

FLS Transportation Services Limited / FLS Transportation Services (USA), Inc. / Scott Logistics Corp. ("hereinafter "FLS") – SUPPLEMENTAL STANDARD CARRIER TERMS GOVERNING ALL SHIPMENTS TENDERED TO CARRIERS BY FLS.

The following "Standard Carrier Terms" apply to all shipments tendered by FLS Logistics Corp. ("FLS") to any carrier (each a "Carrier"). These Standard Carrier Terms will supplement and are incorporated by reference into the transportation agreement between FLS and Carrier (the "Broker-Carrier Agreement") and the rate confirmation issued by FLS (the "Rate Confirmation") to Carrier and apply to the relationship between the Carrier and FLS.

1. Rates/FSC

1.1. Rates stated in Rate Confirmations include all charges, including fuel surcharge.

1.2. Late pick-up or delivery may result in a deduction of the agreed upon rate.

1.3 If Carrier receives any type of Comdata advance on a load, Carrier will be charged a nominal fee according to FLS's rate schedule for such advance.

1.4 Detention will not be paid at pick-up or delivery without: (i) In and out times marked on bills and signed by shipper or consignee; and (ii) Carrier's notice to Broker thirty (30) minutes prior to beginning of detention and Broker's written approval of the same.

1.5 Any charges for accessorial, including unloading, must be invoiced by Carrier and received by Broker within five (5) days of delivery or Carrier waives the right to collect accessorial charges.

2. Double Brokering Prohibited. Carrier will not transfer, sub-contract or double-broker any shipment tendered by FLS. If Carrier does so in violation of this provision, Carrier acknowledges that FLS's damage would be difficult to quantify and agrees to pay FLS, as liquidated damages and not a penalty, Five Thousand Dollars (\$5,000) plus reasonable attorney's fees, as a reasonable estimate of FLS's damage. FLS shall also have the right to set off any freight charges against Carrier's outstanding payables.

3. General Transportation Obligations

3.1. The provisions stated in any tariff, bill of lading, rate or load confirmation, standard terms & conditions, or other document issued by Carrier or any customer will not apply to shipments tendered by FLS to Carrier. Instead the provisions of the Broker-Carrier Agreement, these Standard Carrier Terms and the Rate Confirmation issued by FLS will govern all shipments tendered by FLS to Carrier for transportation.

3.2. Carrier will pick-up, transport and deliver the load with reasonable dispatch within time-frames set forth in the Rate Confirmation. Carrier will not accept a load for transportation or transport a load, unless it can do so utilizing a driver or drivers who are fully compliant with all

applicable laws and who can pick-up, transport, and deliver the load within applicable hours of service regulations.

3.3. Carrier will be liable for cargo loss, damage and delay claims in accordance with Carmack Amendment (49 USC 14706) based on FLS's customer's invoice price at destination and will respond to and process cargo claims in accordance with 49 CFR 370.

3.4. Carrier will promptly notify FLS of any discrepancy or incident affecting transportation requested by FLS, including any of the following:

- a change in pick up or delivery time or address, including any expected or actual inability to meet the scheduled pick up or delivery appointment time
- any inconsistency between the Rate Confirmation and the bill of lading accompanying the physical shipment or the characteristics of the shipment itself
- a load containing hazardous commodities where the Confirmation did not specify a hazardous load
- an actual or suspected shortage, overage or damage of cargo
- a stolen load
- actual or suspected damage to equipment or seal breach
- any spill, discharge, contamination or other environmental accident
- consignee's refusal to accept the load or "on-hand" cargo
- any injury or death to persons or property damage (including damage to any loading dock, forklift, equipment, buildings or other property at the carrier's, shipper's or receiver's facilities or other locations) occurring in connection with the transportation services.

3.5. Carrier waives any right to assert any lien against, or to delay, any shipment based on a payment or other dispute with FLS.

3.6. Broker may withhold and offset any compensation owed to Carrier: (i) on any occasion when a shipment tendered hereunder is lost, damaged, or delayed in transit; (ii) to satisfy any unpaid debt owed by Carrier to Broker; or (iii) to satisfy any un-reimbursed advance made to Carrier, or on its behalf. Withholding and offsetting of compensation shall not allow, permit, or entitle Carrier to seek payment from Broker's customers, beneficial owners, shippers, consignees, or any other third party.

4. Warranties of Carrier Compliance & Indemnification for Breach of Warranties. Carrier warrants and represents that it is in compliance with and will comply with all legal requirements governing its operations, drivers, and equipment, including but not limited to the following requirements set forth below in Section 6. In addition to any indemnity obligation in the Broker-Carrier Agreement, Carrier agrees to defend, indemnify and hold harmless FLS, FLS's customer, the shipper, and the consignee from any and all damages, losses, expenses, and penalties and any other liability (including attorneys' fees) arising from Carrier's breach of the foregoing and following warranties.

5. Compliance with New Laws, Regulations and Developments

5.1. Food Safety Modernization Act (“FSMA”) and Sealed Loads – Warranty of Carrier Compliance.

5.1.1. Carrier warrants and represents that it is in compliance with and will comply with all the requirements and delegable duties set forth in the Food Safety Modernization Act (“FSMA”) including but not limited to: (a) The design and maintenance of transportation equipment necessary to ensure that food does not become unsafe or adulterated; (b) the maintenance of appropriate temperature control and the separation of product to prevent contamination; (c) the proper training of all carrier personnel in sanitary transportation practices and the documentation of such training; (d) the maintenance of written records and procedures and retention of records as required by FSMA.

5.1.2. Carrier warrants and agrees that where Carrier accepts the tender of a shipment specifying temperature control, Carrier will be solely responsible for (a) assuring that it has appropriate directions (e.g., the appropriate temperature setting) prior to departure, (b) complying with the instructions regarding such temperature controlled shipments and (c) ensuring that the refrigeration units are fueled at all times. Any written shipper instructions to Carrier regarding temperature settings and other instructions will control over any conflicting instructions contained in the Rate Confirmation. Carrier will also notify FLS as soon as practicable (not more than 24 hours) after discovery of the following conditions: (i) any deviation from the specified temperature for more than one hour, (ii) any sensory evidence indicating a potential temperature deviation, including irregular odors, excessive moisture, or evidence of thawing and refreezing; (iii) any testing, investigation or notice from law enforcement or government regulators about the shipment, and (iv) any other condition during transportation that may have rendered the food unsafe.

5.1.3. Carrier warrants and agrees that with respect to shipments of food, pharmaceutical, cosmetic or other products subject to FSMA, where such shipments are sealed or required to be sealed at origin, if any such shipment arrives at destination with a broken seal and/or with evidence of tampering (including mismatched seal numbers), FLS or FLS’s customer, in their sole discretion, may determine that the shipment may have been adulterated or rendered injurious to health and may reject the entire shipment or any portion thereof and Carrier will be liable for the full value of such cargo together with reasonable destruction costs.

5.1.4. Carrier warrants and represents that its cargo insurance contains an endorsement insuring against the mechanical breakdown of such refrigerated, heated, or other temperature controlled equipment, reefer malfunction, lack of reefer fuel, or failure to set or maintain the appropriate temperature and against driver error.

5.2. MAP-21 - Electronic Logging Devices (“ELDs”)/Automatic Onboard Recording Devices (AOBRDs) - Warranty of Carrier Compliance. Carrier warrants and

represents that it is in compliance with and will continue to comply with all requirements and duties set forth in the Moving Ahead for Progress in the 21st Century Act (“MAP-21”) including, but not limited to, MAP-21 mandates regarding (a) use of electronic logging devices (ELDs) or Automatic Onboard Recording Devices (AOBRDs) which meet the current specifications outlined in CFR 395.15 of the FMCSA regulations for Hours of Service (HOS); (b) the proper training of all Carrier personnel in proper use and familiarity with ELDs or AOBRDs to be used by Carrier personnel and the documentation of such training; and (c) the maintenance of written records and procedures and retention of records as required by the MAP-21.

5.3. California Air Resource Board (“CARB”) - Warranty of Carrier Compliance. Carrier warrants and represents that with respect to any shipments which are transported within the State of California it is in compliance with and will continue to comply with all requirements and duties required by California Air Resource Board (“CARB”) including, but not limited to Carrier’s warranties that: (a) all 53 foot trailers, including both dry-van and refrigerated equipment that it operates and the Heavy- Duty Tractors that haul them within California are in compliance with the CARB’s Heavy-Duty Vehicle Greenhouse Gas (Tractor-Trailer GHG) Emission Reduction Regulations; and (b) all refrigerated equipment it operates within California is in full compliance with the CARB’s Transportation Refrigerated Unit (TRU) Airborne Toxic Control Measure (ATCM) in-use regulations.

5.4 Cyber Security. Further Carrier will defend, indemnify and hold FLS and FLS’s customer(s) harmless against any and all damages, losses, expenses, and penalties and any other liability (including reasonable attorneys’ fees) arising out of any cyber theft, fraud, or other crime committed against Carrier or its information-technology systems. Carrier will be responsible for any losses incurred by Carrier as a result of any cyber theft or crime committed against Carrier.
