

# STATE OF MONTANA TERM CONTRACT

Department of Administration  
State Procurement Bureau  
165 Mitchell Building  
PO Box 200135  
Helena, MT 59620-0135  
Phone: (406) 444-2575 Fax: (406) 444-2529  
TTY Users-Dial 711  
<http://sfsd.mt.gov/>

**T.C. #: DOA13-Transportation Services**  
**Title: TRANSPORTATION SERVICES AGREEMENT**

CONTRACT TERM	FROM	March 1, 2018	CONTRACT STATUS	NEW ( )
	TO	March 1, 2019		RENEW (Sixth)
VENDOR ADDRESS	Mergenthaler Transfer & Storage Unigroup/United Van Lines 95 East Griffin Drive Bozeman MT 59715		ORDER ADDRESS	
ATTN:	Amanda Hofer		ATTN:	
PHONE:	406-586-5497		PHONE:	
FAX:	406-586-3598		FAX:	
E-MAIL:	ahofer@mergenthaler.net		E-MAIL:	

PRICES: As attached  
DELIVERY: Net 30 Days

REMARKS:

TIA SNYDER, Contracts Officer

DATE:

**AUTHORIZED SIGNATURE**

## TRANSPORTATION SERVICES AGREEMENT

This Transportation Services Agreement ("Agreement") is entered into between **State of Montana** ("Shipper") and **United Van Lines, LLC** operating as a motor contract carrier under Federal Motor Carrier Safety Administration motor carrier no. MC-67234 / U.S. DOT No. 077949 and such of its agents then operating under an active agency agreement with United Van Lines, LLC ("Carrier"). In consideration of the mutual promises herein, the parties agree as follows:

1. Shipper agrees to engage Carrier on a non-exclusive basis and Carrier agrees to provide Shipper the transportation services specified herein ("Services"). Shipper and Carrier agree that this is a contract carriage pursuant to 49 U.S.C. § 14101(b).

2. The terms and conditions regarding the Services, including the commodities, scope and territory, term, compensation, referenced tariffs, liability of Carrier, and rules governing the Agreement are those specified in **Appendix A** attached and form a part of this Agreement.

3. Carrier shall make available the necessary equipment, personnel and other materials generally used in the movement of goods, maintain all necessary licenses and permits, and maintain all required insurance coverages, in conformance with all applicable requirements of governmental authorities.

4. This Agreement shall be subject to and be interpreted in accordance with federal laws applicable to the Services and in all other respects with the laws of the State of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Section 18-1-401, MCA)

5. Any invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other of its provisions. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Failure to exercise a right or remedy at law or granted hereunder shall not be deemed a waiver of such right or remedy.

6. This Agreement, including Appendix A, constitutes the entire Agreement of the parties, and replaces and supersedes all prior Agreements between the parties on the subject matter contained herein. This Agreement may not be amended, modified or altered except in writing signed by both parties. This Agreement shall include subsidiary companies and/or divisions of Shipper. This Agreement may not be assigned without the written consent of the other party.

7. All notices required or contemplated herein shall be sufficient and deemed delivered if in writing and deposited with the United States Postal Service, postage prepaid via certified mail, or sent via nationally recognized courier service with proof of delivery, addressed to the parties as set forth below, or to such other address as may be changed from time to time by notice duly given.

**To Carrier:**

United Van Lines, LLC  
One United Drive  
Fenton, MO 63026  
Attn: Contract Administration – R25

**To Shipper:**

State of Montana  
125 North Roberts Street  
Helena, MT 59620

8. Carrier agrees to provide Shipper, Montana Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance, (Section 18-1-118, MCA). Carrier agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

9. **Reduction of Funding.** Shipper must by law terminate this Contract if funds are not appropriated or otherwise made available to support Shipper's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, Shipper shall terminate this Contract as required by law. Shipper shall provide Contractor the date Shipper's termination shall take effect. Shipper shall not be liable to Carrier for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, Shipper shall be liable to Carrier only for the payment, or prorated portion of that payment, owed to Carrier up to the date Shipper's termination takes effect. This is Carrier's sole remedy. Shipper shall not be liable to Carrier for any other payments or

damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

10. This Agreement shall be effective as of the date received by Carrier. **The initial term of this Agreement shall be twelve months from the effective date of the Agreement**, and may be renewed upon mutual consent of both parties in twelve-month increments. Either party may terminate this Agreement upon 30 days written notice to the other. Termination of this Agreement shall not release either party from their respective obligations hereunder with regard to services already delivered or performed, including, without limitation, obligations of payment.

## 11. REQUIRED INSURANCE

11.1 General Requirements. Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by negligent act or omission.

11.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

11.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

11.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, owned, or borrowed by Contractor.

11.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

11.6 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135 uploaded to the Contractor's vendor profile in eMACS, ([www.vendorportal.mt.gov](http://www.vendorportal.mt.gov)). The certificates must name the State of Montana as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies. Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. State reserves the right to require complete copies of insurance policies at all times.

12. COMPLIANCE WITH WORKERS' COMPENSATION ACT. Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

13. COMPLIANCE WITH LAWS. Contractor shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions. In accordance with 49-3-207, MCA, and Executive Order No. 04-2016, Contractor agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

**UNITED VAN LINES, LLC**

DocuSigned by:  
By: Tina Swarts  
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Title: Director Contract Administration

Date:

Date Received: 3/23/2018

**STATE OF MONTANA**

DocuSigned by:  
By: [Signature]  
5FBAAAB9738647B...

Name: Cheryl Grey

Title: SFSD Administrator

Date: 3/23/2018

Approved as to Legal Content:

DocuSigned by:  
Mike Manion 3/21/2018  
8E2DE9801B4E4EF...

Approved as to Form:

DocuSigned by:  
Tia Snyder 3/21/2018  
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## APPENDIX A

This Appendix A shall form a part of the Transportation Services Agreement between **United Van Lines, LLC** ("Carrier") and **State of Montana** ("Shipper").

### **COMMODITY:**

Household goods as defined in 49 U.S.C. § 13102(10).

### **SCOPE AND TERRITORY:**

Interstate shipments between points within the United States (excluding noncontiguous domestic trade as defined in 49 U.S.C. § 13102(17)).

Transborder shipments between points in the United States (excluding AK and HI) and points in Canada.

Carrier's services are limited to the transportation of the Commodities within the scope and territory specified by this Appendix A.

### **REFERENCED TARIFFS:**

- For household goods – STB UVLN 1 ("UVL1"), excluding Sections 5 and 9
- For motor vehicles (as such term is defined therein) – UVLN 417-E applicable section(s)

The referenced tariffs, including supplements, revisions, and reissues thereof, are those published or maintained from time to time by the Carrier and are incorporated by reference as if fully set forth herein. Any term not covered explicitly in this Agreement shall be governed by the rules, regulations, services and rates set forth in the referenced tariffs. For rating purposes, the most current Rand McNally Milemaker mileage guide in effect on the load date of the shipment will apply. Shipper acknowledges notice of the terms and conditions expressed or contained in the referenced tariffs.

### **LIMITED WARRANTY:**

Carrier warrants that the equipment used in performing the described services shall at the time Carrier makes such equipment available to Shipper for the transporting of Shipper's property be in good repair, and in conformance with all applicable requirements, rules and regulations of the U.S. Department of Transportation and other regulatory agencies having jurisdiction over Carrier's operations. However, Carrier's warranty shall not extend to delays or other service failures due to or resulting from acts of God, civil commotion, riots, strikes or any other contingency not within the control of Carrier.

### **COMPENSATION TO CARRIER:**

Carrier's compensation for transportation services shall be determined in accordance with the then current referenced tariffs identified herein, subject to the following modifications:

#### **For household goods shipments:**

For shipments within the United States, the transportation charges in Section 3 and any additional services in the referenced Tariff UVL1 shall apply. These rates and charges (excluding rates and charges pertaining to Excluded Items, as defined below) shall be reduced by 12.5%.

For shipments to Canada from the United States, the transportation charges in Section 4 and any additional services in the referenced Tariff UVL1 shall apply. These rates and charges (excluding rates and charges pertaining to Excluding Items) shall be reduced by 7.5%.

For shipments from Canada to the United States, the transportation charges in Section 4 and any additional services in the referenced Tariff UVL1 shall apply. These rates and charges (excluding rates and charges pertaining to Excluded Items) shall be reduced by 7.5%.

Storage-In-Transit (Item 185) and Pickup and Delivery Charges on Storage-In-Transit (Item 210) shipments shall be reduced by 30%; and reduced by 7.25% when stored in Canada.

Note: As used in this Agreement, "Excluded Items" not subject to adjustment are the following: Item 3 – Released & Declared Shipment Value (Valuation); Item 35 – Advancing Charges (e.g., third party services charges); Item 105, Part 3 – Carton Service (e.g., Debris Removal Service); Item 200 – Claims Loss and Damage; Item 240 – Claim Assist; Item 250 – Gold Standard Protection; and all "Straight Talk Advantage" packages.

**For motor vehicle shipments:**

Motor vehicles moving between points within the United States and moving between the United States and Canada will be transported under the terms of the Carrier's UVLN 417-E motor vehicle tariff Sections 3, 5, and 7. Section 4 of Tariff UVLN 417-E shall not apply.

**ANNUAL RATE ADJUSTMENT:**

An annual rate adjustment shall apply using the methodology contained in Item 40 – General Price Adjustment (the "GPA") of referenced Tariff UVL1, except that beginning May 1, 2019 the annual GPA shall be no less than 3.0%. The adjusted rates shall then serve as the tariff rates for all goods and services provided by Carrier under this Agreement and shall remain in effect until the next annual GPA.

For motor vehicles transporting under Tariff UVLN 417-E, rates shall be those in effect in Tariff UVLN 417-E at the time each shipment loads.

**WEIGHT MINIMUM:**

Except for Motor Vehicles, all shipments transported under the Agreement shall be subject to a minimum billed weight of 3,400 pounds. Carrier's charges for all weight-based services provided under the Agreement shall be subject to the minimum billed weight of 3,400 pounds, even if the weight-based service provided is for a shipment or portion of a shipment with an actual weight of less than 3,400 pounds.

**DOCUMENTATION:**

Carrier shall prepare or cause to be prepared bills of lading, inventories, weight tickets, receipts and other such shipping documentation as may be required by the referenced tariffs, or federal, state or local laws, rules or regulations governing the Services performed hereunder. At the request of Shipper, Carrier agrees to provide written or electronic copies of the rate, classification, rules and practices, upon which any rate applicable to the Services provided is based. Carrier agrees to retain shipping records for three years after the delivery of services under this Agreement, or for such longer period of time as may be required by federal or state laws, rules or regulations. The provisions, terms and conditions of the documents identified in this item shall be deemed a part of this Agreement. To the extent any such document shall contain terms or conditions that conflict with this Agreement or any part thereof, the terms of this Agreement shall govern.

**SEASONAL RATE ADJUSTMENT/SURCHARGE:**

Carrier's compensation will not include the Peak Season (Prime Time) Rate Application transportation charges identified in the referenced Tariff UVL1.

An additional surcharge in an amount equal to 10% of all billed rates and charges shall be applied to Carrier's invoices for all shipments loading between May 15 and September 30 of each calendar year, except that the surcharge shall not apply to any charges billed for 3rd Party Services, Carrier's valuation, or Fuel-Related Price Adjustment.

**STORAGE-IN-TRANSIT:**

For household goods shipments, Carrier agrees that the time period before a shipment converts from storage-in-transit to permanent storage shall be one hundred and eighty (180) days.

**CARRIER'S LIABILITY:**

Carrier's liability for loss or damage to goods being transported pursuant to this Agreement shall be determined in accordance with the relevant provisions of the referenced tariffs, modified as provided in this item, and shall be subject to 49 U.S.C. § 14706 and Part 370 of Title 49 of the Code of Federal Regulations, or any successor thereto.

In lieu of Carrier's minimum released rates cargo liability option, Shipper elects Carrier's full value protection option as further described below.

**Household Goods:**

- A. Carrier's liability on an item-by-item basis (excluding Extraordinary Value Items) shall be Full Value Protection, which means that for any items lost or damaged while in Carrier's custody, Carrier will, at its option, either: (a) repair; (b) replace with like-kind; or (c) pay the cash equivalent cost to repair or the replacement value of such item. For loss or damage to Extraordinary Value Items (an Extraordinary Value Item shall mean an item whose value exceeds \$100.00 per pound per article based upon actual weight), Carrier's liability shall be limited to \$100.00 per pound per article, unless such items are disclosed in writing to Carrier by Shipper or Shipper's employee prior to loading. Carrier shall provide Shipper or Shipper's employee with Carrier's High Value Inventory Form for the purpose of making such disclosure. Disclosure of Extraordinary Value Items to Carrier on the High Value Inventory Form shall not change Carrier's maximum liability for the shipment as set forth below. Carrier's liability shall be further governed in accordance with Item 3 – Released and Declared Shipment Value of Tariff UVL1.
- B. Carrier's total liability for loss or damage to any and all items in a shipment shall be a minimum of \$6.00 times the actual weight of the shipment ("base valuation amount") or such higher amount as declared by Shipper on the Bill of Lading.
- C. The charge for the base valuation amount up to \$100,000 (i.e., up to a 16,666 pound shipment) is included in the discounted transportation rates under this Agreement. An additional valuation charge of \$.65 per \$100.00 of valuation will apply to: (a) amounts declared by the Shipper in excess of the shipment's base valuation amount; and (b) the base valuation amount in excess of \$100,000 (i.e., the base valuation amount on shipments in excess of 16,666 pounds).
- D. When storage-in-transit is provided, an additional SIT valuation charge applies in an amount equal to ten (10%) percent of the shipment valuation charge. The SIT valuation charge applies for each storage period of 15 days or fraction thereof.

**Motor Vehicles:**

Carrier's liability for loss or damage to motor vehicles shall be the lesser of: (a) the cost to repair; or (b) the maximum amount under the applicable Tariff UVLN 417-E section.

**CLAIMS SETTLEMENT:**

For household goods shipments, Carrier will offer expedited claim settlement service based upon the governing provisions as published in Item 75 – Expedited Claim Settlement Service of UVL1.

**GUARANTEED PICKUP AND DELIVERY:**

For household goods shipments, Carrier agrees to pay per diem claims for late pickup or delivery based upon the governing provisions in Item 70 – Guaranteed Pickup and Delivery of UVL1 with the following exception: In lieu of an allowance of \$100.00 per day, the allowance shall be \$125.00 per day. For motor vehicle shipments, Carrier agrees to pay per diem claims for late delivery based upon the governing provisions of Item 7-1 – Guaranteed Delivery in UVLN 417-E.

**FUEL-RELATED PRICE ADJUSTMENT:**

For shipments of motor vehicles, the terms of Item 16 – Fuel Cost Price Adjustment (Surcharge) of Tariff UVLN 417-E shall apply.

For shipments of household goods, the base transportation charge for shipments moving under this Agreement shall be based on applicable Schedule(s) 3E and 4E of Item 16 (Transportation Charge Rate Schedule) of Tariff UVL1, regardless of the actual DOE fuel price per gallon. A fuel-related, mileage-based price adjustment will be charged (or credited) separate from the respective Schedule E base transportation charge on a per shipment basis as provided herein. The mileage used to determine the fuel-related price adjustment will be calculated based on the zip-zone mileage used in Tariff UVL1.

1. On the first Monday of each calendar month, the “National U.S. Average” price per gallon of diesel fuel will be determined based on the price stated by the U.S. Department of Energy (DOE), Energy Information Administration’s (EIA) survey of “Retail On-Highway Diesel Prices.” This price can be obtained by calling the DOE Fuel Hot Line at 202-586-6966 or via the DOE Internet web site at [www.eia.doe.gov](http://www.eia.doe.gov).
2. If the first Monday of the calendar month is a U.S. federal holiday, the price will be determined based on the stated DOE price available on the next subsequent business day (Tuesday).
3. Using the matrix below, the DOE fuel price obtained will be used to determine the applicable “Fuel Rate Per Mile” that, when multiplied by the zip-zone to zip-zone mileage for the shipment, yields the fuel-related price adjustment amount that will be charged (or credited) in addition to the Schedule E base transportation charge. The applicable Fuel Rate Per Mile **will apply** for shipments loaded beginning on the 15<sup>th</sup> day of the month and remain in effect through the 14<sup>th</sup> day of the following month starting from the effective date of this item.
4. For example, if the reported average price of diesel fuel determined on Monday, January 7<sup>th</sup> is \$2.439 per gallon, a (-\$0.1094) Fuel Rate Per Mile will apply for LTL shipments loaded January 15<sup>th</sup> through February 14<sup>th</sup>. Assuming that the zip-zone to zip-zone mileage for a particular 15,000 pound LTL shipment is 1,250 miles, then there would be a \$136.75 (1,250 miles times \$0.1094 per mile) **credit** on the shipment as the fuel-related price adjustment under this item.



**Fuel Rate Per Mile Matrix**  
Fuel-Related Price Adjustment for Household Goods  
Less-Than-Truckload (LTL) and Truckload (TL)

When the DOE Diesel Fuel Price Per Gallon reported on the first Monday of the month is:		The Fuel Rate Per Mile (stated in dollars and cents) that becomes effective on the 15th day of the same month is:	
From:	To:	For LTL Shipments - Less Than 20,000 lbs.	For TL Shipments – 20,000 lbs. & Greater
\$1.950	\$2.099	-\$0.2187	-\$0.2916
\$2.100	\$2.249	-\$0.1823	-\$0.2430
\$2.250	\$2.399	-\$0.1458	-\$0.1944
\$2.400	\$2.549	-\$0.1094	-\$0.1458
\$2.550	\$2.699	-\$0.0729	-\$0.0972
\$2.700	\$2.849	-\$0.0365	-\$0.0486
\$2.850	\$2.999	\$0.00	\$0.0000
\$3.000	\$3.149	\$0.0365	\$0.0486
\$3.150	\$3.299	\$0.0729	\$0.0972
\$3.300	\$3.449	\$0.1094	\$0.1458
\$3.450	\$3.599	\$0.1458	\$0.1944
\$3.600	\$3.749	\$0.1823	\$0.2430
\$3.750	\$3.899	\$0.2187	\$0.2916
\$3.900	\$4.049	\$0.2552	\$0.3402
\$4.050	\$4.199	\$0.2916	\$0.3888
\$4.200	\$4.349	\$0.3281	\$0.4374
\$4.350	\$4.499	\$0.3645	\$0.4860
\$4.500	\$4.649	\$0.4010	\$0.5346
\$4.650	\$4.799	\$0.4374	\$0.5832
\$4.800	\$4.949	\$0.4739	\$0.6318
\$4.950	\$5.099	\$0.5103	\$0.6804
\$5.100	\$5.249	\$0.5468	\$0.7290
\$5.250	\$5.399	\$0.5832	\$0.7776
\$5.400	\$5.549	\$0.6197	\$0.8262
\$5.550	\$5.699	\$0.6561	\$0.8748
\$5.700	\$5.849	\$0.6926	\$0.9234
\$5.850	\$5.999	\$0.7290	\$0.9720
\$6.000	\$6.149	\$0.7655	\$1.0206
\$6.150	\$6.299	\$0.8019	\$1.0692
\$6.300	\$6.449	\$0.8384	\$1.1178
\$6.450	\$6.599	\$0.8748	\$1.1664
\$6.600	\$6.749	\$0.9113	\$1.2150
\$6.750	\$6.899	\$0.9477	\$1.2636
\$6.900	\$7.049	\$0.9842	\$1.3122
<b>Over \$7.049</b>		<b>NOTE 1</b>	<b>NOTE 2</b>

Note 1: If the DOE fuel price per gallon exceeds \$7.049, then the **LTL** Fuel Rate Per Mile will be increased by an additional \$0.0365 for every fifteen cents (\$0.15) per gallon (or fraction thereof) increase in the price above \$7.049 per gallon.

Note 2: If the DOE fuel price per gallon exceeds \$7.049, then the **TL** Fuel Rate Per Mile Factor will be increased by an additional \$0.0486 for every fifteen cents (\$0.15) per gallon (or fraction thereof) increase in the price above \$7.049 per gallon.

**APPLICABILITY:**

This Agreement shall apply to all shipments moving on a charge basis, provided said shipments are invoiced to Shipper and booked with agents of Carrier under the provisions of this Agreement.

**INVOICING AND PAYMENT:**

The parties agree to conduct the invoicing and payment process through electronic methods whenever possible. Carrier will submit an invoice/freight bill with supporting documentation after delivery of the shipment to destination or destination storage. Supplemental invoices may be submitted by Carrier for storage-in-transit, drayage from storage-in-transit, motor vehicles, and additional charges for services required after delivery. Carrier will provide invoices to Shipper via electronic data interchange (EDI) or via email address.

Shipper agrees to pay Carrier the invoice amounts via automated clearinghouse (ACH) or other electronic method within thirty (30) days from the date of the invoice.

Shipper agrees timely to pay the full amount of every invoice tendered by Carrier within the time established under the Agreement without rejection, short-pay or other type of adjustment. Carrier shall have the express right to reasonably adjust its charges at any time within 18 months following the date of final delivery by issuing its supplemental invoice(s) to Shipper and Shipper agrees to timely pay the full amount of such supplemental invoice(s). Shipper also specifically hereby waives any defense it may have related to its obligation to pay all of Carrier's supplemental invoices including, but not limited to, a defense of accord and satisfaction. If Shipper disagrees or disputes any charges invoiced by Carrier, Shipper must pay the disputed charges but may notify Carrier of such dispute within 15 business days from date of invoice or supplemental invoice. If no notice of disputed charges is received by Carrier within that time period, the invoiced charges will be deemed accepted by Shipper and Shipper agrees it shall have forever waived any right to dispute such charges. If Shipper timely provides Carrier with its dispute of Carrier's invoiced charges, then Carrier commits to work with Shipper in good faith to promptly resolve Shipper's dispute. Carrier shall have the express right to immediately refuse to accept any new orders from Shipper without prior notice to Shipper until such time as Carrier has received payment in full of all invoiced charges

**CREDIT SERVICE FEE:**

Carrier will extend the free credit period from seven (7) working days to thirty (30) calendar days from the date of the invoice before assessing a one (1) percent service fee for late payment, subject to a \$20 minimum, for each 30-day period the charges remain unpaid.

**STRAIGHT TALK ADVANTAGE OPTIONAL PACKAGES:**

For shipments destined for delivery within the 48 contiguous states and upon election and signature of the transferee on a Straight Talk Advantage declaration, the Shipper or its transferee shall receive, at the additional undiscounted pricing established, any of the Straight Talk Advantage packages and their service options offered. These offerings will apply only in conjunction with full-value protection terms applying under the Agreement. These offerings will not apply to intrastate shipments. The Carrier's agent representatives will provide detailed information and pricing for the Straight Talk Advantage packages and related service options.

**CITYPOINTE:**

Carrier agrees to extend the CityPointe program to all transferees moving under the terms of this Agreement, provided the shipment is tendered to Carrier by Shipper.