

CUSTOMER BROKER AGREEMENT – TERMS AND CONDITIONS

This Customer Broker Agreement ("Agreement") is between American Group, LLC, an Arizona limited liability company ("American Group") and Customer and applies to all transportation services arranged by American Group for Customer. This Agreement is effective upon receipt by American Group of a request for Services by Customer.

American Group is a transportation broker, authorized by the Federal Motor Carrier Safety Administration ("FMCSA") to arrange for transportation of general commodities ("Goods") by motor carriers ("Carriers.")

Customer, to satisfy some of its transportation needs, hereby retains American Group to arrange for the transportation of Goods by Carriers.

The parties enter into this Agreement in accordance with 49 U.S.C. §14101(b)(1) and expressly waive all rights and remedies that each may have under 49 U.S.C. §\$13101 through 14914 that are contrary to specific provisions of this Agreement.

- 1. <u>Services</u>. American Group agrees to arrange for transportation services as agreed between the parties. American Group's responsibility under this Agreement is limited to arranging for, but not actually performing, transportation of the Goods.
- 2. <u>Independent Contractor Relationship.</u> The parties understand and agree that the relationship between the parties is and will remain that of independent contractors and that no employer-employee relationship exists or is intended.
- 3. <u>No Exclusivity.</u> Customer agrees not to contract with or engage in business directly with Carriers who have been selected by American Group to perform transportation for Customer. However, Customer is not restricted from tendering shipments to other brokers or directly to motor carriers other than those selected by American Group. American Group is not restricted from arranging transportation for entities other than Customer.
- 4. <u>Tariffs</u>. Customer is responsible for obtaining from each Carrier a copy of all applicable tariffs ("Tariffs.") Such Tariffs govern the relationship between Customer and Carrier. In the event of a conflict between the terms of a Tariff and the terms of this Agreement, the terms of the Tariff will apply. American Group is not obligated to provide copies of Tariffs or any information contained therein, to Customer.
- 5. <u>Bills of Lading.</u> Customer must use American Group's form bill of lading ("Bill of Lading".) It is the responsibility of Customer to ensure that all appropriate documents required for transportation are completed. In the event Customer fails to complete the appropriate documents properly and expeditiously, Customer hereby instructs American Group, where permitted by law and American Group may at its option, but without obligation, complete, correct, or replace the documents for them at the expense of Customer. If a substitute form of bill of lading is needed to complete delivery of this shipment for any reason and American Group completes that document, the terms of the completed bill of lading will govern and American Group will be exonerated from all liability for undertaking such actions on behalf of Customer. Customer is required to provide the Bill of Lading to the Carrier designated by American Group. American Group shall have no obligation to make any payments or honor any rate quotes in any of the following instances: (a) the unauthorized alteration or use of a bill of lading, (b) tendering of shipments to any Carrier other than that designated by American Group, or (c) the use of any bill of lading not authorized by American Group. In all circumstances, American Group's status will remain that of a broker and not that of a motor carrier, even if Customer or any other entity inserts American Group's name on the bill of lading or any other document.
- 6. <u>Customer Representations and Warranties to American Group</u>. Customer always represents and warrants that during the terms of this Agreement, it will comply with all applicable laws, rules, and regulations, including those relating to hazardous materials, customs, import, and export required by any country to, from, through, or over which the shipment may be carried. Customer agrees to attach to the bill of lading such documents as are necessary to comply with any laws, rules, and regulations. Customer agrees that any individual or entity acting on behalf of Customer in scheduling shipments or undertaking any other performance hereunder has the right to act on behalf of and legally

bind Customer. Customer is responsible for ensuring that the Goods are properly and safely loaded, supported, blocked, braced and secured. Customer is responsible for expenses arising out of any load shift that occurs during transportation due to improper or insufficient loading, blocking, or bracing. American Group assumes no liability for any loss or expense due to the failure of Customer to comply with the provisions of this paragraph and Customer shall indemnify and hold American Group harmless for any claims or damages resulting from violation of this paragraph, including attorney's fees and costs.

- 7. Determination of Charges. Customer is liable for all charges related to each shipment, including transportation, fuel, and other applicable accessorial charges, all adjustments issued by the Carrier(s) after the shipment, and all duties, customs assessments, governmental penalties, fines, and taxes. American Group reserves the right to amend or adjust charges and to re-invoice Customer in the following events: (a) if the original quoted amount was based upon incorrect information provided by Customer, (b) if additional services by the Carrier were required, or (c) if Customer authorized the Carrier to perform additional pick up, transportation and delivery functions. Any disputes by Customer of any invoice issued by American Group shall be made in writing, specifically indicating the nature of the dispute, and received by American Group at their office(s) within 30 days from the date of the invoice. In the event American Group does not receive timely written notice of the dispute, the charges will be conclusively presumed to be valid. Customer authorizes American Group to advise third parties of asserted liens and to hold possession of any shipment against which a lien is asserted.
- 8. Rates. Less than truckload ("LTL") rates are based on the freight class as determined by the National Motor Freight Classification ("NMFC") and are weight based. All transit times are estimates only and do not include date of pick up. LTL pick up dates are not guaranteed. Truckload ("TL") rates are based on Dock Door Pickup/Dock Door Delivery and Shipper Load/Consignee Unload and are state to state and mileage based. Additional fees may apply for other charges including but not limited to: Tractor Detention, Trailer Detention, and Driver Assistance. Customer must tender each agreed upon load to Carrier at the agreed upon rate or pay a \$150.00 truck ordered not used penalty. Air Freight rates are based on the greater of actual or dimensional weight. If an Air Freight shipment contains oversized freight, additional charges and transit days may apply. Van Line rates are driven by state-to-state mileage, weight (actual or density) and commodity product/type. Flatbed rates are based on equipment type, state to state mileage, and weight. If a flatbed shipment contains oversize freight, additional charges and transit days may apply. All transit times are estimates only and do not include day of pick up. Pick up dates are not guaranteed.
- 9. Payment. All charges are payable in US Dollars and are due fifteen (15) days from the invoice date. Past due amounts are subject to an additional charge at the rate of 1.5% per month on the outstanding balance or the highest rate of interest permitted by applicable law, whichever is less. If charges are not paid as agreed, American Group may commence a civil action to recover such invoiced amounts within 36 months of delivery or tender of delivery of the shipments involved. If American Group retains an attorney or collection agency to assist with collection, Customer agrees to pay, in addition to the account balance and interest, all collection costs including reasonable attorney's fees, including such fees and costs incurred in the successful defense of any crossclaim or counterclaim brought against American Group.
- 10. <u>Credit Approval.</u> Payment terms and credit limits are subject to credit approval, which will be determined periodically, at the sole and absolute discretion of American Group. Customer grants American Group the right to perform such credit and background searches as American Group deems necessary. When paying by credit card or electronic funds, Customer agrees it will be responsible for all charges due and owing, including any adjustments, on account of such Customer's shipment. Customer authorizes American Group to charge Customer's credit card or bank account for any such charges.
- 11. <u>Lien</u>. American Group shall have a lien on each shipment for all charges due it relating to the subject shipment or any other amounts owed to American Group by Customer.
- 12. Cargo Claims Exclusions to Liability. American Group is not liable for any loss, damage, mis-delivery, or non-delivery of any Goods, unless such loss, damage, mis-delivery, or non-delivery is caused solely by the negligence or willful misconduct of American Group. If American Group is found liable for any loss, damage, mis-delivery, or non-delivery of any Goods, the amount of American Group's liability is limited to the fees American Group has earned with respect to the subject shipment. Customer acknowledges that Carriers are not liable for loss, damage, mis-delivery, or non-delivery caused by (a) the act, default or omission of Customer or any other party who claims interest in the shipment,

- (b) the nature of the shipment or any defect therein, (c) a violation by Customer of any provision of this Agreement, the bill of lading, the Carrier's Tariff, including, improper or insufficient packaging, securing, marking or addressing, (d) failure to observe any of the rules relating to shipments not acceptable for transportation or shipments acceptable only under certain conditions, or (e) 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.
- 13. <u>Cargo Claims Limitations of Liability</u>. Each Carrier's governing tariff will determine that Carrier's limits of liability for cargo loss, damage, mis-delivery, or non-delivery. In no circumstances will Carrier's liability for cargo loss, damage, mis-delivery, or non-delivery be more than \$100,000, unless Customer has requested higher coverage and that coverage has been accepted in writing prior to shipment.
- 14. <u>Cargo Claims Processing</u>. Customer is required to file any claim for cargo loss, damage, mis-delivery, or non-delivery directly with the subject Carrier within nine (9) months of the date of delivery or, in the case of non-delivery, within nine (9) months of the date the Goods should have been delivered. If Customer wishes American Group to assist in the processing of any cargo claim, Customer must submit that claim to American Group in a timely manner. American Group will attempt to assist in the resolution of cargo claims, but has no responsibility or liability, therefore.

 Submission of a cargo claim to American Group does not meet Customer's requirement to submit a claim to Carrier in a timely manner.
- 15. <u>Disclaimer of Warranties</u>. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, AMERICAN GROUP MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO SHIPMENTS, WAREHOUSED GOODS, ITEMS IN TRANSIT OR DELIVERIES OR WITH REGARD TO THE INFORMATION PROVIDED ON THE WEBSITE OR SERVICES RELATED TO TRANSACTIONS CONDUCTED ON THE WEBSITE. AMERICAN GROUP CANNOT GUARANTEE DELIVERY BY ANY SPECIFIC TIME OR DATE. IN NO EVENT SHALL AMERICAN GROUP BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING DAMAGES RELATING TO LOSS OF PROFITS OR INCOME, WHETHER OR NOT SUCH DAMAGES WERE REASONABLY FORESEEABLE.
- 16. Guaranteed Services. American Group will provide LTL Guaranteed Services for an additional charge, if such services are requested by Customer, and are subject to availability. Any guarantee of delivery will be subject to the terms and conditions of the Carrier. LTL transit times do not begin until the day after the pick-up of the shipment, except as otherwise noted by the Carrier selected. Guaranteed Service transit times do not include holiday and/or non-service days as defined by the individual Carrier. Customer is liable for all charges related to the shipment. In the event of a Carrier's failure to comply with the Guaranteed Service requested, Customer shall have fourteen (14) days from the actual delivery date of shipment to deliver a written claim request to American Group. If American Group does not receive a claim request in a timely manner within said fourteen (14) days, the service provided by the Carrier will be deemed to have met all Guaranteed Service standards and the claim request will automatically be considered invalid and denied. In the event of the Carrier's failure to comply with the Guaranteed Service requested and after the Carrier has agreed to liability and has paid the amount awarded to Customer to American Group, American Group will credit the account of the said Customer with such amount awarded and paid by the Carrier. In no event shall American Group be liable, nor will any account be credited if Customer does not use American Group's bill of lading.
- 17. Attorney's Fees. If any legal proceeding, including arbitration, is commenced between the parties concerning the terms of this Agreement or the rights and duties of the parties, the prevailing party will be entitled, in addition to such other relief as may be granted, to a reasonable sum for the prevailing party's attorney's fees.
- 18. <u>Binding Nature of Agreement Assignment.</u> This Agreement is binding upon and inures to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns, except that no party may assign, delegate or transfer any of its obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- 19. <u>Headings.</u> The headings used in this Agreement are for administrative purposes only and do not constitute substantive matter to be considered in construing the terms of this Agreement.
- 20. <u>Execution</u>. This Agreement shall become binding upon written acceptance by American Group of Customer's acknowledgment of its intent to be bound thereby, as evidenced by its designation of acceptance on American Group's web page or by its execution of the bill of lading, or by acknowledgment by Customer.

- 21. <u>No Other parties to Benefit.</u> This Agreement is made for the sole benefit of the parties and their successors and permanent assigns. Except as expressly provided herein, no other person or entity is intended to or shall have any rights or benefits hereunder, whether as third-party beneficiaries or otherwise.
- 22. <u>Construction.</u> This Agreement is intended to express the mutual intent of the parties and irrespective of the identity of the party or counsel who prepared this document, no rule of strict construction shall be applied against any party.
- 23. Governing Law; Forum; Venue. This Agreement is deemed executed, delivered, and performed in the State of Arizona and the substantive laws of the State of Arizona and Federal law as applied in Arizona (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 or Federal District Court located in the County of Maricopa in the State of Arizona and each of the parties consents to jurisdiction and venue in such court for such purposes.
- 24. <u>Modification and Waiver.</u> No provision of this Agreement shall be amended, waived, or modified except by an instrument in writing signed by authorized representatives of both parties.
- 25. <u>Materiality.</u> All covenants, agreements, representations, and warranties made herein shall be deemed to be material and to have been relied on by the parties in entering into this Agreement and shall survive the acceptance of this Agreement.
- 26. Severability, Integration. The inapplicability or unenforceability of any provision of this Agreement shall not limit or impair the operation or validity of any other provision of this Agreement. This Agreement and the documents incorporated into this Agreement by reference, constitutes and embodies the full and complete understanding and agreement of the parties and supersedes all prior understandings, whether oral or written. No representation, promise, inducement, or statement of intention has been made by any party which is not contemplated by or embodied in this Agreement, and no party shall be bound by or liable for any alleged misrepresentation, promise, inducement or statement of intention not so set forth.
- 27. <u>Indulgence Not Waiver.</u> Neither the failure nor any delay on the part of any party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence.
- 28. <u>Additional Instruments and Acts.</u> The parties to this Agreement shall execute (with acknowledgment or in affidavit form, if required) any further or additional instruments, and shall perform any acts, which are or may become reasonably necessary to effectuate and carry out the purposes of this Agreement, without the necessity of incurring any additional expense.
- 29. <u>Interpretation.</u> In the Agreement the singular includes the plural, and the plural the singular; words importing any gender include the other genders; references to writing include printing, typing, lithography and other means of reproducing words in a tangible visible form; the words including, includes, and include shall be deemed to be followed by the words without limitation.
- 30. <u>Authority.</u> By execution of this Agreement, the signatories represent and warrant their authority to act in the capacity stated. By execution of this Agreement each party represents and warrants its right, power and authority to enter into and to perform its obligation under this Agreement.

ACKNOWLEDGMENT

American Group's Terms and Conditions for entering into a Customer Broker Agreement are set forth at www.shipag.com. Customer acknowledges and accepts those Terms and Conditions in full by signing this Acknowledgment. Customer specifically acknowledges that:

- 1. Customer makes representations and warranties to American Group concerning Customer's compliance with all applicable laws, rules, and regulations.
- 2. Customer agrees to be liable for all charges payable on account of such Customer's shipment, including charges made because of adjustment(s) issued by Carrier(s) after shipment, duties, customs assessments, governmental penalties, fines, and taxes. Customer specifically acknowledges that post-shipment adjustments may be made and will be paid by Customer: (a) if the original quoted amount was based upon incorrect information provided by Customer, (b) if additional services by the Carrier were required, or (c) if Customer authorized Carrier to perform the pick-up, transportation, and delivery functions other than contemplated by the bill of lading.
- 3. Customer must comply with all notice and time requirements for any claims as set forth in the Terms and Conditions and in Carrier's Tariffs.
- 4. American Group's liability is limited as set forth in the Terms and Conditions
- 5. This Acknowledgment shall signify Customer's acceptance of the Terms and Conditions for all current and future shipments.

| Date: | |
|---------------------|--|
| Customer Signature: | |
| Printed Name: | |