

1. In tendering this shipment, the shipper and all other parties agree to these Conditions of Contract for Carriage or Terms and Conditions, which no agent or employee of the parties may alter, and that this shipping document is non-negotiable and has been prepared by the shipper. The terms Forwarder / Carrier shall be interpreted to identify Challenger Freight Systems, Inc, CFS Logistics Group, LLC or any other partner, broker, carrier or other means of conveyance that the Forwarder / Carrier selects for transit. The shipper certifies and represents to Forwarder / Carrier that the information inserted on the face of this shipping document is complete and accurate. NOTE: "Shipper" on this contract means the party from whom the shipment is received, the party who requested the shipment be transported by Forwarder / Carrier, any party having an interest in the shipment, and any party who acts as an agent for any of the above. Except to the extent of any written contract between shipper and Forwarder / Carrier, this shipping document supersedes and negates any claimed, alleged or asserted oral or written contract, promise, representation or understanding between the parties with respect to this shipment.

All portions of this Conditions of Contract for Carriage or Terms and Conditions, shall stand alone and any invalidation of one or more statements, shall not affect the validity or requirements of any other statement. This applies to outside contracts as well. Any portion or statement contained in this Conditions of Contract for Carriage or Terms and Conditions, not specifically over-ridden by a statement or section held within the outside contract, will remain in force, and all parties agree to the surviving portions of this Conditions of Contract for Carriage or Terms and Conditions.

If any shipment is tendered as an Ocean transit, or if any portion of a shipment travels as an Ocean transit, regardless of direction of the shipper, the shipment will be governed under the Conditions of Contract for Ocean Carriage or Terms and Conditions for Ocean Carriage.

The Conditions of Contract for Ocean Carriage or Terms and Conditions for Ocean Carriage may be viewed here; <http://challengerfreight.com/pdfs/OceanShipmentBOLTNC.pdf>

2. In the event that shipment is tendered to Forwarder / Carrier on a straight bill of lading or any other shipping document, Forwarder / Carrier's rules and regulations will supersede any rules and regulations contained on the shipping document on which the freight was tendered.
3. Shipper warrants that each package in this shipment is properly and completely described on this shipping document, is properly marked and addressed, is packaged adequately to protect the enclosed goods to insure safe transportation with *ordinary care* in handling, and except as noted, is in good order and condition. For articles shipped unenclosed, unpackaged or outside of original manufacturer packaging, Forwarder / Carrier shall not be liable for damage/loss unless gross mishandling and/or loss is evident and is so noted on the delivery receipt at time of delivery. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of having received ordinary care in handling. Acceptance of a shipment by the Forwarder / Carrier does not forgive or overrule the

Shipper's responsibility for adequate and proper packaging. Damage incurred due to improper or no packaging will negate any claim. This includes declared value claims. In the instance of Shipper Load and Count, Forwarder / Carrier shall have no liability for in transit damage or loss when Shipper or Shipper's agent loads and seals the conveyance in absence of the Forwarder / Carrier or its agent. In the instance that load was prepared, but Forwarder / Carrier was not able to examine or certify shipment commodity prior to loading, Forwarder / Carrier will have no liability for loss or damage.

4. At time of delivery, the consignee must note on the delivery receipt any exceptions to the shipping containers that would indicate a discrepancy (shortage in the shipment or damage to the containers). The consignee may not inspect the contents of the shipping containers until the consignee signs for the shipment on the delivery receipt. NOTE: Such notations as "subject to inspection" and "subject to recount" are not exceptions. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of having received ordinary care in handling. NOTE: Under no circumstances shall Forwarder / Carrier be liable for loss and/or damage to external shipping containers of any kind.

5. Forwarder / Carrier SHALL NOT BE LIABLE IN ANY EVENT FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, INCOME, INTEREST, UTILITY OR LOSS OF MARKET, WHETHER OR NOT Forwarder / Carrier HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED.

6. Due to the inherent nature of the transportation business, Forwarder / Carrier does not guarantee pick up, transportation or delivery by a stipulated date or a stipulated time, nor shall Forwarder / Carrier be liable for the consequences of failure to do so.

7. Overcharge claims must be received in writing by Forwarder / Carrier within one year after date of acceptance of the shipment by Forwarder / Carrier. Written notification on all other claims (except concealed loss/damage claims) must be received in writing by Forwarder / Carrier within 30 days after Forwarder / Carrier accepted the shipment. Notification of concealed loss/damage claims (i.e., claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given) must be received in writing by Forwarder / Carrier within 12 days after delivery, or if perishables, verbally within 48 hours. For damage claims and concealed loss claims, Forwarder / Carrier must be allowed the privilege to make inspection of the shipment and the container(s) and packaging material(s) at place of delivery. Claims must be perfected within 180 days after delivery or date delivery was intended. No claims will be entertained until all transportation charges have been paid. Claims may not be deducted from transportation charges and no claims may be deducted from any charges owed Forwarder / Carrier. Legal action to enforce a claim must be brought within one year after the claim has been denied in writing by Forwarder / Carrier, in whole or in part. No claims for loss or damage will be entertained,

nor will any claims be paid unless Shipper, Consignee or Third Party Designate account(s), is/are paid current to within 45 days.

8. Forwarder / Carrier's liability, in the absence of a higher declared value for carriage, is limited to a maximum of \$50.00 per shipment or \$0.50 per pound, per piece, of cargo lost, damaged, misdelivered or otherwise adversely affected, whichever amount is greater, but in no event shall amount exceed the actual invoice value of the goods. This limitation is subject to provisions in effect at the time of this shipment. Declared values for carriage in excess of \$0.50 per pound, per piece, shall be subject to an excess valuation charge.

9. Unless each piece of the shipment has a declared value stated and is specifically identified on the Forwarder / Carrier's shipping document at the time of the shipment and is so identified on the delivery receipt as being lost, damaged, destroyed, or otherwise affected at time of delivery, Forwarder / Carrier shall be liable subject to liability provisions in effect at the time of the shipment for the "average declared value" of the shipment. The "average declared value" of the shipment shall be determined by first dividing the total declared value of the shipment by the total weight of the shipment. This figure, multiplied by the packaged weight of the piece(s) adversely affected, shall then establish the amount of Forwarder / Carrier's liability. The total declared value amount must be inserted in the DECLARED VALUE box on the face of this shipping document. Forwarder / Carrier's liability shall in no event exceed the actual invoice value of the goods adversely affected.

No declared value claim will be paid, where a clear and accurate description has not been supplied, and the description is noted on all shipping documents. It shall be the shippers / customers responsibility to provide and document the clear and accurate description for all items being tendered for transit. If it is found that the description does not accurately match the items tendered, Forwarder / Carrier may, at it's sole discretion, refuse to accept any shipment and may refer the shipper to DHS for investigation.

10. In the event of the failure or inability of the consignee to take delivery of the shipment, Forwarder / Carrier will notify shipper in writing at the address shown on the shipping document and request disposition instructions. If the shipper fails to provide disposition instructions within 30 days after the date of Forwarder / Carrier's notice, Forwarder / Carrier will return shipment to the shipper at the shipper's expense. If the shipper fails to accept delivery of a shipment thus returned, Forwarder / Carrier may, upon 30 days written notice to the shipper, dispose of the shipment at public or private sale and pay itself out of the proceeds to satisfy the transportation charges owing on the shipment. This rule will discharge any liability or lien to any greater extent than the proceeds thereof. The shipper and the consignee shall remain liable, jointly and severally, for any deficiency. Any value declared at the time of shipment, shall cease upon refusal of the delivery. If the shipper requests declared value coverage for the return transit, an additional charge shall be assessed and payable upon delivery.

11. Forwarder / Carrier shall not be liable for loss, damage, delay or monetary loss of any type caused by: Acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; weather; mechanical failures; aircraft failures; civil commotions; acts or omissions of customs or quarantine officials; the nature of the freight or any defects thereof; public enemies; hazards incident to a state of war; acts of terrorism; and by acts, defaults or omissions of the shipper or consignee for failure to observe the terms and conditions of the contract for carriage contained in this shipping document, including but not limited to improper packaging, marking, incomplete/inaccurate shipping instructions and the rules relating to freight not acceptable for transportation.

12. Unless otherwise expressly provided for and subject to any conditions or restrictions contained therein, the following articles will not be accepted for carriage: any commodity prohibited by any local or Federal law, original works of art, antiques, bonds, coins of any kind, currency, currency equivalents, furs, fur clothing, gems or stones (cut or uncut), industrial diamonds, gold or silver, coined concentrates, jewelry (other than costume jewelry), pearls, precious metals, securities (negotiable), time sensitive written material (e.g., bids, contract proposals, etc.), when the declared value exceeds \$0.50 per pound; household goods and/or personal effects, one-of-a-kind articles or models, prototypes, valuable rugs (i.e., Oriental rugs, Persian rugs) and prints or lithographs when the total declared value of the shipment exceeds \$500.00 or when the declared value exceeds \$0.50 per pound, per piece. Forwarder / Carrier shall not be liable for any loss, damage, delay, liabilities or penalties resulting from the transportation of any of the foregoing articles, however described or mis-described in this shipping document, and no employee or agent of Forwarder / Carrier has any authority to accept for transportation such articles or to waive the limitations herein contained.

No service shall be rendered by Forwarder / Carrier in the transportation of any Shipment that is prohibited by applicable law or regulation of any federal, state, provincial, or local government in the origin or destination country. It is the responsibility of the Shipper to ensure that a Shipment tendered to Forwarder / Carrier, and any Forwarder / Carrier Shipping System entry that the Shipper prepares for that Shipment, does not violate any federal, state, provincial, or local laws or regulations applicable to the Shipment. Shipper shall indemnify and defend, Forwarder / Carrier and agents, for any violation of applicable law or regulation of any federal, state, provincial, or local government in the origin or destination country that arises in association with the Forwarder / Carrier and agents participation in any phase of the transportation of shipment.

13. Forwarder / Carrier's liability for aggregate losses at any one time at any one place is limited to \$1,000,000.00. For shipments having declared values over \$100,000.00, Forwarder / Carrier must be given advance notice prior to pick up.

14. Rates and charges for this shipment will be based on actual or dimensional weight, whichever is greater.

15. If this is an International shipment, a) all rules relating to liability as established by the Warsaw Convention shall apply, b) except as otherwise provided for by Forwarder / Carrier or conditions of

carriage, in carriage to which the Warsaw Convention does not apply, Forwarder / Carrier's liability shall not exceed U.S. \$20.00 per kilogram or the equivalent of goods lost, damaged or delayed, unless a higher value is declared by the shipper and a supplementary charge paid, c) Forwarder / Carrier accepts this shipping document as a shipper's letter of instructions with authorization to prepare and sign on shipper's behalf an international shipping document, and d) Forwarder / Carrier reserves the option to act as agent of the carrier, instead of as a Forwarder / Carrier, in which event the direct carrier's tariffs shall apply to this shipment and e) the shipper may select by inserting on the face of this shipping document cargo coverage based on insurance and/or declared value for carriage. In no instance will claim payment be made that is in excess of commercial invoice amount.

FOR ANY SHIPMENT THAT TRANSITS IN OR THROUGH MEXICO, FORWARDER / CARRIER WILL NOT ASSUME LIABILITY FOR LOSS OR DAMAGE UNLESS EXCESS VALUE COVERAGE IS PURCHASED. FOR FURTHER EXPLANATION OR TO SECURE COVERAGE, CONTACT CFS LOGISTICS GROUP INTERNATIONAL OPERATIONS DEPARTMENT.

16. Unless inserted otherwise on the face of this shipping document, the C.O.D. amount of the shipment shall be deemed to be the declared value for carriage amount. This declared value for carriage amount in excess of \$0.50 per pound, per piece, shall be subject to an excess valuation charge.

17. Collect on Delivery (C.O.D.) service is provided under the following conditions: a) shipper must identify the shipment as a C.O.D. shipment by entering the amount to be collected in the "Shipper's C.O.D. Box" on the front of this shipping document, b) shipper must specify the type of payment to be received (e.g. check, money order or cashier's check.) in the "Special Services Box" on the front of this shipping document and c) Forwarder / Carrier and shipper agree that Forwarder / Carrier does not guarantee nor verify that a check, money order, cashier's check or other such financial instrument is valid or negotiable. All payments are collected at shipper's risk.

18. Payment of freight charges and/or C.O.D. amounts must be remitted by cashier's check, certified check, money order, or consignee's check as authorized by the shipper in writing. Cash will not be accepted as payment for freight charges and/or C.O.D. Shipper remains liable for transportation costs until paid.

19. Forwarder / Carrier shall have the right to a) substitute alternate carriers or other means of transportation and b) select the routing or deviate from that shown on the face hereof.

20. Shipper may, at their discretion, opt for Motor Carrier Service to be provided by Challenger Freight Systems, Inc., or for Broker / Forwarder Services to be provided by CFS Logistics Group, LLC. In situations where Forwarder is referenced in these Term & Conditions, it shall be recognized and agreed that reference is to CFS Logistics Group, LLC, and Brokerage services may be provided as well.

21. Carrier may provide services as a Motor Carrier under the authority of Challenger Freight Systems, Inc., or as a Forwarder or Broker under the authorities of CFS Logistics Group, LLC. Substitution of services shall not be construed as an assignment. The ultimate decision of the manner of transit shall be the Carrier and may be based upon capacity, service availability, safety or security of freight or traveling public.

22. This shipment is subject to inspection/screening and shipper herewith consents to and authorizes any inspections/screening of this shipment. The Forwarder / Carrier is not obligated by shipper to perform any inspection/screening.

23. The shipper and the consignee shall be liable jointly and severally for all unpaid charges payable on account of this shipment pursuant to this contract and to pay or indemnify Forwarder / Carrier for claims, fines, penalties, damages, costs (storage, handling, re-consignment, return of freight to shipper, etc.) or other sums which may be incurred by Forwarder / Carrier by reason of any violation of this contract or any other default of the shipper or consignee or their agents. Forwarder / Carrier shall have a lien on any goods shipped for failure to pay charges payable on account of this shipment pursuant to this contract. Forwarder / Carrier may refuse to surrender possession of the goods until such charges are paid. Should Forwarder / Carrier bring legal action for the enforcement of this contract or collection of any sums due and payable under this contract, Forwarder / Carrier shall be entitled to actual attorney fees and costs.

24. All invoices not paid within 30 days of invoice date will be subject to a charge of 10% per month. Any payment made by credit card will incur an additional CONVEINIENCE FEE of 3%. This fee is in line with our actual fees paid to process payment by credit, debit or other purchase cards. This fee may be adjusted time to time without notice, due to fluctuation of fees imposed by the processors. If any fees are not collectable, or the customer refuses to pay additional amounts to pay by credit card, the fees will become a part of the shipment cost.

25. Shipper and Consignee shall hold Forwarder / Carrier and its agents harmless for loss/damage/delay or any monetary losses which are a result of ancillary services including but not limited to local cartage, crating, uncrating, packing, and unpacking which are requested by the shipper or consignee and arranged by Forwarder / Carrier as a customer service unless such services are actually performed by Forwarder / Carrier or its agents. Such limitation of liability shall extend to the selection by Forwarder / Carrier of the providers of the ancillary services. Ancillary services are those which are performed prior or subsequent to transportation and which may be billed directly by the provider of the services or by Forwarder / Carrier. Provider of ancillary services are contractors for the shipper or consignee and are not agents for Forwarder / Carrier. Local cartage is the movement of unpackaged/uncrated freight. NOTE: Under no circumstances will the liability of Forwarder / Carrier for any monetary loss which is a

result of any ancillary services performed by Forwarder / Carrier or its agents be greater than the liability contained in this contract.

26. Should Forwarder / Carrier successfully defend itself or any legal actions brought by any party with an interest in this shipment, Forwarder / Carrier shall be entitled to reasonable attorney fees and costs. NOTE: In lieu of legal actions, any disputed claim not greater than \$15,000.00 may be settled through binding arbitration submitted to the Transportation Arbitration Board or the American Arbitration Association under its cargo claim arbitration program. An alternative arbitrator is to be selected by Forwarder / Carrier if the claim is unacceptable for arbitration by both the above arbitrators.

27. Shipments are subject to security controls by carriers and, where appropriate, by government agencies. Copies of shipping documents will be retained until the shipment is delivered.

28. In accordance with Forwarder / Carrier's Constitution and or By-Laws, only owners / officers of the Forwarder / Carrier may execute, approve or otherwise ratify any contract, agreement or any other legally enforceable document or instrument.

29. In the event that a claim against Forwarder / Carrier is filed, said claim will not be entertained unless Paying Party's account with Forwarder is current, with no outstanding invoices older than 45 days. Only one (1) claim will be considered or paid for any single shipment, regardless of the number of consignees or "stops". If multiple claims are proposed against Forwarder / Carrier, it is the responsibility of the claiming party, to aggregate all claims into one claim and amount, as well as securing claiming rights from any affected party. Failure to comply with any portion of the Terms and Conditions will negate the claimants right to seek claim remedies. Forwarder / Carrier shall deduct shipment charges for any claim paid. In the event value claimed can not be substantiated, Forwarder / Carrier will attempt to ascertain value based upon condition as tendered. In the event a total loss is paid, the Forwarder / Carrier has the right and option to take possession of the damaged item(s). In any case, if a salvage value is determined on any loss, Forwarder / Carrier has first claim to salvage value and may opt to deduct salvage value from claim payment. If Forwarder / Carrier does not take possession of damaged item(s) and a salvage value is determined, Shipper, Consignee and/or Third Party collectively agree to remit salvage amount to Forwarder / Carrier. The decision of claim validity is solely that of Forwarder / Carrier, and Shipper, Consignee or Third Party agree this decision is final.

"Cargo items tendered for air transportation are subject to aviation security controls by air carriers and when appropriate, other government regulations. Copies of all relevant shipping documents showing the cargo's consignee, description, and other relevant data will be retained on file until the cargo completes its air transportation."

AGREEMENT ENTERED INTO PURSUANT TO 49 U.S. CODE SECTION 14101(b); WAIVER PURSUANT TO 49 U.S. CODE SECTION 14101(b):

To the extent this Shipping Document is applicable to U.S. DOT regulated interstate or foreign commerce shipments, Challenger Freight Systems, Inc. / CFS Logistics Group, LLC. and Customer agree that this Shipping Document is entered into pursuant to 49 U.S. Code Section 14101(b) for the purpose of providing and receiving specified services under specified rates and conditions.

Challenger Freight Systems, Inc. / CFS Logistics Group, LLC. and Customer, in connection with any U.S. DOT regulated interstate or foreign commerce transportation services to be provided by Challenger Freight Systems, Inc. / CFS Logistics Group, LLC. under this Shipping Document, expressly waive pursuant to 49 U.S. Code Section 14101(b) any and all rights and remedies under Part B, Subtitle IV, Title 49, U.S. Code which are inconsistent with or conflict with any provision of this Shipping Document.

Any shipment or load tendered to Challenger Freight Systems, Inc. / CFS Logistics Group, LLC, electronically in any manner, shall be understood by all parties to be included in this statement.

Effective December 2019. Supersedes all previous versions of this document and remains in effect until revoked.