## AWELL LOGISTICS GROUP, INC.

## 315 Harbor Way Suite A, South San Francisco, CA 94080 <u>STANDARD TERMS & CONDITIONS APPLICABLE TO FREIGHT BROKERAGE SERVICES</u>

These Standard Terms and Conditions Applicable to Freight Brokerage Services (the "Terms and Conditions") shall apply to (i) all property/transportation brokerage services performed by Company and its Affiliates on behalf of Customer, and (ii) any and all shipments or loads tendered by Customer and for which Company and/or its Affiliates arrange for transport in their capacity as a property broker, unless and until these Terms and Conditions are altered or amended by the Company as provided herein.

For purposes of these Terms and Conditions, "Company" shall mean Awell Logistics Group, Inc., a California incorporation and any affiliate of the Company, including, but not limited to, any parent companies, subsidiary companies, contractors, subcontractors, representatives, agents, successors and assigns of Company.

For purposes of these Terms and Conditions, "Customer" shall mean each and every customer, shipper and/or consignee which schedules a shipment using the transportation brokerage services of the Company which engages the Company to perform transportation brokerage services or other services on its behalf.

Each Customer hereby expressly agrees to these Terms and Conditions, which no agent or employee of the parties may alter. These Terms and Conditions shall supersede all prior oral or written statements or documents made with respect to (i) the subject matter contained herein, (ii) all property/transportation brokerage services performed by Company on behalf of Customer, and (iii) any and all shipments or loads tendered by Customer and for which Company arranges for transport in its capacity as a property broker. The terms and conditions contained herein shall also supersede any terms or conditions contained in any proposal, quotation, invoice, order acknowledgment, rate confirmation sheet, bill of lading or other communication provided by Customer to the Company or any of its Affiliates. Any terms or conditions not specifically contained herein shall be inapplicable to any shipments scheduled/tendered by the Customer.

1. <u>FMCSA Authority</u>. The Company is licensed by the Department of Transportation (DOT), Federal Motor Carrier Safety Administration (FMSCA) as a property broker operating under Certificate No. MC-1418812. Company's services for its customers include but are not limited to, arranging transportation of full truckload, less than truckload, and intermodal transportation shipments for its Shippers by contracted motor carriers.

2. <u>Rate Quotations</u>. The Company and its Affiliates shall not be bound, contractually or otherwise, to provide services to Customer as a result of any rate quotation or other communication until such time as either (i) the Company or an Affiliate provides Customer with a rate confirmation sheet and the Customer returns a signed copy of such rate confirmation sheet, or (ii) a motor carrier arrives at the Customer's location to pick up the subject freight. Any rates or other terms of shipment sent by the Company and its Affiliates are considered quotations only, and no pricing or other terms/conditions contained in any rate quotation or other communication shall be considered an offer by the Company to provide services or an offer by the Company to enter into a binding contract.

3. <u>Performance of Services</u>. Company will arrange the dispatch and transport of each shipment tendered to it by Customer promptly upon tender of the shipment by Customer. The sole responsibility of Company shall be limited to arranging for, but not actually performing, transportation of Customer's freight, which will include only (i) engaging licensed motor carriers to transport Customer's freight, (ii) ensuring that the licensed motor carriers have all required permits, certifications, authorizations and insurance necessary to transport the freight, and (iii) using commercially reasonable efforts to ensure such motor carriers arrive at the pick-up destination in accordance with the estimated or proposed shipping schedule. Without limiting the foregoing, the Company will not act as a freight carrier, common carrier, contract carrier,

motor carrier or freight forwarder, and the Company and its Affiliates will have no obligations to actually transport any freight on behalf of Customer. Company will provide Customer with notification by telephone or electronic communication when this service cannot be met for any reason. Company will require that its selected Carriers perform the actual transportation and agree not to "double broker" such transportation to another motor carrier.

4. <u>Carrier Rules and Regulations.</u> The General Rules Tariffs, and any other conditions and terms of service maintained by the carriers utilized by the Company, will in every instance take precedence over the Company's Terms and Conditions stated herein. If not in conflict with the carrier's General Rules Tariff, or other terms and conditions of service, the Company's Terms and Conditions as stated herein shall control.

5. <u>Bills of Lading/Shipping Documentation</u>. The Customer is to use the Company's system-generated Bill of Lading("BOL"). The Customer shall complete all the appropriate documents required for carriage, services being sought, and the pick up or destination requested. In the event the Customer fails to timely and properly complete the appropriate documents, Company may at its option, but without obligation, complete, correct or replace the documents. If a substitute form of BOL is needed to complete delivery of this shipment for any reason and Company completes that document, the terms of the completed BOL will govern and Company will be exonerated from all liability for undertaking such actions on behalf of the Customer including specifically liability for, in whole or in part, negligence by Customer. All Bills of Lading are NON-NEGOTIABLE and will have been prepared by the customer or Company on behalf of the Customer. Company shall have no obligation to make any payments or honor any rate quotes in any of the following instances: (i) the unauthorized alteration or use of BOL, or

(ii) tendering of shipments to any carrier other than that designated by Company, or (iii) the use of any BOL not authorized or issued by Company.

6. <u>Customer's Warranties</u>. The Customer represents and warrants that at all times during the term of this Agreement, it will be in compliance with all applicable laws, rules, and regulations, including applicable laws relating to customs, import and export required by country to, from, through or over which the shipment may be carried. The Customer agrees to furnish such information and complete and attach to the BOL such documents as are necessary to comply with such laws. Any individual or entity acting on behalf of the Customer in scheduling shipments or undertaking any other performance hereunder warrants and represents that he, she or it has the right to act on behalf of and legally bind the Customer. Company assumes no liability for any loss or expense due to the failure of the Customer to comply with this paragraph and Customer shall defend, indemnify and hold Company harmless for any claims or damages resulting from violation of this paragraph, including attorney's fees and costs incurred by Company.

7. **Payment.** Customer agrees to pay the Company, without offset, for all services performed by Company and its Affiliates in accordance with (i) the applicable signed rate confirmation agreement or (ii) as otherwise stated in any unsigned rate confirmation agreement or rate quotation provided by Company or an Affiliate to Customer (if Customer tenders the applicable load to a carrier without signing a rate confirmation agreement). Without limiting the foregoing, Customer shall only pay the Company and no payments shall be made directly to any Affiliates. The Company shall be responsible for tendering the applicable payment to any Affiliate which performs services hereunder, and the Company shall indemnify and hold Customer harmless against any all claims, damages, costs and expenses (including reasonable attorneys' fees) incurred by Customer as a result of the Company's failure to pay an applicable Affiliate under this paragraph.

All Customers are subject to credit approval. Subject to credit approval, all charges are payable in US Dollars and are due upon receipt of an applicable invoice or in accordance with any other payment terms agreed upon in writing by Company. Any payment which is past due shall be subject to an additional charge at the rate of 1½% per month of the average outstanding balance due, or the highest rate of interest permitted by applicable law, whichever is less. In the event the Company retains an attorney or collection agency to collect unpaid charges or for the enforcement of these Terms and Conditions, Customer shall also be liable for all attorney

and collection agency fees incurred, together with related costs and expenses. The Customer and any participating shippers, consignors, consignees, freight forwarders or freight brokers are jointly and severally liable for the freight charges owedto the Company relating to each shipment.

**8.** <u>Third Party Billing</u>. In those instances where the Customer requests that the Company invoice the Customer's customer or other third party or where a shipment is FOB, the Company may in its sole discretion, but shall not be obligated to, bill such other third party directly, provided, however, that if Company agrees to do so, Customer guarantees full payment to the Company in the event the customer, consigner, consignee or other third party fails or refuses to make payment within the time provided in Section 7 above.

**9.** <u>Carrier Invoices</u>. The Company and its Affiliates shall be responsible for payment of the invoices of carriers utilized to transport Customer's freight. The parties agree that the Company and its Affiliates shall have no obligation to make payment upon a carrier's invoice until such time as the Customer has madepayment to the Company for the transportation involved.

**10.** <u>Pickup and Delivery Times</u>. Unless otherwise specifically noted, all transit times provided by Company and its Affiliates are estimates only and do not include the day of pickup. unless otherwise agreed to by company in writing, there is no guaranteed pick-up or delivery time associated with (i) any property/transportation brokerage services performed by company and its affiliates on behalf of customer or (ii) any shipments or loads tendered by customer and for which company and/or its affiliates arrange for transport in their capacity as a property broker.

Notwithstanding the foregoing, the company will use commercially reasonable efforts to ensure that any load brokered by company and/or an affiliate is picked-up and delivered by the relevant carrier in a timely fashion, but the company and its affiliates shall in no way be held liable for delays in pick-up or delivery of any particular load. customer hereby expressly waives any and all claims against the company and its affiliates as a result of losses, damages, injuries, or expenses, incurred or sustained by the customer and which relate to delays in pick-up and delays in delivery.

11. <u>Claims and Limitations of Liability</u>. Company is not liable for any loss, damage, misdelivery or non-delivery caused by: (i) the act, default or omission of a Carrier; the Customer or any other party who claims interest in the shipment; or (ii) the nature of the shipment or any defect therein; or (iii) a violation by the Customer of any provision of this Agreement, the BOL, the carrier's tariff, including, improper or insufficient packing, securing, marking or addressing; or (iv) failure to observe any of the rules relating to shipments not acceptable for transportation or shipments acceptable only under certain conditions; or (v) acts of God, perils of the air, public enemies, public authorities, acts or omissions of Customs or quarantine officials, war, riots, strikes, labor disputes, shortages, weather conditions or mechanical delay or failure of vehicles, aircraft or other equipment; or (vi) the acts or omissions of any person other than employees of Company; or (vii) the selection of carrier for a particular shipment. Customer acknowledges that in order to provide competitive rates for the services, that the parties have agreed as a material term of this Agreement that the risk of loss or damage incurred as a result of Company alleged liability shall be limited to the fees that Company has earned with respect to the subject shipment. Customer specifically acknowledges that Company shall have no liability for negligent acts or omissions of its employees except to the extent such actions or omissions constitute gross negligence. There is a minimum claim amount of fifty dollars (\$50) (after limit of liability rule has been applied) on damage/shortage claims in order for Company to file a claim with the carrier. There is a minimum claim amount of fifty dollars (\$50) (after the 1/3 rule has been applied) on for concealed damage claims in order for Company to file a claim with the carrier.

12. <u>Special Damages</u>. Notwithstanding anything contained herein to the contrary, Customer and Company specifically agree that neither party shall be liable to the other party, nor shall any Affiliates be liable to Customer, for incidental, consequential (including lost profits), punitive or exemplary damages in connection with these Terms and Conditions, performance or omission of performance hereunder or termination hereof, even if the party has been advised of the possibility of such damages and without regard to the nature of the claim or the underlying theory or cause of action (whether in contract, tort, or otherwise).

13. Indemnification. In exchange for the transportation brokerage services provided by the Company and its Affiliates, Customer, as well as any of Customer's successors and assigns, hereby agrees to indemnify and hold harmless the Company, its Affiliates, and their respective shareholders, directors, members, managers, officers, employees, representatives, contractors, subcontractors, agents, successors and assigns from and against any and all claims for damages, costs, and expenses (including reasonable attorney's fees) which are filed by third parties against Company and which result from (i) delays in pick-up or delays in delivery, (ii) loss, damage, destruction, delay or theft of any goods or loads shipped in connection herewith, (iii) the negligence or intentional acts of any freight carrier transporting any loads in connection herewith, (iv) personal injuries, death, or damages or loss to personal property caused by the negligent or intentional acts of any freight carrier transporting any loads in conditions by Customer and (vi) the negligence or intentional acts of Customer.

14. <u>Governing Law</u>. This Agreement is deemed executed, delivered and performed in the State of California, and the substantive laws of the State of California and Federal law as applied in California without reference to choice of law principles and specifically excluding the United Nations Convention on Contracts for the International Sales of Goods, shall govern its interpretation and enforcement. Any action brought to interpret or enforce any provisions of this Agreement, or otherwise relating to or arising from this Agreement, shall be commenced and maintained in the Superior Court in and for the County of South San Francisco in the State of California and each Party consents to jurisdiction and venue in such court for such purposes.

**15.** <u>Entire Agreement</u>. These Terms and Conditions may be changed, waived, or modified at anytime by the Company. These Terms and Conditions may not be changed, waived or modified by the Customer unless in a written agreement signed by the Company. These Terms and Conditions set forth the entire agreement between the parties with respect to the subject matter herein, and any prior understanding, proposal, representation, or agreement between the parties shall be deemed to have merged into these Terms and Conditions..

16. <u>Severability</u>. If any provision of these Terms and Conditions is deemed unenforceable by any court or competent jurisdiction, such provision shall be severed and the remaining provisions herein shall continue in full force and effect.

17. <u>Binding Effect</u>. These Terms and Conditions shall be binding upon the successors and assigns of the respective parties.