

SERVICE CONDITIONS

Sections marked with an “” include substantive changes from the last posting on February 2016 and are effective March 2017.*

1. ABOUT OUR SERVICES*

Forward Air, Inc., acting as a licensed property broker under FMCSA Docket No. MC-249708, arranges for the performance of two principal services--Expedited Less-Than-Truckload (“LTL”) and Truckload Premium Services (“TLS”).

Expedited LTL. We operate a comprehensive national network to provide expedited regional, inter-regional and national LTL services. Expedited LTL offers Customers (as defined in item 4 hereof) local pick-up and delivery and other services, including: customs brokerage; warehousing, dock and office space; hotshot or ad-hoc ultra expedited services; and shipment consolidation and handling, such as shipment build-up and break-down and reconsolidation of air or ocean pallets or containers. Because of our roots in serving the deferred air freight market, our terminal network is located at or near airports in the United States and Canada. Our Expedited LTL Customers include freight forwarders, third party logistics companies, integrated air cargo carriers and passenger, cargo airlines and steamship lines.

TLS. We provide expedited truckload brokerage, dedicated fleet services, as well as high security and temperature-controlled logistics services in the United States and Canada. Our TLS Customers include freight forwarders, third party logistics companies, integrated air cargo carriers and passenger, cargo airlines, and LTL carriers, as well as retail, life-science companies, and their distributors. TLS’ Customers include Fortune 500 pharmaceutical manufacturers and distributors, as well as transportation companies.

2. HOW TO BECOME A CUSTOMER; AGREEMENT TO BE BOUND BY SERVICE CONDITIONS

To become a Forward Air Customer, whether you are a shipper, forwarder, or intermediary, you must execute a Credit Application, be approved by Forward Air, and obtain a Customer Specific I.D. prior to the initial booking of freight. For additional information, contact our Credit Department in the Greeneville, TN corporate office at 800-733-7239 or via email at credit@forwardair.com.

When a shipper, forwarder, or intermediary signs and submits a Forward Air Credit Application, that Credit Application incorporates these Service Conditions (as defined in item 4 hereof) by reference. Accordingly, by completing a Credit Application, a Customer is entering into a written bilateral contract with Forward Air and agreeing to be bound by these Service Conditions.

Click below to fill out Forward Air’s online Credit Application:

[Credit Application](#)

3. HOW TO BOOK A SHIPMENT

After a shipper, forwarder, or intermediary has submitted a signed Forward Air Credit Application and has been approved as a Customer, that Customer may book Shipments through the *Premier* portal or the *F.A.S.T. TrackSM* portal online at www.forwardair.com or may book Shipments via Electronic Data Interchange (“EDI”).

Unless otherwise agreed in a written bilateral contract executed prior to tender, upon booking each Shipment, each Customer confirms the agreement it made in its signed Credit Application to be bound by these Service Conditions (as defined in item 4 hereof). Further, when booking a load with us, each Customer is requesting that Forward Air, in its capacity as a property broker or exempt transportation intermediary, arrange for transportation utilizing contracted service providers compensated by Forward Air.

The issuance by either Forward Air, Customer, or another party to the transportation transaction of a bill of lading, waybill, or other shipping document acts as a receipt of goods only and as evidence of the actual weight, piece count

and description of the goods and does not alter the terms, conditions, and limitations contained in these Service Conditions and agreed to by Forward Air and Customer.

4. SERVICE TERMS AND CONDITIONS--MASTER SERVICE AGREEMENT

Unless otherwise agreed in a separate, written bilateral contract executed prior to tender, the following Service Conditions--Master Service Agreement (this item 4), together with the Additional Conditions Specific to Services (item 5 hereof), the applicable Fuel Surcharge and Accessorial Charges by Type of Service (item 6 hereof), and the Hazmat Schedule, if applicable (item 7 hereof), in all cases as set forth from time to time on Forward Air's website at www.forwardair.com (collectively, items 4, 5, 6, and 7, as applicable, are referred to hereinafter as these "Service Conditions"), constitute the entire agreement between Forward Air, Inc. and its affiliates ("FORWARD AIR") and its customer tendering the goods (each referred to in these Service Conditions as "Customer" and, collectively, as "Customers") for any logistics services or arranged transportation booked with FORWARD AIR. All capitalized terms used herein, and not otherwise defined herein, shall have their respective defined meanings as set forth in item 5.A hereof.

4.A. FORWARD AIR Duties and Obligations

FORWARD AIR undertakes to arrange for surface motor transportation and/or warehousing of goods, retaining licensed and insured carriers and other service providers under contract with FORWARD AIR (hereinafter, the "contracted service providers").

FORWARD AIR neither owns nor operates ships, aircraft, trucks, or other conveyances that actually transport the goods. Customer understands that different limits of cargo liability apply by statute, international treaty, and custom and usage for different types of service. Accordingly, the applicable, potentially less than full actual value limits of cargo liability set forth below in this item 4 under "Limits of Cargo Liability" shall apply both to FORWARD AIR and its contracted service providers.

FORWARD AIR is solely responsible for selecting and compensating licensed and authorized motor carriers and other service providers pursuant to bilateral written contracts. Customers agree that such contracted service providers are beneficiaries of the terms of these Service Conditions, including, but not limited to, the applicable term(s) set forth below in this item 4 under "Limits of Cargo Liability".

4.B. Limits of Cargo Liability*

i. Limits of Cargo Liability Specific to Type of Service or Origination/Destination. Unless otherwise agreed in writing, the following limits of cargo liability specific to type of service or origination/destination shall apply to FORWARD AIR and its contracted service providers:

a. Shipments tendered as expedited LTL for which neither item 4.B.i.c. nor 4.B.i.d. applies shall be released to a maximum value for all claims arising out of loss or damage in transit of the greater of (I) \$0.50 per pound and (II) \$50.00 per Shipment, *plus* transportation charges applicable to that part of the Shipment lost or damaged, unless at the time of tender, the Shipper declares a higher value and signs in the space designated on the Waybill (*see* item 4.B.iii. below).

b. Shipments tendered as TLS for which neither item 4.B.i.c. nor 4.B.i.d. applies shall be released to a maximum value for all claims arising out of loss or damage in transit of actual value, subject to a maximum liability of \$100,000 per occurrence, unless at the time of tender, the Shipper declares a higher value and signs in the space designated on the Waybill (*see* item 4.B.iii. below).

c. Shipments having a prior or subsequent movement by international air and moving on a through Waybill shall be quoted at time of booking and released to a maximum value for all claims arising out of loss or damage in transit of \$9.07 per pound or \$20.00 per kilogram, subject to a maximum liability of \$100,000 per occurrence, unless at the time of tender, the Shipper declares a higher value and signs in the space designated on the Waybill (*see* item 4.B.iii. below).

d. Shipments having a prior or subsequent movement by water and moving pursuant to a door-to-door ocean bill shall be quoted and released to a maximum value for all claims arising out of loss or damage in transit of \$500 per package (COGSA limitation), subject to a maximum liability of \$100,000 per occurrence, unless

at the time of tender, the Shipper declares a higher value and signs in the space designated on the Waybill (see item 4.B.iii. below).

e. No Signature Shipments, in the absence of prior special arrangements, shall be released to a value of \$0.00.

f. Notwithstanding anything in these Service Conditions or elsewhere to the contrary, for purposes of FORWARD AIR's responsibility for any cargo lost or damaged, FORWARD AIR and Customer agree that all Shipments either originating in or ultimately destined to Mexico shall be deemed as either originating or terminating at the border point in the United States, despite the issuance of a through Waybill. As permitted by 49 U.S.C. §14101(b)(1), FORWARD AIR and Customer expressly waive all rights and remedies they may have as to each other under 49 U.S.C. § 14706 for all cargo loss, delay, damage, or destruction claims arising in Mexico, and Customer agrees that FORWARD AIR shall not be liable for any and all such claims. In the event that the cargo loss or damage is first discovered after delivery of the freight to Consignee, whether the load originated in Mexico or was ultimately destined to Mexico, the damage will be presumed to have occurred in Mexico absent a preponderance of direct evidence to the contrary. Except as otherwise stated in these Service Conditions, neither party waives any rights or remedies it may have as to any third party.

ii. Exceptions to Cargo Liability. Notwithstanding anything in these Service Conditions or elsewhere to the contrary, neither FORWARD AIR nor its contracted service providers shall have any liability for any loss or damage to cargo caused by or resulting from the following: (a) an act or omission of Customer or the shipper or their respective employees, agents, officers, contractors, or representatives; (b) any force majeure, including, but not limited to, acts of a public enemy, revolution, civil disorder, war, fire, flood, or orders of any government or public or local authority; or (c) the inherent vice of any Shipments. Moreover, neither FORWARD AIR nor its contracted service providers will be held responsible for shortages on shipper load and count Shipments where the trailer is received at destination with seals intact. The failure to indicate "SL&C", "subject to shipper count", or like notations on shipping documents shall not be a conclusive determination of FORWARD AIR's or its contracted service provider's liability, nor shall FORWARD AIR or its contracted service provider be precluded from disclaiming liability therefor due to such omissions.

iii. Alternative Rates Available. At time of booking, whether through FORWARD AIR's website or by written agreement acknowledged by an authorized representative of FORWARD AIR, Customer may declare an increased valuation above the applicable limitation. In the absence of special arrangements, neither FORWARD AIR nor its contracted service providers shall be liable for cargo damages in excess of \$50,000.00 per Shipment, regardless of the declared value. Customer may make special arrangements for liability coverage greater than \$50,000.00 by calling FORWARD AIR at 1-800-726-6654 and requesting the increased limit. Liability shall in no event exceed the lesser of (a) the declared value of the Shipment plus applicable freight charges and (b) the actual amount of loss or damage. If Customer executes a release rate in excess of \$50,000.00 per Shipment without having made special arrangements and obtaining special rate approval, and the Shipment is inadvertently accepted by FORWARD AIR, it shall be considered released at \$50,000.00 per Shipment and will move subject to such limitations, applicable rates, and insurance charges. When Customer declares a value that exceeds the greater of (I) \$0.50 per pound and (II) \$50.00 for a domestic Shipment, an additional charge of \$0.65 for each \$100.00 or fraction thereof will be charged subject to a minimum charge of \$2.00 per Waybill. When Customer declares a value that exceeds \$9.07 per pound or \$20.00 per kilogram for an international Shipment moving on a through Waybill, an additional charge of \$0.85 for each \$100.00 or fraction thereof will be charged subject to a minimum charge of \$2.50 per Waybill.

iv. Cargo Insurance; Customer Indemnification. Customer understands and agrees that the rates charged for FORWARD AIR's services do not include insurance or other compensation for loss other than as expressly provided herein. FORWARD AIR's contracts with its service providers are made in reliance upon the limits of liability established by FORWARD AIR under its contracts, including these Service Conditions, with each Customer. Accordingly, Customer agrees to indemnify and hold FORWARD AIR and its contracted service providers harmless from any demand for any sums greater than the limits of cargo liability provided for herein by any third party, including beneficial owners and subrogees.

FORWARD AIR can assist Customer, upon Customer's request, with the placement of cargo insurance. FORWARD AIR is not an insurance company or insurance broker. Unless requested by Customer to do so in writing and confirmed to Customer, FORWARD AIR is under no obligation to procure insurance on Customer's

behalf. Additional information concerning cargo insurance, insurance deductibles, policy exclusions, and excluded commodities is available upon request.

4.C. Cargo Claims Resolution*

i. General. All cargo claims will be resolved in accordance with general principles of federal transportation law to the extent not inconsistent with these Service Conditions. Cargo claims shall be subject to the preemptive effect of 49 U.S.C. §14706. State law causes of action against FORWARD AIR and its contracted service providers are subject to preemption pursuant to 49 U.S.C. §14501, if applicable.

ii. Delay Claims. FORWARD AIR will undertake to deliver the lading described on the Waybill under reasonable dispatch using next available equipment and shall attempt to effect delivery pursuant to the schedules and transit times as otherwise held out by FORWARD AIR. FORWARD AIR does not guarantee that delivery will be effected to meet any particular market, dispatch, exhibition, or sailing. FORWARD AIR does not accept liability for special or consequential damages or delays in delivery. Customer hereby agrees that, in any event, FORWARD AIR's maximum liability for delay shall be an amount equal to the related transportation charges incurred.

iii. Loss or Physical Damage Claims. Subject to the limitations set forth herein and as provided by applicable law, FORWARD AIR agrees to pay for loss or physical damage to the Shipments described on the Waybill which may be caused by its negligent or willful conduct. For Shipments with declared values, FORWARD AIR's liability for shortage or damage shall be prorated by weight when part of a Shipment is lost or damaged. Otherwise, FORWARD AIR's liability shall be determined and limited by the terms set forth in item 4.B hereof. All claims must be filed in a specified dollar amount within nine (9) months of recovery at destination or shall be forever barred. For purposes of clarification, the filing of a notice of intention to file claim, bad order reports, damage inspection reports, dated pictures, emails reporting damage, or any other notice of shortage and/or damage does not stay or extend the above-referenced 9-month claim period. Claims will be presented and adjusted in accordance with the guidelines established by the Interstate Commerce Commission and successor agencies and set forth in 49 C.F.R. § 370. Customer understands and agrees that the rates do not include insurance or other compensation for loss other than as expressly provided herein and limited hereby.

Shortages and/or damage must be noted on our Waybill or Electronic Recovery Device by Consignee or Consignee's agent at the time of delivery. Notice of intent to file a claim for concealed damage must be filed in writing with FORWARD AIR within fifteen (15) days after delivery. Neither a notation of damages on the delivery receipt nor a notice of intent to file a claim serves as a request for an inspection. If damage to contents is verified, FORWARD AIR's Cargo Claims Department must be notified and a request for inspection made within 15 days after delivery. Damaged product, the related containers, and all packaging materials must be retained and made available for inspection. The actual claim, whether for loss, apparent damage, or concealed damage, must be filed in writing with FORWARD AIR within nine (9) months after delivery, and the claim must include the following as a minimum for support:

- Date of Shipment;
- FORWARD AIR's Waybill number;
- The names and addresses of Customer and Consignee;
- A description of the property;
- A copy of the original invoice for the property lost or damaged;
- A delivery receipt with the loss or damage noted on it or a copy of the Freight Inspection Report as evidence of loss or damage;
- An invoice or other document establishing your cost for the lost or damaged goods and an invoice for repairs made to restore the merchandise to its original condition if applicable; and
- For damage claims, a photo or photos of the damaged product must be included to establish the nature and extent of damage.

The following documents by themselves are insufficient to file a claim:

- Bad order reports;
- Appraisal reports;
- Notations of exceptions on delivery receipts;
- Inspection reports or requests; or
- Proof of delivery requests.

Receipt of the Shipment by Consignee or Consignee's agent without notation of shortage, loss, or damage will be *prima facie* evidence that the Shipment was delivered in good condition. No cargo claim will be processed by FORWARD AIR until all transportation charges have been paid. Amounts of claims may not be deducted from or setoff against transportation charges. Shipments and their containers and packaging materials must be retained and made available to FORWARD AIR for the purpose of inspection for up to fifteen (15) days after notification to FORWARD AIR that a claim is pending. FORWARD AIR reserves the right to repair or replace damaged property with no further liability for consequential damages, including, but not limited to, out of service time during repair.

All cargo claims must be mailed to:

Forward Air, Inc.
Attn: Cargo Claims Department
3000 Rohr Rd.
Groveport, OH 43125

Cargo Claims forms are available for printing at <https://www.forwardair.com/contact>.

4.D. Billing and Payment*

For and in consideration of the services to be provided by FORWARD AIR and its contracted service providers, Customer agrees to pay FORWARD AIR, and FORWARD AIR shall bill Customer, for all Shipment-specific rates established at the time of booking and all other applicable transportation charges, including the applicable fuel surcharge and all applicable accessorial charges as set forth from time to time in item 6 hereof. Customer's complete name, address, city, state, zip code, FORWARD AIR account number, and contact name must appear in the appropriate areas of the Waybill. The word "Shipper" must appear in the "bill to" section of the Waybill.

If Consignee is responsible for payment of the transportation charges, Consignee's complete name, address, city, state, zip code, telephone number, and contact name must appear in the appropriate areas of the Waybill. The word "Consignee" and Consignee's FORWARD AIR account number must appear in the "bill to" section of the Waybill. If Consignee is billed initially and refuses to make payment for the services rendered, the transportation charges will be rebilled to Customer's account.

If a third party (including Customer or Consignee at an address different from that which appears in the "Shipper" or "Consignee" sections of the Waybill) is responsible for the transportation charges, the third party's complete name, address, city, state, zip code, and FORWARD AIR account number must appear in the "bill to" section of the Waybill. If a third party is billed initially and refuses to make payment for the services rendered, the transportation charges will be rebilled to Customer's account.

For "bill to" Consignee or third-party transactions, if the shown Consignee or third party refuses to pay the transportation charges, refuses delivery, or cannot be contacted, Customer is liable for, and will be billed for, all transportation charges. If Consignee or a third party does not have credit arrangements with FORWARD AIR, Customer will be billed automatically.

Your Shipment may be delayed if we determine that it is billed to a FORWARD AIR account number that is not in good credit standing.

Notwithstanding any payment instructions that are given to FORWARD AIR, Customer is ultimately liable for all transportation charges, including the fuel surcharge and all applicable accessorial charges. When Customer acts for or on behalf of the beneficial owner of the goods, FORWARD AIR and its contracted service providers preserve recourse to the beneficial owner.

FORWARD AIR reserves the right to demand F.C.C.O.D. for transportation charges incurred on any Shipment when the party liable for the transportation charges has not yet been extended credit.

FORWARD AIR reserves the right to demand prepayment of transportation charges by cashier's check, certified funds, or money order on any Shipment.

Send remittance to:

(Via U.S. Postal Service):

FORWARD AIR, INC.
DEPARTMENT 888155
Knoxville, Tennessee 37995-0001

(Via overnight service or courier):

FORWARD AIR, INC.
Attn: First TN Bank Lock Box Dept.
1638 Robert C. Jackson Drive
Maryville, Tennessee 37801

Customer shall pay FORWARD AIR for all transportation charges applicable to services rendered without any setoff within thirty (30) days from the date of each invoice. Any objection to the transportation charges billed must be submitted in writing within 10 days after receipt of the invoice or shall be waived. If Customer fails to make payment when due, Customer shall pay FORWARD AIR a late fee equal to 1½% of the total past due amount per month or any part thereof or the maximum allowed by applicable law, whichever is less. Invoices not paid within 30 days after receipt will be subject to collection fees in an amount equal to the greater of 25% of the amount owed and \$200. All transportation charges are exclusive of applicable federal, state, or local sales use, excise, or similar taxes; government fees; and customs penalties. Customer shall pay directly to reimburse FORWARD AIR for all such taxes, fees, and penalties incurred as a result of the services provided. All payments due to FORWARD AIR shall be made in U.S. Dollars.

The following are acceptable methods of payment: company check (from approved credit customers only), certified check, cashier's check, and charge to a valid FORWARD AIR account number in good credit standing.

Any action by either party to recover rate undercharges or overcharges allegedly due shall be governed by 49 U.S.C. § 14705(a) and (b) (as amended) and 49 C.F.R. § 378 and, accordingly, shall be commenced not more than eighteen (18) months after the claim accrues as shown on the Waybill for which such rate undercharges or overcharges are claimed. To the extent permitted by law, the expiration of said eighteen (18) month period shall be a complete and absolute defense to any such action without regard to mitigating circumstances, including, but not limited to, FORWARD AIR's or Customer's bankruptcy. FORWARD AIR shall have 180 days from the date of shipment to issue a bill to Customer for additional charges, and Customer must contest any such original or subsequent invoice of FORWARD AIR within 180 days of receipt of the contested bill. The prevailing party in an action to recover undercharges or overcharges in a court of law or through any form of alternative dispute resolution shall be entitled to recover reasonable attorneys' fees actually incurred in addition to other costs and interest from the date of delivery or scheduled delivery as determined by the court or other body.

4.E. Shipments Not Accepted

Customer will not tender, and FORWARD AIR will not accept, Shipments of the following nature:

- Shipments requiring prior notification to accomplish delivery;
- Shipments of extreme configuration or requiring special equipment;
- Prohibited Shipments as set forth in the Hazmat Schedule (*see* item 7 hereof);
- Shipments that would be prohibited if diverted contrary to U.S. laws;
- Firearms in excess of 50 pounds per truckload;
- Alcohol in excess of 1,000 pounds per truckload;

- Tobacco products in excess of 250 pounds per truckload;
- Bulk;
- Shipments requiring "Protective Security Service" or "Armed Guard Surveillance Service";
- Original works of art, collections, antiques, or precious stones;
- Commercial aircraft engines tendered strapped or netted to an air pallet;
- Kayaks and canoes;
- Live animals;
- Human or animal remains;
- Perishables, including, but not limited to, live plants, growing or cut;
- Precious metals; and/or
- Bullion or currency.

4.F. Hazmat*

FORWARD AIR will arrange for the transportation of certain limited hazardous materials, as so designated under 49 C.F.R. §§ 100-199 ("Hazmat"), and retains hazmat-certified, contracted service providers to haul such Shipments. FORWARD AIR's specific Hazmat exceptions, limitations, and requirements are as set forth from time to time in the Hazmat Schedule (*see* item 7 hereof).

Customer warrants that all Accepted Hazmat Shipments, as defined in the Hazmat Schedule (*see* item 7 hereof), shall comply with the Hazmat Schedule (*see* item 7 hereof) as set forth from time to time herein, all applicable Hazmat rules and regulations for the applicable type of service, and all other health, safety, and security regulations. All Accepted Hazmat Shipments shall be properly packaged, marked and labeled, and clearly identified. No Hazmat shall be tendered to FORWARD AIR for transportation, handling, or storage without prior written agreement of FORWARD AIR. Customer further warrants that it will provide FORWARD AIR with a current copy of the Safety Data Sheet ("SDS") for any and all Hazmat prior to tendering an Accepted Hazmat Shipment to FORWARD AIR for transportation.

Customer warrants that it shall comply with all supply chain security recommendations and guidelines issued by FORWARD AIR for the tendering of Accepted Hazmat Shipments by truck and, when relevant, for furtherance by air. Customer further warrants it shall not tender to FORWARD AIR any Hazmat shipment that is restricted for air transport under applicable Hazmat Rules and Regulations without first providing FORWARD AIR of written notice of such restriction.

FORWARD AIR and its contracted service providers reserve the right to refuse any Shipment at point of acceptance that its representatives deem unacceptable for transit due to any security or safety concern. FORWARD AIR and its contracted service providers also reserve the right to open, inspect, and re-seal any cargo tendered by Customer without incurring any fine or liability. This right shall be exercised upon probable cause or as required by applicable safety and security regulations and requirements.

Customer agrees and warrants that it, the shipper, and/or the owner of the goods shall retake possession and properly dispose of Hazmat in compliance with all applicable state and federal laws in the event the goods are damaged, refused, or abandoned while in the care of FORWARD AIR or any contracted carrier. In any event, Customer agrees to accept any such damaged Shipment for proper disposal.

Customer shall indemnify, defend, and hold FORWARD AIR and its parent and affiliate companies, as well as all service providers, and their respective officers, directors, employees, agents, successors, and assigns (the "Indemnified Parties"), harmless from any and all liability, loss, damage, fine, fee, cost, claim, or suit relating to or arising from breach of the warranties set forth in this item 4.F, including, but not limited to, any fine or penalty relating to or arising from the mislabeling, placarding, or identification of Shipments tendered for subsequent transport by air. In addition, Customer shall indemnify, defend, and hold the Indemnified Parties harmless against all claims, liabilities, losses, fines, reasonable attorneys' fees and other expenses arising out of or related to the release, removal or treatment of Hazmat or other remedial action taken to the Hazmat under federal or state law, if (i) Customer fails to provide the notice required by these Service Conditions prior to tendering Hazmat to FORWARD AIR; (ii) the contact, exposure, or release results from the improper packaging or loading, or other acts

or omissions, of Customer, its employees, or agents; or (iii) the contact, exposure, or release occurred subsequent to the transport of the Hazmat as arranged by FORWARD AIR.

4.G. Liabilities Not Assumed

FORWARD AIR shall not be liable for any damages, whether direct, incidental, punitive, exemplary, special, or consequential, in excess of the limits of cargo liability as set forth from time to time in item 4.B hereof.

FORWARD AIR will not be liable for, nor shall any adjustment, refund, or credit of any kind be made as a result of, any loss, damage, delay, misdelivery, nondelivery, misinformation, or any failure to provide information, except such as may result from FORWARD AIR's sole negligence. However, in no event will FORWARD AIR be liable for any such loss, damage, delay, misdelivery, nondelivery, misinformation, or failure to provide information caused by or resulting from, in whole or in part:

- The act, default, or omission of Customer, Consignee, or any other third party with an interest in the Shipment;
- The nature of the Shipment or any defect, characteristic, or inherent vice of the Shipment;
- Customer's, Consignee's, or any other third party's violation of any of the terms and conditions contained in these Service Conditions or on a Waybill, including, but not limited to, the improper or insufficient packing, securing, marking, or addressing of any Shipment;
- Perils of transportation, public enemies, public authorities acting with actual or apparent authority on the premises, authority of law, local disputes, civil commotions, hazards incident to a state of war, or weather conditions (as determined solely by FORWARD AIR); national or local disruptions in ground transportation networks due to events beyond FORWARD AIR's control, such as weather phenomena, strikes, or natural disasters; and disruptions of communication and information systems;
- Acts or omissions of any person or entity other than FORWARD AIR, including, but not limited to, compliance with verbal or written delivery instructions from Customer, Consignee, or persons claiming to represent Customer or Consignee;
- Loss of or damage to articles packed and sealed in packages, provided the seal is unbroken at the time of delivery; the package retains its basic integrity; and Consignee accepts the Shipment without making written notice of damage on the delivery record;
- Loss of or damage to No Signature Shipments;
- Damage to any packaging or shipping container, including, but not limited to, any container for transporting (i) cargo by air or sea or (ii) used personal effects;
- Erasure of data from magnetic tapes or other storage media or erasure of photographic images or sound tracks from exposed film;
- FORWARD AIR's inability to provide a copy of the delivery record or a copy of the signature obtained at delivery;
- FORWARD AIR's failure to honor "package orientation" graphics or damage to Shipments in packaging not approved by FORWARD AIR prior to Shipment when such prior approval is recommended or required herein;
- Damage in transit or in the handling of, or concealed or other damage to, florescent tubes, neon lighting, neon signs, X-ray tubes, glass, or other inherently fragile items;
- Customer's tender of any Shipment requiring temperature controlled equipment or services without prior notice upon booking;
- Customer's tender of any Shipment identified as a Prohibited Shipment in the Hazmat Schedule (*see* item 7 hereof); and/or
- Customer's tender of any Shipment identified under "Shipments Not Accepted" in item 4.E hereof.

4.H. Ex-Air

FORWARD AIR holds out to arrange for surface transportation having a prior or subsequent movement by air. In tendering Shipments to FORWARD AIR, Customer warrants that it is familiar with all applicable Transportation Security Administration (“TSA”) and Federal Aviation Administration (“FAA”) rules and regulations governing the transportation by air of Hazmat and/or “dangerous goods” (as so classified according to the most current editions of the International Civil Aviation Organization [“ICAO”] Technical Instructions for Safe Transport of Dangerous Goods by Air and the International Air Transport Association [“IATA”] Dangerous Goods Regulations) and required security protocols. Customer agrees at time of booking to notify FORWARD AIR if the Shipment is intended to have a subsequent movement by air and agrees to be responsible for all required labeling, placarding, and shipping document preparation. Customer agrees to indemnify, defend, and hold FORWARD AIR and its contracted service providers harmless from any liability, claim, or fine relating to or arising out of Customer’s breach of warranty or improper tendering of air freight Shipments to FORWARD AIR, including, but not limited to, any violation of federal security or safety regulations.

4.I. Customer Duties and Obligations

In addition to its obligations to comply with the terms and conditions under this item 4, including under “Shipments Not Accepted,” “Hazmat,” and “Ex-Air,” Customer further agrees to comply with the following:

- i. Completion of Waybill. It is Customer’s responsibility to ensure accurate completion of the FORWARD AIR Waybill, including a complete description of the contents, the correct number of pieces, reference numbers, and the accurate total weight. If Customer fails to present a completed Waybill at the time of Shipment, FORWARD AIR will accept any appropriate, non-negotiable shipping document, but will not accept any responsibility for misdelivery, delay, or missed collections resulting from the transfer of information from the shipping document onto the Waybill done by FORWARD AIR personnel.
- ii. Packaging and Marking. Shipments must be prepared and packaged to ensure safe transportation. By tendering a Shipment to FORWARD AIR, Customer certifies that the Shipment is sufficiently packaged to withstand the normal rigors of transportation.

Each package must be legibly marked, and all old labels, tags or markings must be removed by Customer prior to the Shipment being tendered for transportation. Any article susceptible to damage by ordinary handling must be adequately protected and packaged and marked in such a way as to alert FORWARD AIR of the possibility of damage from ordinary handling and must bear appropriate labels.

All cargo shall be packaged to withstand the perils of transportation. All reusable containers, crates, exhibit cases, displays, drums, tubes, tanks, corrugated boxes, personal lockers, flight cases, luggage, injection molded cases, and cases manufactured from exotic materials, when shipped as cargo, must be externally packaged and shipped to withstand the perils of transportation and will be subject to any applicable released valuation and its declared weight. Otherwise, external packaging shall be considered as non-reusable and shall have no claims value.

4.J. Customer Warranties

Customer warrants that it is solely responsible for properly identifying and credentialing the shipper and ensuring that all cargo is properly identified, marked, and labeled. Customer shall indemnify, defend, and hold FORWARD AIR and its contracted service providers harmless from any fine, claim, or cause of action relating to or arising from breach of this warranty. FORWARD AIR and its contracted service providers have the right to reject, and return to Customer at Customer’s expense, any Shipment tendered to it in violation of the Customer’s warranties as set forth herein. Customer agrees that FORWARD AIR is allowed to inspect, through physical or any other means, any Shipment tendered to FORWARD AIR for transport, handling, or storage, including Shipments in sealed packaging. Neither FORWARD AIR nor its contracted service providers shall be liable for any damage to cargo arising from inspection of cargo by the TSA, DOT, or other governmental agency.

Customer warrants that it is the beneficial owner or agent authorized to bind the beneficial owner with respect to all terms and conditions in these Service Conditions. Customer shall indemnify, defend, and hold FORWARD AIR and

its contracted service providers harmless from any liability or claim (including any cargo claim) brought by the beneficial owner or its insurer that exceeds the contractual undertakings of FORWARD AIR and its contracted service providers as set forth in these Service Conditions.

Customer, shipper, and Consignee shall be jointly and severally liable to pay and indemnify FORWARD AIR for all costs, including, but not limited to, claims, fines, penalties, and attorneys' fees incurred by FORWARD AIR by reason of any violation of and/or FORWARD AIR's enforcement of these Service Conditions.

Customer agrees to comply with all applicable laws and government regulations of any country to, from, through, or over which its goods may be carried, including those relating to the packing, carriage, or delivery of goods and shall furnish such information to FORWARD AIR as is necessary to comply with such laws and regulations. Shipments that would be prohibited if diverted contrary to U.S. laws also are prohibited and not covered by these Service Conditions. Customer, on behalf of itself and the shipper, hereby consents to an inspection of the cargo.

Customer specifically warrants that it shall not tender or cause to be tendered to FORWARD AIR any Shipment in violation of applicable laws and regulations and/or in violation of the Hazmat Schedule (*see* item 7 hereof) as set forth from time to time herein. In the event FORWARD AIR discovers Prohibited Shipments in Customer's cargo, Customer understands that the discovery of such items will cause the Shipment to be seized by authorities and/or delay the Shipment due solely to Customer's violation of its warranties herein and not due to any fault of FORWARD AIR. FORWARD AIR has the right to reject and return, at Customer's expense, any Shipment tendered to it in violation of Customer's warranties herein.

4.K. Miscellaneous Contract Terms

i. Uniform Bill of Lading. The standard service conditions found on the back of the Uniform Bill of Lading shall apply to the extent not inconsistent with these Service Conditions.

ii. Entire Agreement. These Service Conditions (*see* items 4-7 hereof) contain the entire agreement between FORWARD AIR and Customer and in the case of conflict between these Service Conditions and any shipping document, tariff, or other document issued by FORWARD AIR, its contracted service provider, or other third parties, these Service Conditions shall control. No employee or representative of FORWARD AIR or any contracted service provider shall have the power to waive or vary any of the contract terms and conditions of these Service Conditions, unless a FORWARD AIR employee holding a Vice President or more senior position has specifically authorized such waiver or variation in writing.

iii. Liens. FORWARD AIR and its contracted service providers shall have a contractual lien on any cargo in the possession of FORWARD AIR or its contracted service providers for the payment of transportation charges past and present that FORWARD AIR and/or its contracted service providers may exercise in the event of Customer's default.

iv. Updates to Service Conditions. By submitting a signed Credit Application and by Customer's tender of goods to FORWARD AIR, Customer agrees to the terms of these Service Conditions as they may appear from time to time at www.forwardair.com. Customer understands that from time to time FORWARD AIR may change its terms and conditions through website notice. At FORWARD AIR's election, Customer may be notified of such changes by electronic mail or by other means. If Customer initiates any service after the date of any change, then by such initiation of such services, Customer accepts and agrees to the terms and conditions as set forth in these Service Conditions then in effect.

v. Services. By submitting a signed Credit Application and by Customer's tender of goods to FORWARD AIR, Customer agrees to the terms of these Service Conditions as they may appear from time to time at www.forwardair.com. Customer understands that from time to time FORWARD AIR may change its terms and conditions through website notice. At FORWARD AIR's election, Customer may be notified of such changes by electronic mail or by other means. If Customer initiates any service after the date of any change, then by such initiation of such services, Customer accepts and agrees to the terms and conditions as set forth in these Service Conditions then in effect.

vi. Term of Agreement and Termination. The terms and conditions of these Service Conditions shall apply commencing upon Customer's execution and submission of a Credit Application or upon Customer's request for services and FORWARD AIR's acceptance of same, whichever comes first. These Service Conditions shall remain in full force and effect thereafter until termination or delivery of any Shipment(s) then in progress and payment in full for such Shipment(s), or if no Shipment is pending, upon 30 days' prior written notice of termination given by one party to the other party.

vii. Venue and Jurisdiction. These Service Conditions shall be governed by general principles of federal transportation law except to the extent waived by inconsistent provisions herein and the laws of the State of Tennessee (*see* 49 U.S.C. § 14101(b)). The parties agree that venue and jurisdiction shall lie in the applicable federal or state court for Greeneville, Tennessee. Customer agrees to submit to the personal jurisdiction of such courts and hereby waives any jurisdictional, venue, or forum nonconvenience objections to such courts.

5. ADDITIONAL CONDITIONS SPECIFIC TO SERVICES

5.A. Definitions

"C.O.D." means Collect on Delivery. This is a service for which the purchase price of the goods (in the case of a domestic Shipment) or the entire transportation charges from origination to final destination (in the case of an international Shipment) is collected by FORWARD AIR from Consignee at the time of freight pick up by Consignee or its broker and for which payment is transmitted subsequently by FORWARD AIR to FORWARD AIR's approved Customer.

"Consignee" means the person or entity to which the Shipment is being sent and whose name is listed on the Waybill as the consignee.

"Dimensional weight" means the weight of a Shipment per unit of volumetric measure.

"F.C.C.O.D." means freight charges collect on delivery. This is a service in which the transportation charges and any associated fees are collected by FORWARD AIR from Consignee at the time of delivery.

"No Signature Shipment" means any residential delivery Shipment tendered as, or prior to delivery changed at the direction of Customer to, a Shipment not requiring Consignee's signature on the Waybill and delivered regardless of conditions, including, but not limited to, weather and lack of privacy.

"Prepaid" means Customer is primarily responsible for payment of transportation charges.

"Reconsignment" means a change in the name of Consignee or Customer (Change of Consignee); a change in the destination city (Re-route); relinquishment of the Shipment at the point of origin (Spit); or relinquishment of the Shipment at an intermediate point while in transit (Termination).

"Released Parties" means, in the case of any No Signature Shipment, FORWARD AIR and each of FORWARD AIR's agents, servants, officers, directors, employees, shareholders, principals, predecessors, alter egos, parents, subsidiaries, sureties, trustees, successors, and assigns.

"Shipment" means one or more packages, pallets, containers, or other items moving on one Waybill number from one Customer to one Consignee.

"Transportation charges" means all Shipment-specific rates, together with the applicable fuel surcharge and all applicable accessorial charges, but do not include any other fees or charges which may be assessed under these Service Conditions, such as, but not limited to, customs duties and taxes, however levied or applied, and C.O.D. charges.

"Waybill" means any shipping document, receipt, manifest, label, electronic entry, or similar item authorized by FORWARD AIR for use in the FORWARD AIR system.

"We," "our," "us," and "FORWARD AIR" refer to Forward Air, Inc. and its contractors, employees, and agents, and to our affiliated subsidiaries and their employees and agents.

"You" and "your" include Customer and Consignee and their respective agents, servants, and employees and any other person or entity having or claiming an interest in a Shipment.

5.B. Application of Charges

Transportation charges for a Shipment, unless otherwise noted on the Waybill, will be based on the greater of the following:

- The actual weight; and
- The cubic dimensional weight (calculated as outlined in item 5.C hereof).

Transportation charges will be assessed from the named origin to the named destination as shown on the Waybill and the rates in effect on the day the Shipment is accepted by FORWARD AIR, including any cartage or other services provided.

Unless specifically otherwise agreed to in writing, FORWARD AIR retains the right to weigh and/or measure, for the purpose of applying correct charges, any Shipment(s) at any time while in FORWARD AIR's custody and control and to collect the appropriate transportation charges without first advising, reporting back to, pre-alerting, or otherwise notifying Customer, Consignee, or other interested party.

If Customer elects to leave the weight unstated on the Waybill, FORWARD AIR will weigh and enter the Shipment weight on the Waybill for Customer. If Customer chooses to enter the weight and the weight reflected is found to have been understated, FORWARD AIR will correct the weight and charge for the accurate weight.

5.C. Dimensional Weight

FORWARD AIR reserves the right to assess transportation charges based on volumetric standards. Dimensional weight pricing is applicable to all Shipments with a total volume of more than 200 cubic inches. Dimensional weight is calculated by multiplying length by width by height of each package (all in inches) and dividing by 200. The dimensional weight of each package in the Shipment is added and totaled, and the total dimensional weight of the Shipment is then compared to the actual weight of the Shipment. If the dimensional weight exceeds the actual weight, all transportation charges for the Shipment are based on the dimensional weight.

FORWARD AIR will make reasonable effort to fulfill Customer's request to reweigh or confirm dimensions of a Shipment at any point in transit. There is no charge for this service. To request validation of dimensions or weight, Customer must contact FORWARD AIR's Customer Care Center (1-800-726-6654 or custserv@forwardair.com) or any local FORWARD AIR terminal management. Shipments that have a revised chargeable weight are highlighted in the active summary on FORWARD AIR's online booking tool. Shipment history includes the revised weight and/or a breakdown of dimensions that resulted in the adjusted chargeable weight. This information is transferred automatically to our EDI Customers. After the Shipment has been recovered at destination, FORWARD AIR will cooperate with Customer to complete the review of the weight or dimensions of a Shipment at Customer's or Customer's agent's dock. Once the Shipment has left both FORWARD AIR's and Customer's control by leaving Customer's or Customer's agent's dock, FORWARD AIR will not consider any adjustments to the chargeable weight, and Customer shall not claim an overcharge based on the adjusted chargeable weight.

FORWARD AIR will transport Shipments that contain articles, any one of which, when loaded on a standard highway vehicle, exceed Federal, State and Municipal weight restrictions or exceed one or more of the following dimensions--height: 8 feet; width: 8 feet; and/or length: 42 feet--but such transport shall be subject to the following additional terms and conditions:

- Customer shall make arrangements with FORWARD AIR for transporting any such over-dimension or over-weight Shipment prior to tendering such Shipment or any portion thereof;

- Such Shipments as are accepted will be subject to the applicable transportation charges based on 150 percent of the actual weight of the Shipment or 150 percent of the established truckload minimum weight, whichever is greater, and at the truckload weight applicable thereto;
- When Federal, State, or Municipal regulations require that one or more flagmen or escort vehicles be used in transporting any such Shipment, FORWARD AIR will assess the applicable accessorial charge per person and/or escort vehicle from origin to destination. All additional expenses incurred with these escorts (including, but not limited to, meals, lodging, and return transportation) will be added to the above-stated transportation charges; and
- Any tolls or fees paid to Federal, State, or Municipal governments or divisions thereof for special permits as may be required in connection with the movement of such Shipments, together with expenses in connection therewith (including, but not limited to, long-distance telephone charges), will be added to the transportation charges.

5.D. C.O.D. Service

C.O.D. service is provided by FORWARD AIR for FORWARD AIR approved Customers for domestic and international Shipments with a final destination in the United States, but is not supported by Forward Air Complete® Cartage.

The amount of Customer's C.O.D. to be collected from Consignee must be entered on the Waybill by Customer at the origin of the Shipment, and the Waybill must be signed by Customer or its agent.

Consignee must present one check in full payment of (i) the full amount of Customer's C.O.D. *plus* (ii) any and all transportation charges, FORWARD AIR's C.O.D. fee, and charges for any other FORWARD AIR services associated with such C.O.D. Shipment. Consignee's payment must be made payable to FORWARD AIR and must be submitted by cashier's check, certified funds, money order, brokers check, or FORWARD AIR approved Customer check.

No inspection will be allowed nor partial delivery made until the full amount of the C.O.D. has been collected.

C.O.D. Shipments refused or unclaimed by Consignee will be held at FORWARD AIR's destination terminal, and Customer will be notified. FORWARD AIR will endeavor to submit any Shipment to the United States Customs General Order within 15 days after receipt at final destination if such Shipment is not claimed by Consignee or its agent. If United States Customs releases the freight to FORWARD AIR and disposition has not been received by FORWARD AIR within ninety (90) days after FORWARD AIR notifies Customer, the Shipment may be disposed of with the proceeds of sale being applied to the transportation charges and any excess amounts being refunded to Customer. Any amounts unsettled after receipt by FORWARD AIR of the proceeds of sale will be the responsibility of Customer.

5.E. Reconsignment (including "Change of Consignee", "Re-Route", "Split", or "Termination")

Requests for Reconsignment are subject to the following conditions:

- The request must be made or confirmed in writing;
- The party making the request must have the authority to do so;
- FORWARD AIR will make a diligent effort to comply, but will not be responsible or liable if the service cannot be performed;
- All transportation charges applicable to the Shipment must be paid or guaranteed to the satisfaction of FORWARD AIR before the service is performed; and
- If the Shipment is reconsigned outside the FORWARD AIR system, FORWARD AIR will return the Shipment to the originating FORWARD AIR station or release it to an agent of Customer's choice.

Accessorial charges for Reconsignment are as set forth in item 6 hereof.

5.F. No Signature Residential Delivery Service

No Signature Shipments are handled by FORWARD AIR as a special service and an accommodation to Customers. FORWARD AIR's liability for damage, loss, theft or misdelivery of any No Signature Shipment shall be zero dollars (\$0.00) per occurrence. In the event Customer wishes to declare a higher value of liability with respect to the transportation of any No Signature Shipment, Customer must make such request to FORWARD AIR in writing at least seventy-two (72) hours prior to the scheduled delivery. If such request is accepted by FORWARD AIR in a signed writing, and Customer pays additional freight charges applicable thereto, then FORWARD AIR will agree to pay Customer the higher value of liability in the event such No Signature Shipment is lost or damaged.

In consideration of FORWARD AIR agreeing to deliver No Signature Shipments (except in the case of any No Signature Shipment for which Forward Air has accepted a declared value in writing as described in the immediately preceding paragraph), Customer will waive and forever promise not to file a claim with an administrative agency or court of state or federal jurisdiction against, or seek damages or relief from, and will fully release and forever discharge, the Released Parties for any and all rights, claims, or causes of action (including, but not limited to, attorneys' fees and related costs) arising from or relating to cargo claims of any kind whatsoever, including, but not limited to, claims for damage, loss, theft, or misdelivery of freight that Customer may have at any time against any of the Released Parties arising from or related to any freight delivered as a No Signature Shipment.

On the date of booking any No Signature Shipment and continuing uninterrupted for one (1) year thereafter, Customer will have in effect an insurance policy protecting against liability for all risk cargo insurance in an amount no less than \$100,000 per occurrence. Written notice of any cancellation or modification of any such insurance policy shall be given to FORWARD AIR at least 30 days prior to such cancellation or modification.

Further in consideration of FORWARD AIR agreeing to deliver No Signature Shipments, Customer will indemnify, defend, and forever hold the Released Parties harmless from and against any and all claims, demands, or causes of action, whether by way of indemnity, contribution, subrogation, liens, or otherwise, on account of cargo damage, loss, theft, or misdelivery sustained by Customer or any of Customer's customers, shippers, consignees, or others in any way arising out of or in any way related to a No Signature Shipment.

5.G. Storage and Warehousing*

Freight held in FORWARD AIR's possession through no fault of FORWARD AIR will be considered as stored and will be subject to the following provisions and charges:

- Storage charges will commence on the second day, excluding Saturdays, Sundays, and holidays, after the freight is received by the destination FORWARD AIR terminal; and
- Accessorial charges for storage will apply to both domestic and international Shipments and will accrue as set forth in item 6 hereof; and

All in-bond Shipments that have not been released by US Customs and Border Protection/CBP and that are not recovered within 15 days after receipt by the destination terminal will be transferred to the local General Order Warehouse in accordance with applicable law. Freight held by FORWARD AIR for more than thirty (30) days will be considered as warehoused. In such cases, Customer shall cooperate fully with FORWARD AIR to prepare, execute, and deliver all documents necessary to evidence FORWARD AIR's rights as a warehouseman, including, but not limited to, a warehouseman's receipt. If Customer and/or Consignee fail to pay for storage or warehousing when due or if FORWARD AIR in its sole discretion determines that the freight has been abandoned, Customer acknowledges and agrees that FORWARD AIR shall have the right and the authority to dispose of and/or sell the freight and use the proceeds to set off against all costs and expenses incurred in connection with such disposal and/or sale and to set off against all amounts otherwise owed by Customer to FORWARD AIR. Customer and Consignee shall be jointly and severally liable to pay or indemnify FORWARD AIR for all costs, including, but not limited to, claims, fines, penalties, and attorneys' fees incurred by FORWARD AIR by reason of any storage, warehousing, disposal, and/or sale. Customer hereby waives any right that it or the shipper may have to bring suit or file a cause of action or make any other claim against FORWARD AIR in any way challenging any such disposal and/or sale, including, but not limited to, a claim that such disposal and/or sale was commercially unreasonable.

5.H. International Handling

FORWARD AIR provides the following international handling services:

- Processes and/or delivers import documents for U.S. Customs Bonded consignments by FORWARD AIR destination terminal personnel;
- Unloads and loads, disassembles, deconsolidates, assembles and/or consolidates U.S. Customs Bonded consignments, in all cases outside the normal movement in the FORWARD AIR network;
- Arranges in-bond movement and appropriate U.S. Customs & Border Protection authorization (CBP Form 7512 – Transport Entry and Manifest of Goods) to the U.S. destination city or to the city from which the Shipment will be re-exported for consignments entering the U.S. that are not cleared at the U.S. Border or first customs entry point; and
- Cancels Shipper Declaration Bonds originating in Canada.

Accessorial charges for international handling services are as set forth in item 6 hereof.

6. FUEL SURCHARGE AND ACCESSORIAL CHARGES BY TYPE OF SERVICE

6.A. Fuel Surcharge

Due to the potential for significant fluctuations in market prices for vehicle fuel, we reserve the right to assess a fuel surcharge on Shipments without notice. Any such surcharge will be applied in an equitable manner to all Shipments having similar characteristics and will be applied for such periods as we may determine necessary.

Click below to view fuel surcharge:

6.B. Expedited LTL (Door-to-Door) Accessorial Charges*

Click below to view Expedited LTL (Door-to-Door) Accessorial Charges:

6.C. Forward Air Complete® Pick-Up and Delivery Accessorial Charges*

Click below to view Forward Air Complete® Pick-Up and Delivery Accessorial Charges:

6.D. Airport-to-Airport Accessorial Charges*

Click below to view Airport-to-Airport Accessorial Charges:

6.E. Expedited Truckload Premium Services (“TLS”) Accessorial Charges*

Click below to view Expedited Truckload Premium Services (“TLS”) Accessorial Charges:

6.F. Definitions of Accessorial Charges*

Click below to view Definitions of Accessorial Charges:

7. HAZMAT SCHEDULE*

Click below to view FORWARD AIR’s Hazmat Schedule:

March 2017