# BROKERAGE TERMS AND CONDITIONS OF CONTRACT

**1. DEFINITIONS**

"Broker" means Snap Global Inc.

"Customer" includes the consignor, shipper, consignee, owner of the Goods, and any person lawfully acting on behalf of any of those persons. "Goods" means articles of every kind and description, including their packaging, containers, or other shipping units or materials, as to which Customer desires for Broker to arrange motor transportation from a place of receipt to a place of delivery (the "Carriage"), or for Broker to perform or to arrange any other agreed-to services, excluding warehousing (collectively, "Services).

"Charges" includes freight and all charges for Services, and all expenses, costs, detention, demurrage, and any other money obligations arising out of or in any way related to the Carriage or Services as to the Goods, and all collection costs for freight and other amounts due from the Customer, including reasonable attorneys' fees and court costs.

**2. AGREEMENT TO BROKERAGE TERMS AND CONDITIONS OF CONTRACT**

By Customer's request to Broker to arrange the Carriage of the Goods or to perform any Services, Customer agrees to these Brokerage Terms and Conditions of Contract, which no agent or employee of the parties may alter. Customer will prepare a bill of lading for the Carriage, or Broker, its authorized agents, or contracted motor carriers or freight forwarders will do so on Customer's behalf. Customer agrees that the Carriage is subject to these Brokerage Terms and Conditions of Contract, which are also available online at https://snapglobalinc.com/. The defenses and limits of liability stated in these Brokerage Terms and Conditions of Contract shall apply in any action against Broker under any legal theory, whether in contract, tort, bailment, indemnity, contribution, or otherwise.

**3. BROKER'S UNDERTAKING**

Customer understands and agrees that Broker is a Title 49 property broker with such operating authority from the Federal Motor Carrier Safety Administration—docket number MC1495351. Customer understands and agrees that as to the Carriage, Broker is neither a motor carrier nor a freight forwarder and that Broker does not hold itself out in those capacities as to the Carriage. Customer understands andagrees that Broker will arrange for a motor carrier or a freight forwarder (collectively, "Carriers") to perform the Carriage of the Goods or with another broker to arrange the Carriage.

**4. NOTICES OF CLAIM AND TIME-BARS AS TO BROKER AND AS TO CARRIERS**

(a) NOTICE OF CLAIM TO BROKER FOR ITS ASSISTANCE WITH FREIGHT CLAIMS TO CARRIERS. Customer must provide Broker with written notice of a claim for the Goods' loss, damage, or non-delivery within 90 days after the date of delivery of the Goods or from the date on which the Goods should have been delivered. Conditioned on Customer's timely notice of claim, Broker will forward the same onto the Carriers that performed or undertook to perform the Carriage of the Goods. As a further condition to Broker's assisting of Customer with such a claim, Customer must first pay all freight charges in full. Customer's failure to provide written notice to Broker within the above 90-dayperiod shall extinguish Broker's duty to forward the claim to the potentially responsible Carriers.

(b) NOTICE OF CLAIM TO BROKER AS TO BROKERAGE OR SERVICES. Customer must provide Broker with written notice of a claim arising out of any Services within 90 days of the date of Broker's performance of such Services or from the date on which Broker should have performed such Services. As a further condition to Broker's processing of such a claim, Customer must first pay all Charges as to suchServices. Customer understands and agrees that the consequence of its failure to provide a timely written notice of claim is that Customer's action against Broker will be barred.

(c) TIME-BAR AS TO BROKER. In any event, Broker shall be discharged from all liability to Customer as to any Services that the Broker has provided unless Customer files an action in the mandatory venue under section 21 within nine months after the date of delivery of the Goods or from the date on which the Goods should have been delivered.

(D) NOTICE OF CLAIM TO CARRIERS. Carriers typically have contractual notice-of-claim periods within which a claimant must make a claim for the loss of or damage to cargo. Unless the Carriage is exempt carriage under 49 U.S.C. section 14101(b) or subject to compulsorily applicable state law, then under the federal law known as the "Carmack Amendment," a contractual notice-of-claim cannot be less than nine months after the date of delivery of the Goods or from the date on which the Goods should have been delivere d. Subject to section 4(a), Customer understands and agrees that it, and not Broker, shall be responsible to make such a timely notice of claim, understanding that the consequence of Customer's failure to make such a timely notice of claim is that Customer's claim against the Carriers of the Goods will be barred.

(E) TIME-BAR AS TO CARRIERS. Carriers also typically have contractual time-bar or limitations periods within which a claimant must sue the Carrier for the loss of or damage to cargo. Unless the Carriage is exempt carriage under 49 U.S.C. section 14101(b) or subject to compulsorily applicable state law, then under the Carmack Amendment, a contractual limitations period cannot be less than two years from the day on which the Carrier has given written notice to the claimant that the Carrier has disallowed the claim or any part or parts of the claim stated in the timely notice of claim. Customer understands and agrees that it, and not Broker, shall be responsible to file such a timely action, understanding that the consequence of Customer's failure to timely file such an action is that Customer's action against the Carriers of the Goods will be time-barred.

**5. SPECIAL SECURITY/PROTECTIVE SERVICES**

Broker's failure to arrange any agreed-to special security services or requirements, including team drivers, shall not negate Broker's contractual limitation of liability, which is stated below in section 7.

**6. CARRIERS' POSSIBLE LIMITATIONS OF LIABILITY**

Customer understands and agrees that Carriers may limit liability for loss of or damage to cargoes they transport, undertake to transport, or handle. Broker will request declared-value or excess valuation coverage only upon receiving specific written instructions from Customer, which must agree to pay any charge for such declared-value or excess valuation coverage. Customer understands and agrees that there is a difference between excess valuation coverage, which increases the legal liability amount of a Carrier beyond a released value or limited-liability amount, and Customer's purchase of insurance on the Goods.

**7. BROKER'S LIMITATION OF LIABILITY; CHOICE AS TO LIMITATION AND OPPORTUNITY TO AVOID LIMITATION**

(a) Broker has established and has offered Customer alternative levels of liability for Services. Customer states that it has had a reasonable opportunity to choose between two or more levels of Broker's liability and has made its choice as to Broker's liability limit as follows: Customer has had the choice to ship or receive Services as to the Goods and to pay (A) Broker's regular/lower rates for goods with limited value and a corresponding limited liability for Broker or (B) ad valorem rates for goods not so limited in value and a corresponding increased level of liability for Broker, the basis for which rates is Broker's regular/lower rates plus a declared valuation charge of $.75 per $100 of declared value for the Goods, the sum of which equals an "Increased Liability Rate" for the Services.

(b) Unless Customer declares the nature and value of the Goods prior to the Services and pays the corresponding Increased Liability Rate, Customer knowingly and willingly elects to ship under Broker's regular/lower rates, the consequence of which is that in no event shall Broker or its servants or agents be or become liable for any loss of or damage to or in connection with any Services in an amount exceeding $.50 per pound or $50, whichever is greater.

**8. CARRIAGE METHODS/ROUTES, SUBSTITUTION OF MODE/EQUIPMENT**

Customer understands and agrees that without notice to Customer, Broker may arrange or the Carriers may perform the Carriage and:

(a) Use any means of transport or storage;

(b) Transfer the Goods from one conveyance to another, including transshipment or carrying on a truck or trailer other those that Broker arranged in the first instance; or

(c) Proceed by any route in any Carrier's sole discretion, irrespective of whether such route is the nearest, most direct, customary, or advertised route.

Customer understands and agrees that anything done or not done in accordance with the above sub-paragraphs or any resulting delay shall be within the scope of the Carriage and not a deviation.

**9. MATTERS AFFECTING PERFORMANCE**

If at any time and for any reason the performance of the Carriage of the Goods is or is likely to be affected by any hindrance, risk, delay, difficulty, or disadvantage of any kind, other than the inability of the Goods to be safely or properly carried or carried further, and regardless of the cause (even though the circumstances giving rise to such matters as stated above existed at the time this contract was entered into or the Goods were received for shipment), the Carrier in question, at its sole discretion, without prior notice to Customer a nd irrespective of whether the Carriage has commenced, may treat the performance of the Carriage as terminated and place the Goods at Customer's disposal at any place that the Carrier, in its sole discretion, deems to be safe and convenient, at which point the Carriage shall cease. Broker shall nevertheless be entitled to full freight for the Carriage of the Goods and Customer shall pay any additional costs of transportation to, and delivery and storage at, such place.

**10. REFUSED DELIVERY**

Refusal of the consignee or Customer to take delivery of the Goods notwithstanding their having received notice of the Goods' availability shall constitute an irrevocable waiver of all claims arising out of or in any way relating to the Goods or the Carriage. Customer shall be liable for any losses, damages, expenses, and liabilities it pays or incurs, or that Broker pays or incurs, arising out of such a refusal, including the return of the Goods to their place of receipt.

**11. FREIGHT AND CHARGES**

(a) All freight shall be deemed fully, finally, and unconditionally earned by Broker upon a Carrier's pick-up of the Goods.

(b) All freight and Charges shall be paid without any set-off, counter-claim, or deduction, notwithstanding that Customer may have a claim pending against a Carrier or Broker.

(c) If Customer's description of the Goods in a bill of lading or in any documents Broker receives from or on behalf of Customer is inaccurate, incorrect, or misleading in any respect, then Customer shall pay for any amounts or damages that Broker pays or incurs as a result, including any reasonable attorneys' fees.

(d) Payment of any Charges to anyone other than Broker or its authorized agent shall not be considered payment to Broker and shall be at Customer's sole risk.

(e) The class of persons that make up the definition of "Customer" shall, where applicable, be jointly and severally liable to Broker for payment of all freight, demurrage, detention, and Charges including any court costs, expenses and attorneys' fees Broker pays or incurs in collecting any sums due, failing which shall be considered a default by Customer in the payment of freight and Charges.

**12. BROKER'S SPECIFIC AND GENERAL LIENS AS TO THE GOODS AND ANY PROPERTY OF CUSTOMER**

(a) In addition to any specific cargo lien arising under law, including under California Civil Code section 3051.5, Customer understands and agrees that Broker shall have a general and continuing lien on the Goods and on any property of Customer coming into Broker's actual or constructive possession or control as to any unpaid Charges, including for monies owed to Broker with regard to the shipment on which Broker is claiming the lien, a prior shipment, or both, including freightage, dead freight, demurrage, detention, and for any expenses that Broker pays or incurs for storage, security, repacking, remarking, fumigation, or disposal of Goods, for fines, dues, tolls, or commissions that Broker has paid or incurred on behalf of the Goods, for any sums, including reasonable attorneys' fees Broker has paid or incurred because of any attachment or other legal proceedings brought against the Goods by governmental authorities or any person claiming an interest in the Goods. The failure to pay any Charges may result in a lien on a future shipment or shipments, including the cost of stora ge and appropriate security for the subsequent shipment or shipments that Broker may hold under this section. Broker's lien or liens shall survive discharge or delivery of the Goods.

(b) Broker shall provide written notice to the Customer of Broker's intent to exercise its lien rights, which notice shall state the exact amount of monies due. Customer shall notify all parties having an interest in the shipment or shipments of Broker's lien rights and the potential exercise of such rights in the absence of the payment of the monies due.

(c) Unless, within thirty 30 days of receiving notice of lien, Customer posts cash or letter of credit at sight, or if the amount due is in dispute, an acceptable bond equal to 110 per cent of the value of the total amount due, in favor of Broker, guaranteeing payment of all monies due, plus all ongoing and accruing Charges, Broker shall have the right to sell the Goods or other property of Customer at public or private sale or auction and Broker shall refund to Customer any net proceeds remaining after such sale.

**13. DESCRIPTION OF GOODS AND NOTIFICATION**

(a) Customer's description of the Goods in a sealed trailer, shipping container, or package by Customer or on its behalf shall no t be binding on Broker, and the description declared by Customer on any document is information Customer provides solely for its own use. Customer understands that Broker has not and will not verify the contents, weight, or measurement of a sealed trailer, shipping container, or package, or the weight or measurement, or the value, quantity, quality, description, condition, marks, or numbers of the contents.

(b) Broker, its agents, and servants shall not in any circumstances be under any liability for insufficient packing or inaccuraci es, obliteration or absence of marks, numbers, addresses or description, or for misdelivery due to marks or countermarks or numbers, or for failure to notify the consignee of the arrival of the Goods, notwithstanding any custom of the place of delivery to the contrary.

(c) Customer shall indemnify and hold Broker harmless from and against any loss, damage, liability, and expense, including any court costs, interest, expenses, duties, taxes, fines, imposts, charges arising out of the Goods' general order status, and reasonable att orneys' fees Broker has paid or incurred, arising out of or in any way connected with or caused by, in whole or in part, any of the items in sub-paragraphs (a) and (b) of this section or from any other cause in connection with the Goods for which Broker is not responsible.

**14. HAZARDOUS GOODS**

(a) Prior to tendering hazardous goods, as defined under applicable federal and state law and regulations, Customer shall, in compliance with the laws and regulations governing the transportation of such goods, have the same properly packed, distinctly marked, and labeled, and notify Broker in writing of their proper description, nature, and the necessary precautions.

(b) Goods that are hazardous goods or are otherwise of an inflammable, explosive or dangerous nature, as to the shipment of which neither Broker nor the Carrier has consented with knowledge of their nature and character, may at any time before delivery be unloaded at any place and destroyed or rendered innocuous without compensation, and Customer shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment. If any such goods shipped with such knowledge and consent shall become a danger to the transporting conveyance or to any cargo, then a Carrier may, in like manner, unload such Goods in any place or destroy and render them innocuous without liability on the part of the Broker or the Carrier.

(c) Customer shall indemnify and hold Broker harmless from and against any loss, damage, liability, and expense, including reason able attorneys' fees that Broker has paid or incurred, arising out of or in any way connected with or caused by, in whole or in part, omission or full disclosure required by this section or by applicable treaties, conventions, laws, codes, or regulations.

**15. PERISHABLE GOODS**

(a) Broker shall arrange Carriage of Goods of a perishable nature in ordinary trailers without special protection, services, or other measures unless Customer provides written instructions for the Carriage to be in a refrigerated, heated, electrically ventilated, or otherwise specially- equipped trailer or shipping container, or that the Goods are to receive special attention in any way. In case of refrigerated trailers or shipping containers packed by or on behalf of Customer, it undertakes not to tender for Carriage any Goods that require refrigeration without giving written notice to Broker of their nature and the required temperature-setting of the thermostatic controls before Broker's arranging of the Carriage. Customer undertakes that the Goods have been properly stowed in the trailer or shipping container and that the thermostatic controls have been adequately set before the Carrier's receipt of the Goods and, if necessary, that the Goods have been pre-cooled before their stuffing into the trailer or shipping container. Customer understands and agrees that refrigerated trailers and shipping containers are not designed to cool or freeze Goods that have not been presented for stuffing at or below their designated carrying temperature, and Broker shall not beresponsible for the consequences of Goods tendered at a higher temperature than that required for the Carriage. If Customer fails to comply with the above requirements, then Broker shall not be liable for any loss of or damage to the Goods.

(b) The term "apparent good order and condition" when used in a bill of lading or other document with reference to Goods that require refrigeration does not mean that the Goods were verified by Broker as being at the designated carrying temperature.

(c) Broker shall in no event be held liable for damage to Goods due to condensation.

**16. CUSTOM ER-PACKED GOODS, CUSTOM ER-STUFFED TRAILERS AND CONTAINERS**

(a) If Goods have not been packaged, and if a trailer or shipping container has not been stuffed by or on behalf of Broker, then Broker shall not be liable for the loss of or damage to the Goods, and Customer shall indemnify and hold Broker harmless from and against any loss, damage, liability, and expense, including reasonable attorneys' fees that Broker has paid or incurred if such loss, damage, liability, or expense arises out of or is in any way connected with or is caused by, in whole or in part:

(1) The manner in which the Goods, trailer, or shipping container was stuffed, filled, packed, or loaded; or

(2) The unsuitability of the Goods for Carriage in their packaging or in a trailer or shipping container; or

(3) The unsuitability or defective condition of the trailer or shipping container, provided that, if the trailer or shipping container had been supplied by or on behalf of Broker, then that unsuitability or defective condition could have been apparent upon inspection by Customer at or prior to the time when the trailer or shipping container was stuffed, filled, packed, or loaded.

(b) Customer shall inspect trailers or shipping containers before stuffing them. Customer's use of a trailer or shipping container shall be prima facie evidence of its being suitable and without defect.

**17. CARRIAGE AFFECTED BY THE CONDITION OF THE GOODS**

If it appears at any time that the Goods cannot safely or properly by carried or carried further, either at all or without incurring any additional expense or taking any measure or measures in relation to the Goods or the trailer or shipping container, then the Carrier may, without noticeto Customer, take any measure or measures or incur any additional expense or expenses to carry or to continue the Carriage, or sell or dispose of the Goods, or abandon the Carriage or store Goods, or any combination of the above, under cover or in the open, at any place that the Carrier, in its sole discretion, considers most appropriate, which abandonment, storage, sale, or disposal shall be deemed to constitute delivery and completion of the Carriage. Customer shall indemnify Broker against any additional expenses it has so paid or incurred.

**18. DELAY, CONSEQUENTIAL LOSS, ETC.**

(a) Broker does not undertake that the Goods will be transported from the place of receipt, or will arrive at the place of delivery, or will be shipped on board any particular truck or other conveyance at any particular date or time or to meet any particular market or in time for any particular use. The scheduled or advertised departure and arrival times are only expected times and may be advanced or delayed and Broker shall in no event be liable for direct, special, incidental, indirect, or consequential loss or damage caused by delay.

(b) Broker shall in no event be liable for any special, incidental, indirect, or consequential loss or damage arising from any other cause, notwithstanding Broker's notice of the possibility of such damages at the time Broker arranged such Carriage or Services.

**19. VARIATION OF THE CONTRACT**

No person has the power to change or waive any of these Brokerage Terms and Conditions of Contract unless the president or chief executive officer of Broker, in writing, has expressly agreed to such a change or waiver.

**20. PARTIAL INVALIDITY**

If any provision of these Brokerage Terms and Conditions of Contract shall for any reason be held to be invalid or unenforceable, then the remainder of these Brokerage Terms and Conditions of Contract shall be unaffected and remain in effect.

**21. MANDATORY LAW, VENUE, AND JURISDICTION**

Customer understands and agrees that all claims or disputes arising out of or in any way related to the Carriage, Services, or these Brokerage Terms and Conditions of Contract shall be determined under the federal law of the United States of America, without regard to its conflict of laws rules or, in the absence of such federal law, then under the laws of the State of California, without regard to its conflict of laws rules. Without prejudice to a party's right to remove an action to federal court, the exclusive and mandatory venue for any such claims or disputes shall be the federal or state courts in Los Angeles County, California, to the exclusion of all other courts. The parties agree to irrevocably submit to the personal jurisdiction of the above courts and to waive any jurisdictional, venue, or inconvenient forum objections to those courts.