



UNIFORM INTERMODAL INTERCHANGE & FACILITIES ACCESS AGREEMENT

A program of the Intermodal Association of North America

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Transmitted Via E-mail

OFFICIAL NOTIFICATION TIME SENSITIVE

TO: UIIA Motor Carrier Participants
FROM: Debbie Sasko
AVP, Information Services
SUBJECT: New UIIA Equipment Provider Participant

Effective immediately Seaboard Marine Ltd. (Seaboard), recognizing the benefits of the Uniform Intermodal Interchange and Facilities Access Agreement (UIIA), has become a participant in the UIIA.

The UIIA is a standard intermodal interchange contract designed to outline the terms and conditions for the interchange of intermodal equipment between Motor Carriers and Providers of equipment (Ocean and Rail Carriers and Leasing Companies) that participate in the UIIA program. This is the only interchange contract used in the intermodal industry that has been jointly developed by water, rail and motor carriers and can be amended from time to time to meet the needs of an evolving industry.

Below are a few of the benefits of participating in the UIIA:

- Eliminates need of signing individual interchange contracts with the ocean/rail carriers and leasing companies that participate in the UIIA program.
- Reduces the number of insurance certificates that your company is required to file. One certificate issued to the UIIA that covers the participating Equipment Providers that your company does business with is all that is needed.
- 24/7 real-time account access so you can check your status with Equipment Providers anytime. In addition, your agent has the ability to also provide insurance information online 24/7 if they register to do so.
- Automated insurance renewal reminders are sent 7 days prior to your policies expiring to ensure you are aware what insurance needs to be updated.

Your company was identified by Seaboard Marine as a Motor Carrier with whom they currently do business with. Because Seaboard Marine has elected to utilize the UIIA as its interchange contract, your company will need to join the UIIA as a Motor Carrier participate by August 5th in order to interchange equipment with Seaboard Marine. Application for UIIA participation can be initiated online at http://www.uiia.org/mc_files/mc_join.shtml and clicking the link at the top of the page "*Click here to Apply Online for Participation in the UIIA*". There is also a short online video that will walk you through the online application process that can be viewed at <http://www.uiia.org/webinars/helpvideos.php>. If you prefer to complete the application paperwork and send it into our office you can download the packet at http://www.uiia.org/mc_files/mc_join.shtml by clicking on the second link at the top of the page. This web page will also identify the requirements for UIIA participation under the title "**Motor Carrier Quick Reference Guide.**"

Enclosed you will find the Seaboard Marine Ltd. Addendum to the UIIA that outlines the terms and conditions of interchanging equipment with this Provider under the UIIA. Your company should also download a copy of the base UIIA Agreement at www.uiia.org. As part of the application process, your company will be required to have your insurance agent submit the necessary insurance information to affect a valid UIIA interchange agreement with Seaboard Marine. In addition to the insurance outlined under Section F.6 of the UIIA, you will need to make sure that your insurance agent provides our office with the additional insurance required by Seaboard Marine in its addendum and for your convenience outlined below:

- Motor Carrier shall maintain **cargo insurance with a limit of \$100,000 per occurrence. The deductible on the cargo insurance shall not exceed \$5,000.00.**

- Motor Carrier shall have in effect **Trailer Interchange/physical damage insurance** for comprehensive all-risk coverage plus collision covering physical loss or damage to non-owned equipment with minimum limits of at least **\$25,000.00**. **The deductible on the trailer interchange insurance policy shall not exceed \$1,000.00.** [Note: If moving refrigerated or special equipment Motor Carrier is required to maintain a limit of \$45,000.00 for Trailer Interchange insurance.]
- Motor Carrier shall name **Seaboard Marine Ltd. as additional insured on their Auto Liability, General Liability and Trailer Interchange insurance policies.**
- Motor Carriers that will be moving hazardous substances will be required to have Auto and General Liability insurance policies with limits of \$5 million combined single limit. If Motor Carrier will not be moving hazardous substances then the limits set forth under Section F.6. of the UIIA will be required, which are \$1 million combined single limit for Auto Liability and \$1 million per occurrence for General Liability.

Your insurance agent may download a copy of the **“Instructions to Insurance Agent”** from the UIIA website at http://www.uiia.org/insurer_files/ins_req.shtml. This packet will provide all the information your agent will need to submit the required insurance information to our office.

Please note that your company will need to be an active Motor Carrier participant in the UIIA and meet the insurance requirements of Seaboard Marine Ltd. by August 5th in order to avoid any disruption when interchanging equipment with this Equipment Provider.

If you have any questions regarding how to apply for UIIA participation, please feel free to contact our office toll-free at 877-438-8442 or via e-mail at uiia@intermodal.org. Questions regarding the Seaboard Marine Addendum should be directed to interchange@seaboardmarine.com.

Enclosure

SEABOARD MARINE LTD. (Effective June 25, 2013)

Addendum to the Uniform Intermodal Interchange and Facilities Access Agreement

This Addendum to the Uniform Intermodal Interchange and Facilities Access Agreement ("Agreement"), as may be amended from time to time, entered into by Seaboard Marine, Ltd. (hereinafter "Provider") and the undersigned motor carrier (hereinafter "Motor Carrier") establishes additional terms and conditions applicable to Interchange of Equipment to Motor Carrier by Provider.

A. General.

1. Motor Carrier is expressly prohibited from knowingly using any Provider Equipment in moving hazardous wastes or other materials deemed to be illegal or dangerous unless provided by exception under provisions of law by the Provider.
2. In the event Motor Carrier redelivers Equipment to Provider at a geographical location different from where it was originally interchanged to the Motor Carrier, without prior written approval from the Provider, Motor Carrier agrees to pay Provider all costs Provider may incur to return said Equipment to its point of origin or other location acceptable to the Provider.

B. Definitions.

1. Capitalized terms that are used herein that are not defined shall have the meaning provided for in the UIIA.
2. The definition for Equipment Interchange Receipt (EIR) in the UIIA shall also apply to Equipment Interchange Report or Trailer Interchange Receipt (TIR) where used in receipts provided by the Provider.
3. DAY: A period of time commencing with the interchange of Equipment and ending at 12:00 midnight, but in no event shall extend for more than 24 hours. Each day thereafter begins at 12:00 midnight and ends 24 hours later at 12 midnight.
4. WORKING DAY: A calendar day excluding Saturdays, Sundays and Government designated public holidays.
5. SPECIAL EQUIPMENT: Shall mean flatracks, platforms, open tops, tanks, flatbeds, mafis, and equipment not otherwise specified herein whether leased or owned by the Provider. Equipment as defined in the Agreement shall also include Special Equipment.

C. Suspension & Termination.

1. In addition to any suspension and termination provisions set forth in the Agreement, including but not limited to Section G.4., the parties may immediately terminate the Agreement at any time, as follows:
 - a. Either party may terminate the Agreement if any legislation, order or rule of any public authority should be enacted making the performance of this Agreement unlawful for either party.
 - b. The Provider may immediately terminate the Agreement if the Motor Carrier fails to maintain its operating authority issued by a Government Agency responsible for regulating such entities or such operating authority is revoked or suspended for any reason.

Termination by Provider or Motor Carrier by written or facsimile notice shall be effective immediately upon such notice or upon such later date as may be stipulated in said notice. Termination shall not relieve Provider or Motor Carrier of any obligation or liability which shall have arisen prior to such termination.

2. Provider may also terminate this Agreement and/or suspend Motor Carrier's right to Interchange Provider Equipment with five (5) days' notice if Motor Carrier fails to comply with any of the terms and conditions of the Agreement.
3. Bankruptcy: In the case of bankruptcy, reorganization, insolvency, liquidation or other similar proceeding on the part of the Motor Carrier or if such proceedings are commenced against the Motor Carrier or if a trustee or receiver or similar officer is appointed over the Motor Carrier or its property, Provider may terminate this Agreement and the appointment there under at any time and with immediate effect by written notice to the Motor Carrier. It is further agreed that the Motor Carrier will consent to grant Provider a relief of stay in order to retake possession of Provider's Equipment from the Motor Carrier. It is agreed that such relief does not extend to any sums claimed owed to Provider by the Motor Carrier and that Provider must make claim under the bankruptcy proceedings in order to recover these amounts.
4. Motor Carrier must return any Equipment in its possession to Provider within seventy-two (72) hours following any suspension or termination of the Agreement.

D. Free Time.

Free Time is defined as an agreed to period of time a Motor Carrier has custody of Providers Equipment, beyond which a daily fee (Per Diem) is charged.

(Seaboard Marine Ltd. Addendum Continued)

Free time shall commence on the day of Equipment departure by the Motor Carrier from the marine terminal, railroad or container yard used by the Provider.

Provider shall not charge Motor Carrier for Per Diem during the time period when Provider equipment is interchanged with a rail carrier if Motor Carrier can provide proof to the Provider that is reasonably acceptable of such interchange.

Provider will charge Per Diem for each calendar day or fraction thereof, including Saturday, Sunday and Government recognized legal holidays, if Equipment is not to the Provider within the allowed free time. For the purpose of this provision, the first "day" shall commence on the date of interchange from the marine terminal, railroad or container yard used by the Provider. Free time shall expire per the schedule below at which point Per Diem charges will accrue until the Equipment has been returned to the Provider. Except where modified by a written bilateral agreement with Motor he following Free Time shall apply:

- i. For dry containers including but not limited to lengths of 20', 40', 43', 45' and 48': Day of the initial interchange plus two (2) working days.
- ii. For refrigerated or temperature controlled containers including but not limited to lengths of 20', 40' and genset equipped chassis: Day of initial interchange plus one (1) working day.
- iii. For Special Equipment (open top containers, flat racks, low boy trailers, etc.): Day of the initial interchange plus two (2) working days.
- iv. For all chassis (except genset equipped chassis): The day of the initial interchange plus two (2) working days.
- v. Where Equipment is used by the motor carrier for a two way movement of cargo (loaded), Free Time shall be extended by two (2) working days.

In computing Free Time, the term working day shall not include Saturdays, Sundays or Government declared public holidays. The terms day shall mean the calendar period commencing at 0001 hours and terminating at 2400 hours and any fraction thereof.

E. Per Diem.

The Motor Carrier shall be assessed a daily Per Diem beyond the Free Time allowance as set forth in the table below from the day of the initial interchange of the Equipment until the Equipment is safely returned to the Provider:

| Equipment | Charge |
|---|--------------------------------------|
| Dry Containers | \$50.00 per day or fraction thereof |
| Dry container with chassis | \$75.00 per day or fraction thereof |
| Refrigerated (Temperature Controlled) containers | \$150.00 per day or fraction thereof |
| Refrigerated (Temperature Controlled) containers with chassis | \$200.00 per day or fraction thereof |
| Flatracks, Open Tops or Tank Equipment | \$75.00 per day or fraction thereof |
| Flatracks, Open Tops or Tank Equipment with chassis | \$100.00 per day or fraction thereof |
| Dry chassis | \$25.00 per day or fraction thereof |
| Gen-set chassis, lowboys or other special trailers | \$50.00 per day or fraction thereof |

In computing Per Diem charges for Equipment after the expiration of Free Time, Saturdays, Sundays and holidays are included. Misuse charges: Motor Carrier may be assessed a surcharge of \$250 per day or fraction thereof for unauthorized usage of Providers Equipment when it is used for activity unrelated to Providers' ocean services or an activity that has not been authorized, in writing, by the Provider.

F. Method of Dispute Resolution.

Motor Carrier has thirty (30) days from the date of an invoice from Provider for Maintenance and Repair charges or Per Diem charges to dispute the invoice, or any portion thereof. All claims must be submitted in writing to Provider's Dispute department at: <address, fax and email> and must be accompanied by supporting documents, such as gate receipts, service contract numbers, etc. Provider will undertake to reconcile disputed items within thirty (30) days from the date of the notice of dispute and will either provide verification of the charges as invoiced or credit Motor Carrier's account for any amounts not properly invoiced. Any dispute as to specific invoice charges shall not relieve Motor Carrier from the obligation to pay undisputed charges, without delay or offset, as required by the terms of this Agreement. Provider reserves its rights and remedies under the Agreement, applicable law or other sources to compel and collect payment of unpaid charges.

Provider reserves the right to use a designated third party billing vendor. Invoices received from Providers designated third party billing vendor shall be disputed directly with the third party vendor. The method of dispute resolution shall remain in accordance with the process outlined in the Addendum.

(Seaboard Marine Ltd. Addendum Continued)

If the Motor Carrier fails to pay any invoices due under the terms of this Agreement within the due date for payment, Provider may, in addition to its rights in this Agreement and with proper notification to the Motor Carrier in accordance with Section G.14.c. of the UIIA, suspend or deny Motor Carrier's right to interchange any Provider Equipment until payment of outstanding amounts are received.

G. Maintenance and Repair.

1. While Equipment is interchanged to Motor Carrier, ordinary maintenance and other service or repairs made to the Equipment as outlined in Exhibit B to the Agreement required by ordinary use shall be:
 - a. Absorbed by the Motor Carrier when the cost thereof does not exceed 50.00.
 - b. When estimated costs thereof exceed \$50.00, advanced written authorization must be obtained from Provider prior to commencement of the required work. All authorized work must be billed to Provider within thirty (30) days of completion. Provider will not pay for unauthorized work unless solely associated with normal wear and tear as defined in the Agreement. Provider shall reimburse Motor Carrier for approved work within thirty (30) days of receipt of properly submitted invoice by Motor Carrier unless disputed by the Provider.
 - c. All invoices for approved work must be accompanied by original vendor invoices, work description(s), and evidence Motor Carrier has paid applicable vendor(s) in full.
 - i. Invoices must include alpha marks, Equipment number, date and location where repaired and details concerning items repaired.
 - ii. Materials or parts used in making repairs shall be of like or better quality, safety and type as the materials or parts used by the original manufacturer, its specifications or as directed by the Provider.
 - iii. Repairs shall be charged at current market prices which shall be the invoice price of material plus commercial freight and reasonable and customary labor charges.
 - iv. When repairs are made by the Motor Carrier, labor shall be charged on the basis of actual time consumed in making repairs but shall not exceed prevailing time and labor costs.
2. When repairs of Equipment are to be made under the provisions of Section G of this Addendum, Provider shall receive Per Diem charges as shown in Section E while the Equipment is out of service or if the Equipment is extensively damaged, Per Diem charges will continue until agreement is reached between the Provider and Motor Carrier for the Motor Carrier to pay for the depreciated replacement value of the Equipment. Per Diem will not be charged to the Motor Carrier while the Equipment is out of service for purposes of correction normal Wear and Tear.
3. Improper repairs: Where Provider ascertains that wrong, incorrect, incomplete or unacceptable repairs have been made to the Equipment during Motor Carrier's possession, Provider is entitled to receive full cost of correcting the wrong, incorrect, incomplete or unacceptable repairs.
4. In the event Equipment is returned damaged to the Provider, such damage shall be noted on the EIR which shall be deemed to be notice to the Motor Carrier of such damage. At Provider's option the Equipment may be repaired and all costs associated with such repair shall be invoiced to the Motor Carrier or the Equipment may be sent, at Motor Carrier's expense to a repair facility chosen by the Motor Carrier to affect required repair.

H. Insurance.

In addition to any other requirements under this Agreement, Motor Carrier shall have in effect and shall maintain for the full term of this Agreement the following insurance coverage(s):

1. General Liability and Automobile Liability insurance in an amount not less than Five Million Dollars (\$5,000,000.00 USD) combined single loss (CSL) on the carriage of hazardous substances as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Class A or B explosives, poison gas (Poison A), liquefied compressed gas or compressed gas, or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403.
2. General Liability and Automobile Liability insurance in an amount not less than One Million Dollars (\$1,000,000.00 USD) CSL for the carriage of oil listed in 49 CFR 172.101; hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101.
3. Motor Truck Cargo Insurance, covering all risks of loss or damage to cargo, in an amount not less than One Hundred Thousand Dollars (\$100,000.00 USD) per occurrence. In any case, the Motor Carrier's deductible shall not exceed \$5,000.00.

(Seaboard Marine Ltd. Addendum Continued)

4. Trailer Interchange insurance (physical damage to non-owned Equipment) for comprehensive all-risk coverage plus collision, with a limit of not less than an amount equal to the value of all interchanged Equipment hereunder but in all circumstances not less than Twenty-Five Thousand Dollars (\$25,000.00 USD) per unit for Equipment other than refrigerated or special, and Forty-Five Thousand Dollars (\$45,000 USD) on refrigerated or specialty Equipment. The Motor Carrier's deductible shall not exceed \$1,000.00.
5. The Insurance obtained in accordance with this Agreement, specifically Automobile and General Liability shall name Provider as an additional insured, as Provider's interests may appear, to add Provider as a loss payee on its physical damage insurance policies and shall contain a clause requiring Motor Carrier to give Provider at least thirty (30) days prior written notice of any alterations in the terms of such policy. Such insurance policies shall be primary insurance and shall not be considered contributory insurance or excess insurance to any insurance policy of the Motor Carrier on the Equipment.
6. Motor Carrier shall obtain such additional insurance as required by the Department of Transportation, the Interstate Commerce Commission, or any other Federal, State or Local governmental agency or authority.
7. Motor Carriers that are self-insured and so recognized by the Department of Transportation, the Federal Maritime Commission or other appropriate Regulatory agencies, must provide proof of such self-insurance, in the form of an appropriate authorizing order issued by the relative regulatory agency.
8. The Provider will not accept insurance coverages that are underwritten by a risk retention group.
9. With respect to Intermodal carriage and damage to cargo, the Motor Carrier shall not invoke a limitation of liability less than the limitation of liability that Provider may invoke with respect to the cargo owner.
10. The provisions of Section F-5(a) of the Agreement shall also apply to instances in which there are potential cargo damage or losses.

I. Lost, Stolen or Destroyed Equipment.

1. In the event Equipment is lost, stolen from or destroyed by Motor Carrier the method of settlement shall be the depreciated replacement value as of the date it was reported lost, stolen or destroyed.
2. In addition to the provisions provided in the Agreement, the Motor Carrier shall furnish to the Provider all Police reports, insurance reports and any other materials or documents related to the incident.
3. Per Diem will continue to accrue up to the date that the settlement amount for the Equipment value has been received by the Provider.
4. Equipment shall at all times remain the property of the Provider despite receiving payment for the Equipment value unless the Provider specifically, in writing, agrees to relinquish its property as part of an invoice settlement with the party paying the Equipment value.
5. The Provider, shall within 15 days of receipt of notice from the Motor Carrier of the status of the destroyed Equipment, provide the Motor Carrier with instructions for the disposition of the destroyed Equipment.
6. If the Equipment that has been reported lost or stolen is subsequently recovered by either the Provider or the Motor Carrier the use charge will remain in effect until the Equipment has been returned to the Provider. If payment for the Equipment value has been received a refund will be made to the Motor Carrier less any costs of recovery, Per Diem, damage repairs or any other costs through the date the Equipment is returned to active status with the Provider.
7. Equipment not returned to the Provider within sixty (60) days or more from the date of interchange to the Motor Carrier, Provider may declare the Equipment to be lost and shall be handled in accordance with the Lost, Stolen or Destroyed Equipment provisions of the Agreement.