

GENERAL TERMS AND CONDITIONS

19. DEFAULT

If either Transporter or Shipper shall fail to perform any of the material covenants or obligations imposed upon it by the Transportation Service Agreement, subject to the applicable provisions of this Tariff, then in such event the other party may at its option terminate said contract by proceeding as follows. The party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating the contract and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have 30 days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating the contract, and if within said period of 30 days the party in default does so remove and remedy said cause or causes, then such notice shall be withdrawn and the contract shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes within said period of 30 days, the contract shall terminate; provided, however, that no termination shall occur if the party in default has initiated action to cure such material default but, despite its best efforts, has been unable to complete cure within such thirty day period and is continuing its action to complete cure in good faith beyond the end of the 30 day period. The termination or cancellation of any Transportation Service Agreement shall be pursuant to the provisions of this Section, shall be without prejudice to the right of Transporter to collect any amounts then due to it for Transportation Services rendered prior to the time of cancellation, and shall be without prejudice to the right of Shipper to receive any Transportation Services which have not been rendered but for which Shipper has paid prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of the Transportation Service Agreement.