

TAYLOR DISTRIBUTING COMPANY

MOTOR CARRIER AGREEMENT

Taylor Distributing Company (“Taylor”), an Ohio corporation, having its principal office and place of business at 2875 E. Sharon Road, Cincinnati, OH 45241-1976 and _____ (“Shipper”), a _____, having its principal office and place of business at _____, _____, _____ enter into this Motor Carrier Agreement (the “Agreement”) this _____ day of _____, 20__.

Taylor is a Motor Carrier as defined by 49 U.S.C. §13102(12), licensed by the Federal Motor Carrier Safety Administration (“FMCSA”) under Docket Number MC 022276.

Shipper has identified to Taylor certain transportation services and needs (the “Services”).

Taylor is ready, willing and able and agrees, subject to availability of equipment, to provide the Services to Shipper;

Parties enter into this Agreement as authorized under 49 U.S.C. §14101(b). Parties expressly waive any or all rights and remedies under the Interstate Commerce Act to the extent such rights and remedies conflict with the terms of this Agreement.

1. **TERM AND TERMINATION.** The initial term of this Agreement will be for one year commencing on the date shown above (“Initial Term”). At the end of the Initial Term, this Agreement will continue on a month-to-month basis until terminated. Either Party may terminate this Agreement at any time, with or without cause, by giving the other Party thirty (30) days prior written notice.
2. **SCOPE OF AGREEMENT.**
 - a. This Agreement incorporates Taylor's Tariff, which is available on request and at www.taylor-dist.com.
 - b. It is understood and agreed between the Parties that this is a non-exclusive agreement. Taylor is free to perform services for shippers other than Shipper and Shipper is free to engage carriers other than Taylor to perform the Services.
 - c. The terms of this Agreement apply to all shipments inbound to or outbound from Shipper's facilities, as well as to all of the Services by Taylor for which Shipper is shown as the party responsible for payment of freight charges.
3. **RATES, CHARGES AND PAYMENT TERMS.**
 - a. Shipper will pay Taylor in accordance with the schedule of rates and charges set forth in Taylor's Tariff or attached as an Appendix to this Agreement.

- b. Late payment charges are set forth in Item 720 of Taylor's Tariff.
- c. Any dispute as to rates and/or charges must be submitted in writing to the other party within 180 days of delivery of shipment.

4. FREIGHT DOCUMENTATION.

- a. Each shipment will be evidenced by a receipt signed by Taylor, showing the kind, apparent condition, and quantity of goods received and accepted by Taylor at the origin point.
- b. A document, either a copy of the document signed at origin or a document prepared to evidence delivery, will be signed by the consignee at the time of delivery, showing the kind, condition, and quantity of goods delivered to the consignee and the date delivered.
- c. The document reference above shall act as a receipt only, and any terms and conditions thereon will be null and void.

5. INSURANCE.

- a. Taylor shall maintain during the Term of this Agreement:
 - i. Worker's Compensation Insurance as required by law or regulation.
 - ii. Automobile liability insurance with limits of liability of not less than \$1,000,000 per occurrence.
 - iii. Commercial General Liability Insurance with a minimum coverage of \$1,000,000 per occurrence.
 - iv. Cargo Legal Liability Insurance with a minimum coverage of \$200,000 per occurrence.
 - v. Shipper shall maintain during the term of this Agreement:
- b.
 - i. Worker's Compensation Insurance as required by law or regulation with a waiver of subrogation in favor of Taylor.
 - ii. Commercial General Liability Insurance with a minimum coverage of \$1,000,000 per occurrence.

6. CARGO LIABILITY.

- a. Except as otherwise provided herein or in Taylor's Tariff, 49 U.S.C. § 14706 governs cargo liability.
- b. Taylor's liability for loss or damage to cargo is limited to \$10 per pound times the weight of the goods lost or damaged, or a maximum liability of \$100,000 per shipment unless Shipper declares a higher value and pays an additional charge as specified in Taylor's Tariff. In no case will Taylor's liability for cargo loss or damage exceed the actual value of the goods.
- c. Except as otherwise provided herein or in Taylor's Tariff, 49 CFR Part 370 governs processing of cargo claims.
- d. Claims must be filed within nine (9) months from the date of delivery, or in the case of non-delivery, within nine (9) months from when a reasonable time for delivery has elapsed.
- e. Legal action for loss or damage to goods must be filed within two (2) years and one (1) day of the date on which Taylor declines the claim or any portion thereof.

7. WAREHOUSEMAN LIABILITY. If the consignee refuses goods tendered for delivery, or if Taylor is unable to deliver the goods because of fault or mistake of Shipper or consignee, Taylor's liability shall become that of a warehouseman.

8. SALVAGE. If goods are damaged while being transported by Taylor, and Shipper determines that such goods should not be salvaged, Taylor shall be entitled to a credit against Shipper's claim equal to Taylor's good-faith estimation of salvage value. Shipper will have the option of disallowing such credit against Shipper's claim, and transferring ownership of the goods to Taylor.

9. NO SETOFF. Shipper shall not set-off any claim against Taylor's unpaid freight bills.

10. INDEMNIFICATION; NO CONSEQUENTIAL DAMAGES.

- a. Indemnification. Except for damages due to cargo loss and damage, Taylor and Shipper will indemnify each other (including their respective employees and agents) and hold each other harmless and defend each other from and against all claims, liabilities, losses, damages, fines, penalties, payments, costs and expenses (including reasonable legal fees) to the extent caused by or resulting from the negligence or intentional acts of the indemnifying Party, including its employees or agents, in connection with the performance of this Agreement or the Services.
- b. No Consequential Damages. NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES (SUCH AS, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF MARKET, LOSS OF CUSTOMER GOODWILL, PENALTIES FOR LATE DELIVERY,

OR ASSEMBLY LINE SHUTDOWNS), OR PUNITIVE OR EXEMPLARY DAMAGES, REGARDLESS OF WHETHER THE CLAIM FOR SUCH DAMAGES SOUNDS IN CONTRACT, TORT, BREACH OF WARRANTY, CONSUMER FRAUD, OR OTHERWISE.

11. FORCE MAJEURE. Neither Taylor nor Shipper will be liable to the other for default in the performance or discharge of any duty or obligation under this Agreement when caused by acts of God, hurricanes, tidal waves, flood, tornadoes, cyclone, wind storm, earthquake, public enemy, strikes, labor disputes, work stoppages, intentional or malicious acts of third persons or any other organized opposition, explosions, fire, seizure under legal process, embargo, prohibition of import or export of Commodities, closure of public highways, railways, airways or shipping lanes, governmental interference or regulations, or other contingencies, similar or dissimilar to the foregoing, beyond the reasonable control of the affected party.
12. NOTICES. Any notice given under this Agreement will be effective, if sent by mail, on the date of placing the same in the United States mail, and if by personal delivery, the date of such delivery, and if by facsimile, the confirmed date of transmittal.

All notices shall be sent to:

Taylor Distributing Company	(Shipper)
Attention: Rex C. Taylor	Attention:
2875 East Sharon Road	
Cincinnati, OH 45241-1976	

13. CHOICE OF LAW, VENUE AND JURISDICTION. This Agreement shall be governed by and construed in accordance with the laws of the United States. The laws of the State Ohio shall apply to the extent they are not inconsistent with federal law and this Agreement. . The parties hereby submit to exclusive jurisdiction and venue in the United States District Court, Southern District of Ohio or as applicable depending upon jurisdiction, in State Court in Hamilton County, Ohio.

14. CONFIDENTIALITY.

- a. Each party may have or come into possession of information which constitutes trade secrets, confidential information, marketing plans, pricing or anything else otherwise considered proprietary or secret by the other (“Confidential Information”). In consideration of the receipt of such Confidential Information, each party agrees to protect and maintain it in the utmost confidence, to use solely in connection with their relationship hereunder, and to take all measures necessary to protect the Confidential Information.
- b. Except as may be required by law, the terms and conditions of this Agreement and information pertaining to any shipment hereunder shall not be disclosed by either party to any other persons or entities, except to the directors, officers, employees, attorneys and accountants of each party. This mutual obligation of confidentiality will remain in effect during the terms of this Agreement and for a period of two (2) years following its termination.

15. ENTIRE AGREEMENT; AMENDMENTS. This Agreement governs the entire relationship between Taylor and Shipper and cannot be changed or modified except by a written amendment signed by authorized representatives of both parties.

16. GENERAL PROVISIONS.

- a. SEVERABILITY. To the extent that any provision of this Agreement may be held to be invalid or unenforceable by a court of competent jurisdiction, such provision will become ineffective as to all matters within the jurisdiction of that court. The court's holding, however, shall not be treated as affecting the validity or enforceability of any other provision of this Agreement, nor as affecting the validity or unenforceability of any part of this Agreement in other jurisdictions.
- b. WAIVER. Neither the failure of a Party to exercise any right, power or privilege under this Agreement, nor its delay in any such exercise, shall operate as a waiver of that right, power or privilege. No such waiver shall be binding on either Party unless it is in writing and signed by an authorized representative of the Party against which the waiver is asserted. No such waiver on one occasion shall preclude subsequent full enforcement of a Party's rights, powers and privileges under his Agreement or at law or in equity.
- c. COUNTERPARTS. This Agreement may be executed in one or more counterparts, any and all of which will constitute one and the same instrument.

Taylor Distributing Co.

Shipper: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____