

**ITEM 1010 - On Hand and Storage**

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A. GENERAL

Freight held in Carrier's possession (i) by reason of an act or an omission of the shipper, consignor, consignee, or owner or for customs clearance or inspection, or by order of a government authority, and through no fault of the Carrier, or (ii) when held by Carrier due to rejection by consignee or instruction from shipper based on damage, will be deemed to be on-hand. Freight will be deemed on-hand with or without notice. When freight is on-hand, the legal liability of Carrier is altered from that of a motor carrier to that of a warehouseman pursuant to the Uniform Commercial Code. The procedures which Carrier agrees to and will take as a warehouseman involve the use of ordinary care to keep the lading in a safe or suitable place or to store the lading properly.

Storage costs for on-hand freight will be assessed as follows:

1. Storage charges on freight awaiting line haul transportation will begin at 7:00 AM, the day of business after notice of arrival has been made.
2. Freight stored in carrier's possession, will be assessed a charge of \$2.00 per cwt. or fraction thereof, subject to the following minimum and maximum charges:

MINIMUM CHARGES: \$20.00 per shipment per each 24 hours, but not less than \$50.00 per shipment.

MAXIMUM CHARGES:

<u>PERIOD</u>	<u>CHARGES</u>	<u>NOTES</u>
For the first 24 hours or fraction thereof	\$70.00	
For the second 24 hours or fraction thereof	\$125.00	Per shipment or per vehicle if more than one vehicle is used to transport the shipment
For the third and each succeeding 24 hours or fraction thereof	\$200.00	

3. Storage charges under this item will end when Carrier is enabled to delivery or transport the freight as a result of action by the consignee, consignor, owner or Customs Official.
4. Storage charges under this item will not apply on the day Carrier places the freight in a public warehouse. In that event, a charge of \$2.00 per cwt., subject to a minimum charge of \$30.00 per shipment will be made.
5. The term "FIRST DAY OF BUSINESS" as used in this item means Mondays through Fridays.
6. Charges provided in this item will follow the terms of the bill of lading unless written authorization is received by another party. Specialized Freight Carriers reserves the right to require payment prior to release of freight.

#### B. REFUSED OR IMPRACTICAL DELIVERY

If the consignee refuses the shipment tendered for delivery by Carrier or if Carrier is unable to deliver the shipment because of fault or mistake of the consignor or consignee, the Carrier's liability shall then become that of a warehouseman. Carrier shall promptly attempt to provide notice, by telephonic or electronic communication as provided on the face of the bill of lading, if so indicated, to the shipper or the party, if any, designated to receive notice on this bill of lading. Storage charges, based on Carrier's Tariff, shall start no sooner than the next business day following the attempted notification. Storage may be, at the Carrier's option, in any location that provides reasonable protection against loss or damage. The Carrier may place the shipment in public storage at the owner's expense and without liability to the carrier.

If the Carrier does not receive disposition instructions within 48 hours of the time of Carrier's attempted first notification, Carrier will attempt to issue a second and final confirmed notification. Such notice shall advise that if Carrier does not receive disposition instructions within 10 days of the notification, Carrier may offer the shipment for sale at a public or private sale and the Carrier has the right to offer the shipment for sale. The amount of sale will be applied to the Carrier's invoice for transportation, storage and other lawful charges. The owner will be responsible for the balance of charges not covered by the sale of the goods. If there is a balance remaining after all charges and expenses are paid, such balance will be paid to the owner of the property sold hereunder, upon claim and proof of ownership.

Where Carrier has attempted to follow the procedure set forth here in above and the procedure

provided in this section is not possible, nothing in this section shall be construed to abridge the right of the Carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law. When perishable goods cannot be delivered and disposition is not given within a reasonable time, the Carrier may dispose of property to the best advantage.

Where the Carrier is directed by consignee or consignor to unload or deliver property at a particular location where consignor, consignee, or the agent of either, is not regularly located, delivery shall occur when the property is unloaded and Carrier is not liable for any damage, theft, or loss of the freight after delivery.