



Article I. BROKERAGE SERVICE TERMS AND CONDITIONS

Article II. Updated 08/25/2022

Article III.

Article IV. Route Transportation & Logistics, Inc., a Florida corporation, with its principal place of business at 5306 Cortez Road West, Suite 4, Bradenton, FL 34210 ("**Route**") is authorized as a property broker to arrange for interstate transportation of property by motor carrier under MC-468306 from the Federal Motor Carrier Safety Administration ("**FMCSA**"). These Brokerage Service Terms and Conditions ("**Terms and Conditions**") apply to all arrangements entered between Route and a third-party shipper ("**Shipper**") for whom Route provides property brokerage services. By tendering property for transportation by motor carriers arranged through Route, Shipper agrees to be bound to these Terms and Conditions. In the absence of a separate written agreement between Shipper and Route, the Terms and Conditions form a valid and binding contract between Route and Shipper.

Section 1. Scope of Terms and Conditions.

(a) Shipper agrees to engage Route to provide brokerage services and to tender property ("**Commodities**") for transportation by motor carriers through Route as an intermediary. Route agrees to arrange for the interstate transportation of Shipper's Commodities through the selection of authorized motor carriers. Shipper agrees to delegate to Route working control over each shipment of Commodities and to pay Route as set forth in the Terms and Conditions, including the attached Exhibits, and any Rate Confirmation (as defined in Section 5(a) below) entered into between Route and Shipper. Commodities arranged to be transported by Route for Shipper, whether received directly from Shipper or from a third-party, shall be governed by the Terms and Conditions.

(b) Any duty or obligation which has been incurred under the Terms and Conditions and which has not been fully observed, performed or discharged, and any right which has been created under the Terms and Conditions and which has not been fully enjoyed, enforced or satisfied, shall survive notwithstanding the termination, expiration or cancellation of Route's services, until such duty or obligation has been fully observed, performed or discharged and such right has been fully enjoyed, enforced, or satisfied.

Section 2. Hazardous Materials Shipments.

(a) Shipper will not tender to Route any shipments of Commodities involving hazardous materials, dangerous goods, Class A or Class B explosives, poison gas, radioactive materials, solid waste, hazardous substances or restricted waste (including medical waste) as classified or regulated by any environmental law or regulation in effect now or in the future. Notwithstanding the foregoing, Shipper may tender to Route certain Commodities which have been classified by the United States Department of Transportation as a "hazardous material" or "hazardous substance" (together, "**Hazardous Materials**") provided: (i) Shipper has given Route written notice prior to tendering to Route such Hazardous Materials; and (ii) Route has agreed to accept such Hazardous Materials.

(b) When tendering Hazardous Materials, Shipper will comply with all applicable laws, regulations and pre-transportation functions, including, but not limited to, classifying the Hazardous Materials, packaging, marking and labeling, preparing proper shipping papers, providing emergency response information, loading, blocking and bracing, placarding and certifying the Hazardous Material is in proper condition for transportation in conformity with all legal requirements.

Section 3. Cross-Border Shipments.

(a) If Shipper tenders any shipment: (i) originating in the contiguous United States and destined for delivery points in Canada; or (ii) originating in Canada and destined for delivery points in the contiguous United States (“**Cross Border Shipment**”), Shipper must provide Route with written notice at least 24 hours prior to tendering the Cross Border Shipment and Route must agree to perform brokerage services with respect to the Cross Border Shipment (“**Cross Border Services**”). If Shipper requires a motor carrier qualified to transact bonded carrier operations for the Cross Border Shipment, Shipper shall identify this requirement as part of the request for Cross Border Services.

(b) When performing Cross Border Services, Route will arrange a motor carrier to: (i) pick up from the origin location and carry all applicable manifests, bills of lading and other shipment receipts, commercial invoices, NAFTA certificates of origin and any other customs documentation (“**Customs Documents**”) provided by Shipper; (ii) at the port of crossing, present all Customs Documents to Shipper’s designated customs broker (“**Customs Broker**”) or to representatives of the U.S. Customs and Border Protection or Canada Border Services Agency (“**CBSA**”) (each, a “**Customs Authority**”), as applicable; and (iii) upon delivery to the consignee, surrender all Commodities and associated shipment documentation, including Customs Documents, to the consignee.

(c) If any sales, goods and service or harmonized sales tax is incurred by Route with respect to the performance of Cross Border Services (“**Service Tax**”), Route will: (i) separately itemize the Service Tax on invoices; and (ii) remit the Service Tax to the appropriate taxing authority in a timely fashion. Route will promptly correct any invoice which fails to properly reflect an applicable Service Tax.

Section 4. Brokerage Services.

(a) Route shall maintain at its expense an FMCSA license as a property broker to perform the brokerage services under the Terms and Conditions. Route will provide to Shipper a copy of said authority upon request.

(b) For each shipment tendered by Shipper to Route, Shipper agrees to prepare a properly completed uniform bill of lading to be issued and executed by a motor carrier arranged by Route. If a shipment is subject to a discounted rate, Shipper must include the shipment’s Rate Confirmation (as defined in Section 5(a) below) number on the original bill of lading for the discounted rate to apply. The failure to include the Rate Confirmation number on the bill of lading will void the discounted price. The bill of lading shall be signed by the carrier showing the kind, quantity and condition of the property received at the point of origin. Shipper’s insertion of Route’s name on the bill of lading shall be for Shipper’s convenience only and shall not change Route’s status as a property broker. In the event of any conflict between the bill of lading and the Terms and Conditions, the Terms and Conditions shall govern.

(c) Shipper shall provide Route with timely and accurate delivery specifications and description of the Commodities, including, but not limited to, dimensions, weight, temperature, any special handling or security requirements, and employing reasonable security protocols to reduce the risk of cargo theft. Transit times provided by Route are estimates only and do not guarantee pick up or delivery times.

(d) The Terms and Conditions do not grant Route an exclusive right to perform the brokerage services for Shipper. Route is free to perform services for other shippers and Shipper is free to tender freight for transportation to other property brokers or motor carriers.

Section 5. Rates, Charges and Payment.

(a) As compensation for the services to be performed under the Terms and Conditions, Shipper will pay Route at the rates and accessorial charges agreed to orally at or prior to the movement of the shipment. Route shall prepare a written confirmation of the rate and accessorial charges (“**Rate Confirmation**”), and send it to Shipper via electronic mail or Shipper’s applicable transportation management system. Each such written Rate Confirmation will be incorporated by reference and become a part of the Terms and Conditions, unless Shipper provides a written notice of rejection of the Rate Confirmation prior to Route’s dispatch of a motor carrier for the shipment.

(b) Rates and accessorial charges provided by Route are based on the time of quoting, equipment availability, and assumes Shipper will load the Commodities and the consignee will unload the Commodities. Rates for less-than-truckload (“**LTL**”) shipments are valid for two days from the date of quotation and are subject to weekly fluctuation. The actual amount charged to Shipper will be based upon the shipment’s actual characteristics, including but not limited to, weight, dimensions, commodity type and any additional accessorial charges. If Shipper provides incorrect information prior to a Rate Confirmation, the actual amount charged to Shipper will vary.

(c) Shipper further agrees to pay Route the applicable accessorial charges and fuel surcharge as set forth in the attached Exhibits A, B, C and D, in each case in effect on the date of shipment, for all brokerage services performed by Route, except as otherwise expressly included in a Rate Confirmation. From time to time, the accessorial charges may be revised by Route and will be as set forth in the updated Exhibits, a copy of which will be available at <https://routemyfreight.com/shipper-agreement/>.

(d) Route shall invoice and collect all transportation and related charges from Shipper and remit monies due to the authorized motor carrier. Shipper agrees to pay Route within 30 days after the date of Route’s invoice. Shipper shall pay Route the full amount due to Route within said time period without any setoff or deduction of any kind. When any shipment moves subject to a Rate Confirmation, and Shipper pays such rates and accessorial charges without providing written notice of objection within ten days of receipt of the invoice, then Shipper will have waived its rights to later assert the applicable rate or charge should have been different. If Shipper disputes any portion of an invoice, Shipper shall submit written notice of such dispute to Route, via Shipper’s Route Account Manager, prior to the payment due date. Unless otherwise approved by Shipper’s Route Account Manager, any disputed invoice must be paid in full. Shipper shall be subject to a late payment charge of 1.5% per month, or the highest legal contract rate permitted by law in the state where the applicable shipment originated, for all unpaid amounts over 30 days from the invoice date.

(e) Whenever the bill of lading or shipping document specifies rates and charges will be paid by a person, firm or corporation other than Shipper, Route agrees to render its invoice accordingly. However, Shipper will remain jointly and severally liable for any and all unpaid invoice amounts due to Route. Route shall not be precluded from collecting rates and charges from Shipper for such invoices if not timely paid.

(f) Route may extend credit to Shipper. Route’s extension of credit is dependent on shipment volumes, Shipper’s credit history with Route and Shipper’s credit history with other vendors and suppliers, among other criteria Route may deem relevant. Shipper’s failure to remit payment to Route as required by the Terms and Conditions could result in the loss of Route’s extension of credit to Shipper, or the loss of applicable discounts, if any.

Section 6. Freight Loss and Damage Claims.

(a) Route shall provide reasonable assistance to Shipper in the administration of claims for freight loss and damage against the motor carriers in accordance with applicable law. Shipper shall notify Route of any claims for freight loss and damage within 72 hours of the shipment delivery. Shipper shall submit all claims for freight loss and damage in writing within nine months of the shipment delivery date. All decisions regarding the filing or disposition of any freight loss and damage claim, including but not limited to, decisions regarding compromise, settlement and litigation of such claims, shall be made by Shipper. Route shall provide Shipper with all information requested by Shipper and other information reasonably necessary for Shipper to make an informed decision about the handling and disposition of any such claim. If Shipper decides to litigate any aspect of any freight loss or damage claim, Shipper shall pay all expenses incurred.

(b) All claims for freight loss or damage to Commodities will be governed by the underlying motor carrier's tariff. A motor carrier's liability for freight loss or damage to Commodities for LTL shipments or Cross Border Shipments may be limited to \$0.50 per pound. Route shall not be liable to Customer for claims, including, but not limited to: (i) loss, damage or delay claims involving the Commodities; or (ii) bodily injury or property damage claims asserted by third parties against the carrier or Shipper.

Section 7. Insurance and Liabilities.

(a) Unless otherwise requested by Shipper in writing to Route prior to tender of a shipment, all motor carriers arranged by Route will be required to maintain public liability, property damage and cargo liability insurance as required by applicable law. If Shipper requires a motor carrier to have excess cargo insurance, Shipper shall advise Route in writing whether excess cargo insurance is required for a particular shipment, and the amount of such insurance, at least 24 hours in advance of tendering the shipment to Route.

(b) Route will procure and maintain, at its own expense and for its own benefit, insurance coverages with policy limits no less than the following: (a) workers' compensation insurance in an amount not less than the statutory limits for each State(s) in which brokerage services are performed, including employer's liability insurance in an amount not less than \$1.0 million dollars; and (b) commercial general liability insurance in an amount not less than \$1.0 million per occurrence.

(c) Route will maintain a current surety bond (Form BMC 84) or trust fund agreement (Form BMC 85) on file with the FMCSA. A copy of Route's security shall be provided to Shipper upon request.

(d) UNDER NO CIRCUMSTANCES WILL ROUTE BE LIABLE TO SHIPPER FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL (INCLUDING LOST PROFITS, BUSINESS OPPORTUNITIES AND GOODWILL), PUNITIVE OR EXEMPLARY DAMAGES ARISING IN CONNECTION WITH THE PERFORMANCE, OMISSION OF PERFORMANCE OR TERMINATION OF BROKERAGE SERVICES FOR SHIPPER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND WITHOUT REGARD TO THE NATURE OF THE CLAIM OR THE UNDERLYING THEORY OR CAUSE OF ACTION.

(e) Shipper agrees to indemnify, defend and hold harmless Route from and against any loss, cost or expense that Route may sustain or incur, and any and all claims or actions brought by any person, firm, governmental body or other entity against Route, alleging or resulting from or arising from Route's performance of services under the Terms and Conditions, including but not limited to: (a) Shipper's breach or default under any of the Terms and Conditions; or (b) any third-party claim to the extent arising out of any fraud, criminal activity, intentional misconduct, negligence, breach of contract or violation of law by Shipper.

Section 8. Relationship of Parties. It is mutually agreed and understood that Route and Shipper agree to the Terms and Conditions as independent contractors of one another. Neither Route nor any personnel engaged by Route to perform services under the Terms and Conditions shall be considered as employees or agents of Shipper at any time or for any purpose whatsoever. Nothing contained in the Terms and Conditions shall be deemed to constitute a relationship of agency, joint venture, partnership or any relationship other than that of an independent contractor. Shipper has no control whatsoever over the means or manner of performance of Route's obligations.

Section 9. Default. Any one of the following shall constitute an event of default ("Event of Default") under the Terms and Conditions: (a) a party's failure to pay when due any payment required to be made under the Terms and Conditions; (b) a party's failure to perform, keep or observe any material term or condition contained in the Terms and Conditions; (c) any inaccurate representation or warranty made by or on behalf of a party in or pursuant to the provisions of the Terms and Conditions; or (d) a party becoming insolvent, or making a transfer in fraud of creditors, or filing a petition in bankruptcy, or has an involuntary bankruptcy petition filed against it, or making an assignment for the benefit of creditors or has a proceeding filed against it seeking to appoint a receiver, or admits in writing an inability to pay, or generally fails to pay, its debts as they become due.

Section 10. Remedies and Limitations.

(a) After the occurrence of any Event of Default, the non-breaching party shall be entitled to terminate the Terms and Conditions upon written notice to the breaching party and to pursue any and all rights and remedies otherwise available by law or in equity against the breaching party. Termination shall not effect a party's liability to the other party by reason of any act, default or occurrence prior to such termination or any liabilities or obligations which survive the termination of the Terms and Conditions as provided in Section 1(b).

(b) If Route prevails in any such action or proceeding based upon or arising out of the Terms and Conditions, whether or not such proceeding proceeds to final judgment or determination, Route shall be entitled to receive from Shipper as a cost of suit, and not as damages, all costs and expenses of prosecuting or defending the action or proceeding, including reasonable attorneys' fees and expenses. If Route refers Shipper's account to a collection agency, Shipper will be liable for all collection costs, including reasonable collection agency fees, court costs, attorney's fees and any other costs related to counsel for collection.

(c) Any action at law or in equity (including, but not limited to, bankruptcy) by Route to recover undercharges or brokerage charges alleged to be due by Shipper under the Terms and Conditions shall be commenced not more than 12 months after the date of shipment with respect to which such rates and charges are claimed. Any action at law or in equity by Shipper to recover overcharges alleged to be due by Route under the Terms and Conditions shall be commenced not more than 12 months after the claim accrues. To the extent permitted by law, the expiration of such 12 month period shall be a complete and absolute defense to any such action, without regard to any mitigating or extenuating circumstances or excuse whatsoever. The provisions of this Section shall survive the termination or expiration of the Terms and Conditions.

Section 11. Miscellaneous.

(a) Shipper agrees to comply with all applicable federal, state and local laws, ordinances and regulations relating to the services to be performed under the Terms and Conditions. Shipper is responsible to ensure its Commodities intended for transportation are properly marked or labeled in accordance with all applicable laws and regulations. For purposes of arranging motor carrier

transportation services under the Terms and Conditions, Route is and at all times will be operating as a “property broker” as defined in 49 U.S.C. § 13102(2), and not as a “motor carrier” or a “freight forwarder.” Route will arrange for the surface transportation and delivery of Shipper’s Commodities pursuant to contracts between Route and certain motor carriers.

(b) Route may in its sole discretion amend the Terms and Conditions, including the attached Exhibits, at any time by posting updated Terms and Conditions at <https://routemyfreight.com/shipper-agreement/>. No provision of the Terms and Conditions will be waived by Route except by a writing signed by a duly authorized representative. Route’s failure, in any instance, to enforce or insist upon Shipper’s performance or compliance of any of the Terms and Conditions or to exercise any right or privilege herein, or the written waiver by any breach of any of the Terms and Conditions, will not be construed as thereafter waiving any such term, covenant, condition, right or privilege, but the same will continue and remain in full force and effect as if no such forbearance or waiver had occurred.

(c) All notices and other communications required or permitted to be given hereunder, or which are given with respect to the Terms and Conditions, will be in writing and will be sent by United States mail, postage prepaid and addressed to: (i) Shipper at the address of record; and (ii) Route at the following address:

Route Transportation & Logistics, Inc.
Attn: President
P.O. Box 14306
Bradenton, FL 34280

Any such notice or other communication is effective upon receipt by Route or Shipper, as applicable.

(d) The Terms and Conditions shall at all times be in compliance with federal and state laws, rules and regulations applicable to the provision of motor carrier transportation services. Both parties shall at all times comply with all laws, ordinances and regulations of federal, state and local government relating to the Terms and Conditions as they become effective. In the event any term, condition or provision of the Terms and Conditions, or the application thereof to any person or circumstance shall, to any extent, be declared to be invalid, unenforceable or unconstitutional, such invalidity, unenforceability or unconstitutionality shall not affect the remaining provisions of the Terms and Conditions, and the Terms and Conditions shall, in all other respects, continue to be effective.

(e) The Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Florida, unless superseded by applicable federal laws and regulations. It is mutually agreed that either Route or Shipper shall exercise any right or remedy under the Terms and Conditions in the State of Florida, County of Manatee.

(f) **SHIPPER AND ROUTE EXPRESSLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A JURY TRIAL IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING UNDER OR RELATING TO THE TERMS AND CONDITIONS OR ANY PROPERTY BROKERAGE SERVICES PROVIDED BY ROUTE.**

(g) The Terms and Conditions, including the Exhibits attached hereto, state the entire agreement between the parties with respect to the subject matter and supersedes all prior written and oral negotiations, agreements and understandings with respect thereto. Each party to the Terms and Conditions acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party which are not embodied herein, and any such agreements, statement or promise

not contained in the Terms and Conditions shall not be binding. As of the date of the Terms and Conditions, all previous agreements concerning the same subject matter between the parties shall be canceled.

Section 12 Payment Terms

(a) Payments are due within 30 days of the date of invoice, unless otherwise indicated on the invoice(s) or contract. Payments will be applied by Route against open items with any remaining payment held as general credit against unpaid invoices. Overpaid amounts will be held on account for 90 days upon written notification of overpayment. After 90 days, overpayments will be retained by Route or applied against the oldest unpaid invoices on Applicant's account.

Route reserves the right to put a hold on orders for Applicant if the account is 15 days past due.

Route reserves the right to assess a late payment charge of 1.5% per month, or the highest legal contract rate permitted by the law in the State where the applicable shipment originated, for amounts over 30 days from the invoice date. If an account is turned over to a collection agency, Applicant will be liable for all collection costs. This includes reasonable collection agency fees, court costs, attorney's fees and any costs related to counsel for collection.