

## **FARREN INTERNATIONAL LLC**

### **TERMS AND CONDITIONS FOR BROKER SERVICES**

The following TERMS AND CONDITIONS FOR BROKER SERVICES shall apply to all services performed by FARREN INTERNATIONAL LLC, including its wholly-owned subsidiaries, HW FARREN, LLC, FASTWAY, LLC, and NORTHERN TRUCKING & LOGISTICS, LLC (a/k/a N.T.L.), (collectively referred to as "FARREN") and shall be binding on all customers, shippers, consignees, and third parties to or for whom brokerage services are provided.

#### **1. AUTHORITY**

These Terms and Conditions for Broker Services apply to the brokering of transportation of freight in interstate and foreign commerce and related services as arranged by FARREN to the extent of its operating authority from the Federal Motor Carrier Safety Administration ("FMCSA"), as set forth below:

- H.W. Farren, LLC is registered with the FMCSA as a transportation property broker under Docket No. MC-841340 and is licensed to arrange with motor carriers for the transportation of freight in interstate and foreign commerce.
- Fastway, LLC is registered with the FMCSA as a transportation property broker under Docket No. MC-850664 and is licensed to arrange with motor carriers for the transportation of freight in interstate and foreign commerce.
- Northern Trucking & Logistics, LLC (a/k/a N.T.L.) d/b/a HW Farren is registered with the FMCSA as a transportation property broker under Docket No. MC-448109 and is licensed to arrange with motor carriers for the transportation of freight in interstate and foreign commerce.

#### **2. APPLICATION AND SCOPE**

- A. These Terms and Conditions shall apply to all services provided by FARREN. Except as otherwise governed by a written contract, all customers, shippers, receivers and/or third parties to or for whom brokerage services are provided acknowledge and agree that all motor carrier transportation and related services arranged by FARREN shall be subject to these Terms and Conditions.
- B. If there is any conflict or inconsistency between these Terms and Conditions and any bill of lading issued in connection with services provided by FARREN, the Terms and Conditions contained herein shall control and govern.
- C. No employee or agent of FARREN is authorized to change, modify or waive any of these Terms and Conditions without the written consent of an authorized executive of FARREN.
- D. These Terms and Conditions are subject to amendment by FARREN without notice. Any amendment to these Terms and Conditions shall be published on FARREN's website at [www.farreninternational.com](http://www.farreninternational.com). Your continued use of FARREN's services after publication of the amended Terms and Conditions on our website shall constitute acceptance of the amended Terms and Conditions.

### 3. DEFINITIONS

Unless otherwise provided for herein, the following terms are defined as follows:

"FARREN", "we", "our" and "us" refer to H.W. FARREN, LLC, FASTWAY, LLC and/or NORTHERN TRUCKING & LOGISTICS, LLC (a/k/a N.T.L., LLC), and their respective employees, agents, successors, assigns, divisions, affiliates and any subcontractors hired by FARREN.

"Customer" means the person, firm or company on whose behalf FARREN has been hired to arrange for transportation and related services, as well as the customer's agents and/or representatives and any principal on whose behalf it is acting.

"Shipper" or "consignor" means the person tendering goods for transport or storage and the person for whose account goods are being transported or stored, and any and all agents and/or representatives of the Shipper, including, but not limited to, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, and consignees.

"Consignee" or "receiver" means the person named as the "consignee" on any shipper's instructions, receipt, truck tag, waybill, bill of lading or other document, the owner of the Goods, and all other persons lawfully entitled to possession of the Goods upon delivery.

"You" and "yours" shall refer to our customer, the shipper/consignor, the receiver/consignee, their employees and agents and to all others with interest in the shipment.

"Bill of Lading" or "BOL" means a Non-Negotiable Bill of Lading, Delivery Receipt or similar shipping document used to identify shipments.

"Goods", "freight", "cargo", "items", "pieces", "products", "commodities" and "shipment" refers to articles of every kind or description, including their packaging, containers or other shipping units tendered for transportation, storage and/or delivery as described or identified on the face of the Bill of Lading.

"Prepaid" or "PPD" is a freight payment term meaning that the charges for transportation and other services rendered at the request of the shipper, or requested by the consignee for the shipper, are to be paid for by the shipper or its designated agent. Notwithstanding the shipper's primary responsibility for payment on a prepaid shipment, both the shipper and consignee are jointly liable for the payment of charges for transportation or other services because both the shipper and consignee receive the benefit of the services.

"Collect" or "COL" is a freight payment term meaning that the charges for transportation and other services rendered at the request of the consignee, or requested by the shipper for the consignee, are to be paid for by the consignee or its designated agent. Notwithstanding the consignee's primary responsibility for payment on a collect shipment, both the shipper and consignee are jointly liable for the payment of charges for transportation or other services because both the shipper and consignee receive the benefit of the services.

"LTL" means a less-than-truckload shipment.

"TL" means a truckload shipment.

“Terms and Conditions” refers to these Terms and Conditions for Broker Services which shall be published and maintained on FARREN’s website at [www.farreninternational.com](http://www.farreninternational.com) and are otherwise available upon request.

#### **4. BROKERAGE SERVICES**

- A. FARREN is authorized to select and engage carriers and other service providers to perform transportation services on behalf of Customer. Unless express instructions in writing are received from the Customer, FARREN shall have sole discretion in choosing the means, route and procedure to be followed in the handling, transportation and delivery of the goods.
- B. FARREN shall promptly and efficiently select and engage carriers as necessary to meet Customer’s transportation needs.
- C. A bill of lading and proof of delivery will be issued for each shipment arranged by FARREN. Upon request of Customer, FARREN may provide copies of the bill of lading, delivery receipts and such other shipping documents that may be requested to substantiate billing for the services provided by FARREN; provided, however, the failure to provide copies of the bills of lading, delivery receipts or other shipping documents shall not relieve Customer of its obligation to pay for Farren’s services within the applicable credit period and shall not be a basis for Customer to delay payment of Farren’s freight invoices. A digitized signature or electronic record of delivery receipt is acceptable as proof of delivery of any shipment hereunder. FARREN reserves the right to assess a processing fee for copies of each document requested by Customer.
- D. FARREN will notify Customer of any refused or undeliverable freight and request additional instructions regarding delivery or storage of the refused or undeliverable freight. Such notice shall be given to Customer via e-mail, facsimile or telephonically, as soon as reasonably practical. Customer shall be liable for any storage charges that accrue in connection with refused or undeliverable freight.
- E. Customer may cancel a booked shipment at least one (1) day before the scheduled pickup date, subject to a cancellation fee of \$100.00. If Customer cancels a booked shipment on less than one (1) day notice, FARREN will attempt to cancel the pickup with the carrier, but Customer shall be liable for the \$100 cancellation fee plus any charge assessed by the carrier for a truck not used.

#### **5. CUSTOMER’S OBLIGATIONS**

- A. Customer shall be responsible to insure that all goods are properly prepared and packaged to withstand the normal rigors and environment of transportation.
- B. Customer shall provide sufficient and accurate information to enable FARREN to make appropriate arrangements for the transportation of Customer's goods, and the determination of the applicable freight and/or accessorial charges, otherwise Customer may be responsible for additional charges. Such information will include, but not be limited to, the following (to the extent applicable to the shipment): the pickup and delivery locations, an accurate description of the goods; the number of packages, pallets or slip-sheets; the type of packaging and if it is shrink-wrapped or banded; the weight and dimensions; the NMFC class; and any special requirements for appointments, special handling or equipment, temperature control, etc. Customer shall be

liable for any additional freight or accessorial charges resulting from the misdescription of the foregoing by Customer. Neither FARREN nor the carrier shall be liable for loss, damage or delay resulting from misrepresentation of the foregoing by Customer.

- C. FARREN will use reasonable efforts to transmit Customer's information and requirements to the carrier, but Customer shall remain solely responsible to insure that all necessary information and instructions are provided to the carrier at the time of shipment and included on the bill of lading.

## **6. FREIGHT CHARGES – PREPAID OR COLLECT**

- A. Shipments will be accepted with freight payment terms stated as Prepaid (PPD) or Collect (COL), or when requested by the shipper or the consignee and subject to approval by FARREN, the charges will be billed to a third party. If the third party should refuse or fail to pay FARREN's charges for any reason, liability for payment shall revert to the shipper or consignee whichever requested third party billing.
- B. All requests for changes of the billing terms after delivery must be accompanied by a guarantee of payment, in writing, by the new payer and a fee of \$10.00 per revision will be assessed. Revisions will not be allowed when a reduction in the original rates occurs as a result of the change.

## **7. INVOICING AND PAYMENT OF CHARGES**

- A. All rates and charges for transportation or related services shall be agreed upon in advance and documented in writing in the form of an email, facsimile or other rate confirmation. Rates and charges may be established or amended verbally, provided that such rates and charges are promptly documented by an email, facsimile or other rate confirmation.
- B. FARREN will invoice Customer for all freight and accessorial charges promptly upon delivery. Customer understands that certain accessorial charges (e.g., detention, re-delivery, etc.) may not be identified at the time of initial rate confirmation, and may be included in a subsequent or final invoice.
- C. Invoices for transportation, accessorial and related charges shall be due and payable upon receipt, or at FARREN's discretion on a "cash" or "collect" basis, unless you have established credit with FARREN. FARREN's standard credit period for the payment of invoices for transportation, accessorial and related charges applicable to all customers that have established credit with FARREN shall be thirty (30) calendar days from the date of our invoice, except as otherwise provided for herein or agreed upon in writing.
- D. Invoices for duties, taxes and other charges advanced by FARREN, to the extent such charges are invoiced separately, are due and payable upon receipt of our invoice, unless otherwise agreed upon in writing. If transportation charges and charges advanced by FARREN appear on the same invoice, all charges are due upon receipt of the invoice, unless otherwise agreed upon in writing.
- E. Regardless of whether a shipment is billed Prepaid, Collect or to a Third Party, the customer, shipper, and consignee shall be jointly and severally liable for all transportation or related charges, plus any duties, taxes or other charges advanced by FARREN, including any costs or expenses incurred in returning your shipment or storing your shipment.

- F. In the event payment of invoices is not received within thirty (30) calendar days, or such other agreed upon credit period, such invoices will be considered past due and any payments made thereafter shall be considered a late payment. Past due invoices and late payments shall be subject to an interest charge of 1.5% per month added to all outstanding amounts (subject to a minimum interest charge of \$25.00 per invoice). In the event it becomes necessary to commence a lawsuit to recover past due invoices or late payments, we will be entitled to recover interest on the past due amounts, plus reasonable attorneys' fees and costs incurred in the collection of these invoices.
- G. Nothing herein shall limit the right of FARREN to require prepayment or a guarantee of the transportation or other charges at the time of shipment or prior to delivery.
- H. Claims by Customer or FARREN related to overcharges, undercharges or disputed invoices must be filed in writing within ninety (90) days from the date of shipment or shall be deemed waived. Any civil action to recover freight charges, overcharges or undercharges related to services provided by FARREN must be commenced within eighteen (18) months from the date of delivery.

#### **8. LIABILITY FOR CARGO LOSS AND DAMAGE**

- A. Customer acknowledges and agrees that FARREN is not a carrier. FARREN assumes no liability as a carrier or bailee unless FARREN receives, stores, or otherwise physically handles a shipment, and the loss, damage or delay occurs during its actual possession. Under no circumstances shall FARREN be liable for any loss, damage, expense or delay to the goods for any reason whatsoever when said goods are in the possession, custody or control of carriers selected by FARREN or other third parties.
- B. Notwithstanding the foregoing, to the extent FARREN is liable or otherwise determined by a court of competent jurisdiction to be liable for any reason for loss, damage or delay, FARREN's liability shall be limited to the lesser of:
  - (1) the actual value of the freight;
  - (2) \$2.00 per pound per piece on LTL shipments, subject to a maximum of \$5,000,000 per shipment;
  - (3) \$5,000,000 per TL shipment;
  - (4) the limitation of liability of the carrier hired by FARREN or the carrier that transported the shipment;

In the event Customer wants the carrier engaged by FARREN or FARREN to assume greater liability, Customer must declare a value for carriage on the bill of lading, obtain authorization from Farren prior to shipment and pay an additional charge for excess liability. Unless specific written instructions from the Customer have been received by FARREN in sufficient time prior to shipment, FARREN shall have no obligation to arrange with carriers or others for insurance or to pay excess valuation charges on behalf of Customer.

- C. All matters relating to loss, damage or delay to goods are to be handled directly between Customer and the carrier, and FARREN assumes no responsibility for same other than to assist in the processing of claims and/or attempt to facilitate settlements, if requested by Customer.
- D. In no event and under no circumstances shall FARREN be liable for any special, incidental or consequential damages, including but not limited to loss of profits or income, whether or not we had notice or knowledge that such damages might be incurred.
- E. FARREN does not provide cargo insurance for the benefit of Customer. CUSTOMER IS HEREBY ON NOTICE THAT CARRIERS MAY HAVE LIMITATIONS OF LIABILITY FOR LOSS OR DAMAGE IN THEIR BILLS OF LADING AND/OR TARIFFS. Unless specific written instructions from the Customer have been received by FARREN in sufficient time prior to shipment, FARREN shall have no obligation to arrange with carriers or others for insurance or to pay excess valuation charges on behalf of Customer.

#### **9. NO RIGHT TO OFFSET**

Customer shall not have any right to offset or deduct unpaid transportation or other charges due and owing to FARREN against unpaid claims for loss or damage, claims for overcharges, or any other claims asserted against FARREN. FARREN is not obligated to pay any claim until all transportation charges are paid in full.

#### **10. INDEPENDENT CONTRACTOR**

In the performance of transportation service hereunder, FARREN and the carriers it selects shall be independent contractors and shall not act as an agent or employee of Customer. No employee, agent or other representative of either party shall at any time be deemed to be under the control of both parties.

#### **11. RIGHT TO REFUSE FREIGHT**

FARREN reserves the right, in its sole discretion, to accept or refuse freight for transportation or provide services to any person or entity at any time.

#### **12. ELECTRONIC DATA INTERCHANGE**

Shipping instructions, rate quotations, rate confirmations, bills of lading, delivery receipts, and related communications may be transmitted by Electronic Data Interchange (EDI) in such format as may be agreed to by the parties. Each party shall retain or archive such transmissions in a suitable permanent media and shall make print copies of such records available on reasonable request. It is stipulated that records maintained in the manner provided herein shall be admissible for all purposes in the event of dispute or litigation.

#### **13. DEALING WITH CARRIERS**

Customer agrees that it will not deal with, conduct business or negotiate directly or indirectly with carriers engaged by FARREN to provide transportation services, except where necessary in the processing of shipping arrangements, freight claims or freight charge disputes but only with the full, actual knowledge of FARREN. In the event Customer breaches this provision, it shall be liable to FARREN for the full amount of commissions or other compensation which would have been due FARREN on any and all shipments handled by said carriers for Customer for a period of one (1) year from the date of the breach, together

with interest, costs and reasonable attorneys' fees in the event legal proceedings are necessary to collect said amounts.

#### **14. ARBITRATION**

Any controversy, claim or dispute that cannot be resolved between the parties arising out of the services provided by FARREN to Customer, where the amount in controversy is less than \$10,000, shall be submitted to the Transportation Arbitration Board, Inc. for binding arbitration under that organization's Rules and Procedures and the Arbitrator's decision shall be final and binding.

#### **15. APPLICABLE LAW AND FORUM**

To the extent not governed by the Interstate Commerce Act or other applicable federal law, all disputes, claims or actions arising hereunder, which are not subject to arbitration, shall be governed by, construed and interpreted in accordance with the laws of the State of New Jersey, without regard to its conflict of laws principles. All actions, suits or proceedings arising hereunder shall be brought in the U.S. District Court for the District of New Jersey, or, in the absence of federal jurisdiction, the appropriate state court in the State of New Jersey, County of Morris; and you hereby agree and consent to the jurisdiction and venue of such court for all purposes, including the taking of depositions.

#### **16. FORCE MAJEURE**

FARREN shall not be liable for any inability or failure to provide requested transportation services to Customer if FARREN's inability or failure is caused by fire, strikes or labor disputes, riot, war, Act of God, governmental order or regulation, or other similar contingency beyond the reasonable control of the respective parties.

#### **17. CONFIDENTIALITY**

Customer shall not disclose information regarding rates, charges or other proprietary information, including but not limited to trade secrets, web technology, etc., to any person or entity not named in the transportation documents.

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These Terms and Conditions for Broker Services are subject to change without notice. These Terms and Conditions supersede and replace all previous Terms and Conditions for Broker Services published by Farren International LLC and/or its wholly-owned subsidiaries.

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