

## TERMS AND CONDITIONS OF SERVICE

All Shipments to or from the Customer, which term shall include the exporter, importer, sender, receiver, owner, consignor, consignee, transfer or transferee of the shipments, will be handled by Freightco Logistics (herein referred to as the "Company") on the following terms and conditions:

- 1. Services by Third Parties.** Unless the Company carries, stores or otherwise physically handles any Customer shipment, and loss, damage, expense or delay occurs during such activity, the Company assumes no liability as a carrier and is not held responsible for any loss, damage, expense or delay to the goods to be forwarded or imported except as provided in paragraph 8 and subject to the limitations of paragraphs 2 and 9 below. Company undertakes only to use reasonable care in the selection of carriers, truckmen, lightermen, forwarders, customs brokers, agents, warehousemen and others to whom it may entrust the goods for transportation, cartage, handling and/or delivery and/or storage or otherwise (referred to herein as the "Third Parties"). When the company carries, stores or otherwise physically handles the shipment, it does so subject to the limitation of liability set forth in paragraph 8 below unless a separate bill of lading, air waybill or other contract of carriage is issued by the Company, in which event the terms thereof shall govern.
- 2. Liability Limitations of Third Parties.** The Company is authorized to select and engage the Third Parties as required to transport, store, deal with and deliver the goods, all of whom shall be considered agents for the Customer, and the goods may be entrusted to such agencies subject to all conditions as to limitation of liability for loss, damage, expense or delay and to all rules, regulations, requirements and conditions, whether printed, written or stamped, appearing in bills of lading, receipts or tariffs issued by the Third Parties. Except for cases of gross negligence or intentional misconduct, the Company shall under no circumstances be liable for any loss, damage, expense or delay to the goods for any reason whatsoever when said goods are in custody, possession or control of the Third Parties selected by the Company to forward, enter and clear, transport or render other services with respect to such goods.
- 3. Choosing Routes or Agents.** Unless express instructions in writing are received from the Customer, the Company has complete freedom in choosing the means, route and procedure to be followed in the handling, transportation and delivery of the goods. Notice by the Company to the Customer that a particular person or firm has been selected to render services with respect to the goods shall not be construed to mean that the Company warrants or represents that such person or firm will render such services, nor does the Company assume responsibility or liability for any action(s) and/or inaction(s) of persons or firms and/or their agents, and the Company shall not be liable for any delay or loss of any kind which occurs while a shipment is in the custody or control of a Third Party or the agent of a third party.
- 4. Quotations Not Binding.** Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by the Company to the Customer are for informational purposes only and are subject to change up to ten percent (10%) of the quotation without notice and shall not under any circumstances be binding upon the

Company unless the Company in writing specifically undertakes the handling or transportation of the shipment at a specific rate.

**5. Duty to Furnish Information.**

- a. Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with the Customs Service, other Government Agency and/or related third parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration filed on the Customer's behalf.
- b. In preparing and submitting customs entries, export declarations, applications, documentation and/or export data to the United States and/or a related third party, the Company relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by the Customer.
- c. The Customer shall use reasonable care to ensure that the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or having made any incorrect or false statement to the Company upon which the Company reasonably relied. The Customer has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.
- d. For any import, at a reasonable time prior to entry of the goods, the Customer shall furnish to the Company invoices in proper form and other documents necessary or useful in the preparation of the US Customs entry and security filing along with such further information as may be sufficient to establish, inter alia, the dutiable value, the classification, the country of origin, the genuineness of the merchandise and any mark or symbol associated with it, the Customer's right to import and/or distribute the merchandise, and the merchandise's admissibility, pursuant to US law or regulation. If the Customer fails in a timely manner to furnish such information or documents, in whole or part, as may be required to complete US Customs entry or comply with US laws or regulations, or if the information or documents furnished are inaccurate or incomplete, the Company shall be obligated only to use its best judgment in connection with the shipment and in no instance shall be charged with knowledge by the Customer of the true circumstances to which such inaccurate, incomplete, or omitted information or documentation pertains. Where a bond is required by US Customs to be given for production of any document or the performance of an act, the Customer shall be deemed bound by the terms of the bond notwithstanding the fact that the bond has been executed by the Company as principal, it being understood that the Company entered into such undertaking at the instance and on behalf of the Customer, and the Customer shall indemnify and hold the Company harmless for the consequences of any breach of the terms of the bond by the Customer.
- e. For any export, at a reasonable time prior to the exportation of the shipment, the Customer shall furnish to the Company the commercial invoice in proper form and number, a proper consular declaration, weights, measures, values and other information in the language of and as may be required by the laws and regulations of the US and the country of destination of the goods.
- f. For any export or import, the Company shall not in any way be responsible or liable for increased duty, penalty, fine or expense unless caused by the

negligence or other fault of the Company, in which event its liability to the Customer shall be governed by the provisions of paragraphs 8 – 10 below. The Customer shall be bound by and warrants the accuracy of all invoices, documents and information furnished to the Company by the Customer or its agent for export, entry, or other purposes.

- 6. Declaring Higher Valuation.** Third Parties to whom the goods are entrusted may limit liability for loss or damage. Accordingly, the Company will request excess valuation coverage for particular shipments only upon specific, advance, written instructions from the Customer, which must agree to pay any charges therefore. In the absence of written instructions or the refusal of the Third Party to agree to a higher declared value, at the Company's discretion, the goods may be tendered to the Third Party, subject to the terms of the Third Party's limitations of liability and/or terms and conditions of service.
- 7. Insurance.** Unless requested to do so in advance and in writing, the Company is under no obligation to procure insurance on the Customer's behalf. In all cases, the Customer shall pay all premiums and costs in connection with procuring insurance requested by the Customer. Should an insurer dispute its liability for any reason, the Customer shall have recourse against the insurer only and the Company shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to the Company by the Customer, or that the shipment was insured under a policy in the name of the Company.
- 8. Limitation of Liability for Loss, etc.**

  - a. Except as specifically set forth herein, the Company makes no express or implied warranties in connection with its services.
  - b. Subject to (c) below, the Customer agrees that in connection with any and all services performed by the Company, the Company shall only be liable for its grossly negligent acts or intentional misconduct, which are the direct proximate cause of any injury to the Customer, including loss or damage to the Customer's goods. The Company shall in no event be liable for any act or failure to act by any Third Parties associated with any shipments for the Customer.
  - c. In connection with all services performed by the Company, the Customer may obtain additional liability coverage, up to the actual or declared value of a shipment, by requesting such coverage and agreeing to make payment therefore, which request must be confirmed in writing by the Company prior to rendering services for the covered shipment(s).
  - d. In the absence of additional coverage as set forth in Paragraph (b) above, the Company's liability shall be limited to \$50.00 per shipment or transaction.
  - e. *In no event shall TFCP be liable or responsible for consequential, indirect, incidental, statutory or punitive damages even if it has been put on notice of such damages.*
- 9. Presenting Claims.** The Company shall not be liable to Customer under any circumstances for any claims not presented to it in writing within 120 days of either the date of loss or incident giving rise to the claim. No suit to recover for any claim or demand hereunder shall be maintained against the Company unless instituted within one (1) year after the

presentation of the said claim to the Company (provided such claim was presented within the 120-day period).

- 10. Advancing Money.** All charges must be paid by the Customer in advance unless the Company agrees in writing to extend credit for a particular shipment or shipments. The granting of credit in connection with a particular shipment shall not be considered a waiver of this provision by the Company.
- 11. Compensation of Company.** The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all Third Parties and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends or other revenue received by the Company from Third Parties, insurers, and others in connection with the shipment. On ocean exports, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges.
- 12. Costs of Collection.** In any dispute involving monies owed to the Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 18% per annum or the highest rate allowed by law, whichever is less, unless a lower amount is agreed to in advance and in writing by the Company.
- 13. Repayment Terms.** In consideration for the Company performing services on behalf of the Customer, including any advancement of funds, *Customer agrees to pay for the Company's services or advancing funds within 10 days of invoice date unless Customer has established other terms.*
- 14. Indemnification/Hold Harmless.** The Customer agrees to indemnify, defend, and hold the Company harmless from any claims and/or the liability arising from the importation, exportation, shipment, storage, or related freight forwarding activity of or related to the Customer's goods, and/or any conduct of the Customer which violates any Federal, State and/or, other laws. The Customer further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims and/or, expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims. The confiscation or detention of goods by any governmental authority shall not affect or diminish the liability of the Customer to the Company to pay all charges or other money due promptly on demand.
- 15. General Lien and Right to Sell Customer's Property.** The Company shall have a general and continuing lien on any and all of Customer's property coming into the Company's actual or constructive possession, or control for monies owed to the Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both. The Company shall provide written notice to the Customer of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges. Unless within thirty days of receiving notice of lien, the Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of the Company, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, the Customer shall have the right to sell such property at public auction or private sale or

auction and apply the proceeds of such sale to any outstanding amounts owed to the Company. Any net proceeds remaining thereafter shall be returned to the Customer.

- 16. No Duty to Maintain Records.** The Customer acknowledges the pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC ¶¶1508, 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other Laws and Regulations of the United States. Unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by Statute(s) and/or Regulations, but not act as “record keeper” or “record keeping agent” for the Customer.
- 17. No Responsibility for Governmental Requirements.** It is the responsibility of the Customer to know and comply with the marking requirements of the US Customs Service, the regulations of the US Food and Drug Administration, and all other requirements, including regulations of Federal, State and/or local agencies pertaining to the merchandise. The Company shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the Customer to comply with the law of the requirements or regulations of any governmental agency or with a notification issued to the Customer by any such agency.
- 18. Loss, Damage or Expense Due to Delay.** Unless the services to be performed by the Company on behalf of the Customer are delayed by reason of the gross negligence or intentional misconduct of the Company, the Company shall not be responsible for any loss, damage or expense incurred by the Customer because of such delay. In the event the Company is at fault, as aforesaid, its liability is limited in accordance with the provisions of paragraphs 8 – 9 above.
- 19. Dispute Resolution:** In the event a dispute arising out of or related to this Agreement, the party identifying that dispute shall provide written notice to the other party substantively stating the nature and extent of the dispute, along with its proposed resolution. The party receiving the notice shall respond in writing within five (5) business days substantively explaining whether it agrees with the issues raised in the notice or not, and the reasons therefore. The Parties shall meet within a reasonable time period (but in no event less than ten (10) business days after issuance of the response) and negotiate in good faith to resolve the dispute. If the Parties are unable to resolve any dispute arising out of or related to this Agreement as set forth above, such dispute shall be resolved exclusively by arbitration before a single arbitrator under the auspices of the American Arbitration Association Commercial Arbitration Rules. The cost of such arbitration shall be split evenly between the parties to the action, unless and until the arbitrator determines differently. Neither party shall refuse to make their proportionate share of any deposit or payment required by the AAA. The prevailing party in any such action shall further be entitled to recover the cost of the arbitration, along with its reasonable attorneys’ and expert fees incurred in the arbitration or other action permitted under this Agreement. All such actions shall take place exclusively in Jacksonville, Florida, and the Parties knowingly and voluntarily waive any objection to such venue. The decision of the arbitrator shall be final, binding on the parties, and may be entered as judgment in any court of having proper jurisdiction. Nothing herein shall prevent any party from applying to a court of appropriate jurisdiction for injunctive relief and other interim measures to prevent or stop irreparable harm to the party’s rights or property during the pendency of any arbitration proceeding.

**20. Force Majeure:** The Company shall be excused from rendering services to the Customer, and shall not be deemed in default for any failure or delay in its performance if it shall be prevented or delayed in such performance by any condition of Force Majeure; to wit, fire or other damage or destruction to its principal place of business or the location of any Customer property in transit; lock-outs, strikes or other labor disputes, Acts of God, war, insurrection or acts of the public enemy, authority of law or any like causes beyond the control of the Company.

**21. Choice of Law.** The forgoing terms and conditions shall be construed according to the laws of the State of Florida.