or fowl, trophies, stuffed or mounted or research cadavers; (2) asbestos products as described in item 6400 of UFC; (3) asbestos insulation as described in items 53170, 53210, and 53350 of UFC; (4) asbestos, crude as described in item 6450 of UFC; (5) asbestos, scrap as described in item 6600 of UFC; (6) blown aluminum scrap pieces; (7) carbon black; (8) cigar, cigarettes, snuff and manufactured tobacco products; (8) coal or coke; (9) explosives as described in Classes A and B in Tariff BOE 6000 Series; (10) green, green salted, pickled or dry hides, pelts or skins (not dressed or tanned only); (11) hazardous waste; (12) iron oxide slurry residue for extraction of iron; (12) lime sludge or waste; (13) liquid corrosive materials, in excess of 25% of total weight; (14) livestock; (15) metal coils (unless the coils range from 1/8 inch to 1.0 inch in width and are reeled in a package, packaged in cardboard or paper with each reel not weighing more than 250 pounds); (16) missiles, rockets, guided; guidance systems or electronic guidance control apparatus; or mobile missile guidance control systems, missile or launching apparatus and related equipment; (17) motor vehicles, freight or passenger, or combination of freight and passenger; (18) radioactive materials (as described in Item UFC 6000-A); (19) sodium compounds (as covered by STCC 28-

123 of STCC Tariff 6001-K); (20) scrap engine parts; and (21) steamrollers or other heavy road equipment.

MISCELLANEOUS AND ACCESSORIAL CHARGES

<p>Driver/Power Unit Free Time</p>	<p>1 hour per transportation leg (i.e., one (1) hour at origin and destination combined) Free time begins when trailer is available for loading or unloading and ends when trailer is released after loading or unloading. For harbor pick-ups or drop-offs, the computation of free time will begin when the power unit arrives at the harbor terminal (as shown on the terminal gate time stamp) and end when the power unit exits the harbor terminal (as shown on the terminal gate time stamp). If Customer makes appointments on a first-come, first-serve basis, the computation of free time will begin at the time the power unit arrives at Customer's facility or the facility opens for business, whichever is later. No detention charges will be assessed for driver or power unit detention at PDS-operated facilities.</p>
<p>Driver/Power Unit Detention</p>	<p>\$60 per hour or fraction of an hour.</p>
<p>Driver Assist and/or Count</p>	<p>\$60 per hour No free time and no minimum.</p>
<p>Lumper</p>	<p>\$25 plus Lumper cost If Customer requires loading or unloading services other than at Pacer Distribution warehouse facilities, Customer should request such services on the delivery or work order or otherwise provide advance notice to PDS.</p>
<p>Out-of-Route</p>	<p>\$1.35 per mile plus fuel surcharge</p>
<p>Stop Offs – Multiple Stops per (1) customer order</p>	<p>1st stop: \$75 2nd stop: \$100 3rd stop: \$125 + out of route miles Customer, not PDS, is responsible for packaging, loading, blocking and bracing each partial load within the trailer so that safe transit can be achieved to the next stop. At the next stop, it is Customer's responsibility to cause the next party to load or unload the correct portion of the shipment and for blocking and bracing the remainder of the shipment so that it can be safely transported to the next unloading point.</p>
<p>Off Peak or Night Gate Pick Up:</p>	<p>\$40 per container Applies when PDS is requested to pick up containers during off peak or night gates which normally extend from Monday through Thursday 6:00 pm to 3:00 am and Saturday from 8:00 am to 4:00 pm</p>

Bob Tail / Dry Run	50% of the applicable linehaul charge + other charges (such as detention) Applies when PDS attempts to make a pick up either from the harbor or Customer's facility (other than a PDS operated facility) and the loaded or empty shipment is not available for any reason
Rate Differential:	Difference between the charges paid by the steamship line and the charges due from Customer Applies when Customer instructs PDS to invoice the steamship line for transportation services (i.e., a store door move) and there is a difference between the linehaul and other charges paid by the steamship line and the agreed rates and charges between the Customer and PDS
Split Container/Chassis Fee	\$85.00 per container or chassis Applies when pick up or termination of chassis/container to a location other than the shipment delivery location is required
Customs Inspections	\$75.00 for stop at authorized CES location
Dunnage Removal/Cleaning	\$75 minimum for general sweep out and dunnage removal Additional fees may be assessed for other services, such as washouts, disposal, steam cleaning, reefer services and dunnage transportation to another location.
Port of Los Angeles or Long Beach Clean Truck Shipments	\$50 per loaded container (regardless of length) handled with a tractor meeting 2007 emissions standards that is exempt from the Port of Los Angeles and the Port of Long Beach fee of \$70 per loaded container
Scale	\$35 per weigh (\$70 for weighing both light and heavy weights of a trailer) + out of route miles
Tarping	\$100 per shipment requiring placement of a tarp on and off the shipment
Shipments Requiring Protection from Heat or Cold; Refrigerated Equipment	\$35 per shipment Need for temperature protection should be noted in advance. PDS is not liable for any loss, damage or destruction to cargo requiring protection from heat or cold caused by failure of the temperature controlled equipment or protective services or for any maintenance, inspection, refueling, or other protective services involving such equipment.
Overweight Permit	Cost per permit
Overweight Fines	Cost of fine + any other associated cost
Shipment Cancellation	\$150 for cancellation of shipment after dispatch or after dropping of empty equipment for loading which is not used by Customer. Plus applicable

	linehaul and other charges
Per Diem on Equipment	Cost assessed by equipment provider plus 10% administrative fee.
Tri-Axle Charge	\$250 Applies when tri-axle chassis is required to legally transport 20' containers due to the axle weight exceeding local laws
Cash Advance	Amount of cash advance plus 10% (\$25 minimum). Applies when PDS agrees to advance charges for the terminal storage, equipment per diem use charges and or other charges due on a given trailer
COD shipments	COD shipments will only be handled in special cases and with prior approval only. All other COD shipments will be refused by PDS. If PDS approves handling of a COD shipment, PDS may access an additional administrative charge, in addition to all other applicable charges. Customer may incur redelivery, detention and other charges if the C.O.D. transaction is not completed in a timely manner.

Additional Terms:

Upon notice of or presentation of accessorial charges from PDS via facsimile, email, EDI or other acceptable method, Customer must approve or confirm receipt of such accessorial charge and communicate such approval/confirmation to PDS within two (2) days. Accessorial charges are cumulative, and assessment of one accessorial charge will not preclude assessment of other applicable accessorial charges incurred for the same shipment or circumstance. If accessorial services not listed in the table above are necessary, the charges for such services will be established by PDS and Customer at the time such services are necessary. The term "trailer" also refers to containers and chassis. If Customer knows that a shipment will require accessorial services, Customer should notify PDS of the type of accessorial service(s) required at the time Customer tenders the shipment in the shipping instructions. Customer will also notify PDS of any caustic or toxic commodities contained in a shipment (if not otherwise hazardous materials requiring notation on the shipping documents) in advance to allow for the taking of appropriate precautions by personnel doing the transportation and related services.

LIABILITY FOR CARGO LOSS AND DAMAGE

General Standard:

PDS will assume liability for cargo loss and damage occurring during its transportation services in accordance with the provisions of 49 U.S.C. 14706.

Defenses to Liability:

PDS will not be liable for the following: (1) damage to cargo or equipment to the extent due to packaging, loading, unloading, blocking, bracing or securing of the cargo (unless PDS was engaged to provide such services); (2) inherent vice or defect in the cargo transported, including rusting of metals, swelling of wood caused by humidity, moisture or condensation, deterioration of perishable products, or damages caused by heat or cold; (3) force majeure events; (4) an act or default of any Customer, consignor, consignee or beneficial owner; or (5) shipments stopped and held in transit at Customer's request.

Limitations on Cargo Liability:

PDS's liability for any cargo loss or damage will not exceed \$100,000.00 per container or trailer unless before the shipment is transported, PDS has approved a higher limit of liability in writing signed by an authorized representative. All transportation rates are conditioned upon such limitation of liability. This limitation will apply whether or not the released value is stated on the bill of lading. Customer may request an increase in legal liability by submitting a written request for a higher released value, and paying an additional fee depending on the desired released value. Due to the administrative costs, PDS will not process or pay cargo claims for less than \$100.

Time Limits:

As a condition precedent to recovery, claims for loss or damage to cargo must be filed in writing with PDS within nine (9) months from the delivery date, or the scheduled date of delivery for lost shipments, or in the absence of a scheduled delivery date, the filing period shall begin after a reasonable time has elapsed for delivery. A civil suit or arbitration proceeding for cargo claims must be commenced against PDS within two (2) years and one day from the date PDS gives Customer written notice that PDS is disallowing the claim or any part of it.

Immediate Notice of Cargo Loss or Damage:

Customer will use reasonable efforts to provide immediate notice of cargo loss or damage upon discovery to allow PDS to inspect the loss and damage and determine its cause and to prevent reuse of damaged intermodal containers or trailers.

Documentation of Cargo Claims:

Cargo claims should include the following information: (1) a demand for payment of a specified dollar amount accompanied by documentation to verify the amount of the demand such as certified copies of repair invoices or actual product costs; (2) information to identify the shipment such as container/trailer number, date of shipment, origin and destination of the shipment, shipper's, consignee' and notify party's names, and bill of lading number; (3) legible copies of shipping instructions, the delivery receipt and other shipping documents; (4) the applicable salvage amount; (5) legible copies of the loading and unloading tally denoting contents and quantities of each of the packages involved in the shipment and seal record (particularly for shortage claims); (6) supporting documentation detailing the nature of the damage or loss (such as photographs); and (7) any import declaration (if applicable).

Determination of Damages; Exclusion of Certain Damages:

The measure of damages for loss of or physical damage to the cargo shall be the lower of the actual value of the lost or damaged commodity at origin or at destination, reduced by a reasonable amount for salvage. PDS shall be liable for the reasonable costs of the Customer to mitigate its damages. In no event shall PDS be liable to Customer or anyone else for special, incidental, or consequential damages that relate to loss, damage or delay to a shipment, unless Customer has informed PDS in written or electronic form, prior to or when tendering the shipment to PDS, of the potential nature and type of such damages, and PDS specifically agrees in written or electronic form to accept responsibility for such damages. In no event shall PDS be liable to Customer or anyone else for punitive or exemplary damages that relate to loss, damage or delay to a shipment.

Sealed Shipment:

If Customer loads and seals the cargo within the trailer or container and PDS does not have the opportunity to count the cargo being loaded and the seal is intact upon delivery, PDS will not be liable for shortages or any damage to the cargo except when proximately caused by independent action of PDS. PDS will also not be liable if (1) the seal is broken at the direction and under the supervision of an agent of a governmental authority, or (2) trailers or containers are preloaded

and the adequacy of loading or count of such trailer or container cannot be practically determined by a PDS representative. If a seal is broken for an inspection by an agent of a governmental authority, PDS will request that the governmental authority reseal the trailer or container and/or make appropriate notation on the freight documentation form. PDS may break the seal on a trailer or container if, upon PDS's determination, it becomes reasonably necessary to do so to inspect, reposition, or protect the cargo or the Equipment or to comply with federal, state, municipal, or provincial laws. The consignee of a shipment may not refuse delivery of a shipment solely because the seal on a trailer or container is broken.

Mitigation of Damages; Salvage:

Customer must cause the consignee to accept delivery of a shipment and is not entitled to abandon any shipment to PDS. The consignee has a duty to mitigate damages by accepting damaged cargo unless it is of no value and without salvage value. The obligation to mitigate damages also includes replacing damaged cartons and packaging, relabeling freight and undertaking other repairs and replacement of packaging. Customer will have the right to determine, in its reasonable discretion, to repair, repackage, salvage, or scrap damaged cargo. If Customer does not elect to salvage cargo, any claim for cargo loss or damage shall nevertheless be reduced by a reasonable salvage allowance. If Customer elects to salvage cargo, Customer shall notify PDS to return the cargo to Customer or allow PDS to dispose of the cargo. Any amounts received in salvage, whether accomplished by PDS or Customer, will reduce the amount of the cargo claim. Customer may condition salvage upon the removal of all identifying marks or labels or the cargo being permanently marked as "damaged" or with a similar notation. If PDS is retained by Customer to return the damaged cargo for repair, salvage, or scrapping, Customer agrees to pay PDS standard transportation rates or other mutually agreed to rate, without prejudice to the Customer's right to recover such freight charges as damages. Damaged cargo will not be scrapped unless repair and/or salvage are not feasible. If PDS salvages the cargo, PDS may bill a reasonable charge for doing so against salvage receipts.

Mexico Cargo:

PDS does not accept legal liability for cargo loss or damage to shipments while moving in Mexico.

TRANSPORTATION DELAYS

PDS will provide transportation with reasonable dispatch and will use commercially reasonable efforts to meet all reasonable pick up and delivery appointments. However, PDS does not guarantee adherence to any particular transit or appointment schedule and is not liable for delay, interruption or other failure to transport any shipment by any particular appointment time. PDS is not liable for alternative transportation costs, other direct expenses or consequential, special, indirect or exemplary damages arising out of any delay to shipments unless Customer has informed PDS in written or electronic form, prior to or when tendering the shipment to PDS, of the potential nature and type of such delay-related damages, and PDS specifically agrees in written or electronic form to accept responsibility for such damages.

STORAGE AND WAREHOUSEMAN LIABILITY**Storage Charges:**

Loads stored in containers at PDS facilities will be charged \$25.00 per day; however, if the shipment is intended for storage at a warehouse facility operated by Pacer Distribution, the warehouse charges assessed by Pacer Distribution and the warehousemen's standard liability will apply instead.

Refused Shipments; Warehouseman Liability:

If the consignee refuses cargo tendered by PDS or if PDS is unable to deliver the cargo because

of fault or mistake of Customer or the consignee, or if Customer advises and instructs PDS to stop movement of the cargo and to hold it in transit, PDS's liability thereafter immediately shall be that of a warehouseman. PDS shall (a) attempt to give Customer notice as soon as possible if the foregoing occurs, (b) place the cargo in public storage, if available, unless PDS receives contrary disposition instructions from Customer within twenty-four (24) hours, and (c) if disposition instructions are not given by Customer within sixty (60) days of initial notification to Customer, PDS may offer the cargo for public sale. In the case of perishable cargo, PDS may dispose of the cargo at a time and in a manner PDS deems appropriate. Customer will be responsible for storage and other reasonable costs PDS incurs in acting as a warehouseman. To the extent any sale or disposal revenues exceed the storage and other costs PDS incurs as a warehouseman, PDS shall remit the balance to Customer. If Customer gives PDS timely disposition instructions, PDS shall use any commercially reasonable steps to abide with such instructions. Customer will pay PDS's costs and any transportation charges for redelivery as described below.

SHIPMENT WEIGHTS AND SIZES

PDS's Rights Re: Overweight Shipments:

PDS has the right (but not the obligation) to (1) have any loaded container or trailer weighed to determine if it conforms with safe handling rules and applicable federal, provincial, state and municipal laws and (2) to hold and transload all or a portion of the cargo to another trailer or container if PDS becomes aware that the trailer or container is overweight. Customer is responsible for all associated costs, including, without limitation, the cost of transloading, using and moving the trailer and container and any resulting storage charges.

Weight Information from Customer:

Customer warrants that PDS may rely on Customer's documentation as to the amount of weight associated with a loaded container or trailer. In determining the weight, Customer will take into consideration the tare weights of the container and chassis or trailer, the position of the vehicle tandems (if sliding) prior to loading and the weight distribution of the cargo (including any blocking or bracing).

Handling of Overweight Shipments:

If an overweight problem is determined after pick up and before reaching the destination, PDS will deliver the shipment if permitted. If the shipment cannot be transported, Customer will arrange for correction of the overweight condition at Customer's expense. Customer is responsible for all charges associated with the pick up or delivery as originally arranged, as well as all additional costs or charges arising out of the overweight condition, including but not limited to storage, transload, detention and redelivery charges.

FORCE MAJEURE

PDS will be excused for any failure to perform its services due to any cause beyond its reasonable control, including without limitation, fire; explosions, strikes, work stoppages, labor strife, riot, war, acts of the public enemy; acts of God, including floods, hurricanes, tornadoes, earthquakes, unusually severe weather, and natural disasters; acts of terrorism; local or national disruptions to transportation networks or operations; material equipment repairs; fuel shortages; governmental regulations; embargo; quarantine; or governmental request or requisition for national defense. PDS will use commercially reasonable efforts to continue its performance to the extent not affected by the force majeure event.

SHIPPER OBLIGATIONS

Customer or its shipper is responsible to count and record all contents of shipments moved under this Agreement and to apply a protective seal to the loaded equipment, unless Customer has arranged before dispatch for PDS to provide these services. Customer will or will cause the

consignor to load, block, brace and secure all cargo to prevent shifting as appropriate for the selected mode of transportation. Customer will not tender any restricted commodities, high value shipments (+\$200,000 in value), oversize or overweight shipments or commodities requiring protection from heat or cold, unless such shipments have been properly identified and Customer has made the necessary prior arrangements with PDS. Although PDS will inspect any empty containers or trailers before delivery to Customer, Customer will also inspect all empty containers and trailers tendered for loading and reject any equipment that is not in apparent suitable condition to protect and preserve the cargo during transportation and notify PDS of any rejected equipment. Customer will and will cause its consignors or consignees not to lose, damage or misuse tractors, trailers, containers, chassis or other equipment and will pay for any loss or damage resulting from Customer's or its consignors or consignee's possession or use of such equipment.

Please contact PDS Commercial Development
to answer questions regarding this Tariff.

We appreciate your business.