

TERMS AND CONDITIONS FOR DISTRIBUTION SERVICES

(Please Read Carefully)

By tendering goods to or requesting or accepting goods or Services from **Expeditors International of Washington, Inc.** (including its subsidiaries and affiliates, collectively "Expeditors"), Customer, as identified in any Scope Document or Rates Document issued by Expeditors, agrees to the following terms and conditions for distribution services ("Distribution Terms"), which are incorporated into each Scope Document and each Rates Document.

1. Services. Expeditors shall provide the Services described in a Scope Document according to Customer's instructions as long as the instructions do not conflict with these Distribution Terms. Expeditors may provide additional services under these Distribution Terms at such rates as Expeditors may specify or as the parties otherwise agree in writing. Expeditors will not release or deliver goods without instructions from Customer. However, Expeditors shall have no liability for following instructions that Expeditors in good faith believes originated from Customer or its agents. No "Lot" (meaning a unit of goods that is subject to an "in and out" or other per unit charge) will be broken into sub-units unless specified in the Scope Document. Unless otherwise agreed, Expeditors has complete freedom to choose the means, procedures, agents and contractors for performing Services.

2. Customer's Duties. (a) Customer must provide all documents and information required to enable Expeditors to perform Services, including a manifest showing marks, brands or other identification, weights, packages, condition, and consignee. Customer must provide instructions for handling and distribution and ensure that all goods are properly packaged for storage and transport. Expeditors may without further inquiry rely on all documents and information furnished to Expeditors. If Customer fails to perform any obligation, Expeditors may use its judgment in connection with the goods. Customer must not name Expeditors as a consignee on any shipment. (b) Customer will give Expeditors only accurate and complete information and documents and that Customer is and will remain in compliance with all applicable laws. Customer shall not tender any substance that is of a hazardous or dangerous nature or that is regulated by any law as hazardous or dangerous ("Dangerous Goods"), unless Expeditors at its sole discretion agrees to accept Dangerous Goods and Customer pays such rates as Expeditors may specify.

3. Pricing. Customer and Expeditors have agreed upon the pricing for the Services in each Rates Document. Customer may request additional services that are not delineated in a Scope Document subject to additional fees. On 30 days' notice Expeditors may adjust pricing based on objective conditions in the locality where the goods are stored to reflect Expeditors' increased costs for storing or handling the goods. Any other pricing adjustment is effective upon mutual agreement in email or in another record between Expeditors and Customer. Expeditors is not obligated to provide Services if Customer objects to a pricing adjustment.

4. Insurance. The rates quoted do not include insurance, and Expeditors is not an insurer of any goods. If Expeditors agrees to procure insurance, Expeditors has the right to select the insurance companies and underwriters. The insured shall have recourse against the insurer only and not against Expeditors. Customer must pay all insurance premiums and Expeditors' charges to arrange for insurance.

5. Limitation of Liability.

(a) Expeditors has no obligations other than those set forth in these Distribution Terms. Except as specifically set forth in these Distribution Terms, Expeditors makes no express or implied warranties in connection with Services.

(b) In the absence of proven failure of Expeditors to exercise reasonable care as required by applicable law while the goods are in Expeditors' physical custody, Expeditors has no liability whatsoever for any loss, damage, expense or delay, however caused and whether visible or concealed. In cases where Expeditors is liable for any expenses, loss or damage, Expeditors' liability is governed by the provisions of sections 5 and 6 of these Distribution Terms.

(c) Expeditors bases its rates on limited liability for loss, damage, or other expense. Because of this limited liability, the rates are lower than charges based on full release value of goods. Therefore, subject to the further limitations of liability in this section 5, Expeditors' liability for any cargo loss, damage or expense is limited to a released value of fifty cents (US) (\$0.50) per pound up to a maximum of fifty dollars (US) (\$50) per Lot. However, the applicable amount of any partial cargo loss, damage or expense shall be adjusted pro rata.

(d) Customer may obtain an increase in the liability of Expeditors above the limits in subsection (c) if Expeditors agrees to the request before it renders any Services and the agreement sets forth the limit of Expeditors' liability and the additional compensation received or paid for the added liability. Rates based on full release value are available to Customer on written request. Otherwise, any valuation that Customer places on the goods shall be considered for informational purposes only.

(e) AS FURTHER LIMITATIONS ON EXPEDITORS' LIABILITY, CUSTOMER AGREES THAT THE MAXIMUM AGGREGATE OF EXPEDITORS' LIABILITY TO CUSTOMER FOR ANY CHARGES, CLAIMS,

DAMAGES, LIABILITIES, JUDGMENTS, COSTS, EXPENSES, PAYMENTS OR LOSSES OF ANY KIND DURING ANY CALENDAR YEAR THAT ARE NOT ALREADY LIMITED BY OTHER PROVISIONS OF THIS SECTION 5, WHETHER OR NOT THE SAME ARISE OUT OF OR RELATE TO SERVICES PERFORMED BY EXPEDITORS, SHALL BE NO MORE THAN THE LESSER OF THE FOLLOWING: (i) TEN THOUSAND DOLLARS (US) (\$10,000); (ii) ACTUAL, DIRECT DAMAGES; OR (iii) THE AGGREGATE SERVICE CHARGES PAID BY CUSTOMER TO EXPEDITORS DURING THE SAME PERIOD.

(f) AS FURTHER LIMITATIONS ON EXPEDITORS' LIABILITY, CUSTOMER AGREES THAT EXPEDITORS SHALL IN NO EVENT BE LIABLE FOR (I) CONCEALED DAMAGE, (II) INVENTORY VARIANCES, (III) CHARGEBACKS, (IV) ANY DELAYS, INCLUDING DEMURRAGE, DETENTION OR OTHER CHARGE, OR (V) ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, STATUTORY OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, INCOME OR OPPORTUNITY, EVEN IF EXPEDITORS IS ON NOTICE OF THE POSSIBILITY OF ANY SUCH DAMAGES OR FOR THE ACTS OR OMISSIONS OF ANY OTHER PERSON AND HOWEVER ARISING, INCLUDING FOR BREACH OF CONTRACT, TORT, NEGLIGENCE, WILLFUL OR INTENTIONAL ACTS OR OMISSIONS.

(g) THE LIMITATIONS AND EXCLUSIONS IN THIS SECTION 5 APPLY EVEN IF THEY CAUSE ANY REMEDY OTHERWISE AVAILABLE TO FAIL OF ITS ESSENTIAL PURPOSE AND WITHOUT REGARD TO EXPEDITORS' PERFORMANCE OF FAILURE OR DELAY OF PERFORMANCE.

(h) If goods are covered by these Distribution Terms and by a bill of lading, waybill, other contract of carriage, or forwarder's cargo receipt issued by Expeditors, the limitations of liability set forth in these Distribution Terms apply.

6. Limitation of Actions. With respect to any act or omission by Expeditors, Customer must present to Expeditors at Expeditors' office (1) a preliminary notice of claim within 14 days after the loss or incident giving rise to the claim and (2) a formal written sworn proof of claim within 180 days from the date of loss or incident giving rise to the claim. Failure to satisfy these requirements is a complete defense to any suit or action by Customer, to the extent applicable law does not mandatorily provide otherwise. As an additional requirement, any suit to recover on a claim against Expeditors must be commenced within one year after the date of delivery or release of the goods, the date when the goods should have been delivered or released, or the date when any other loss, damage, expense, or delay first arose.

7. Payment and Credit Terms. Expeditors' standard payment terms require receipt of cash before performance of Services. Expeditors may in its sole discretion extend credit to Customer. The amount and terms of credit are subject to Expeditors' periodic review. Expeditors may in its sole discretion increase, decrease, suspend or revoke credit at any time for any reason and without advance notice. Except to the extent Expeditors otherwise agrees, Expeditors has no obligation to make or incur any expense, guarantee or advance for any purpose.

8. General Lien on any Property. Expeditors has a general lien on any and all property (and documents relating thereto) now or hereafter in Expeditors' possession, custody or control as security for all existing and future indebtedness and obligations of Customer to Expeditors. If Customer is in breach of any indebtedness or obligation to Expeditors, Expeditors has the right to do one or more of the following (i) withhold delivery or release of any property, even if not related to such property, or (ii) cease performing Services, or (iii) require payment of all indebtedness and removal of all goods. If any such indebtedness or obligation is unsatisfied, Expeditors may, in addition to all other rights and remedies under other agreements and/or applicable law, exercise all of the rights and remedies of a secured party under the Uniform Commercial Code. Any notice required to be given of a sale or other disposition made at least 10 days before a proposed action constitutes fair and reasonable notice. Any surplus from the sale or other disposition, after deduction for all sums owed to Expeditors, shall be transmitted to Customer, and Customer shall be liable for any deficiency.

9. Compensation of Expeditors. The compensation of Expeditors for its Services and advances shall be included with and is in addition to the rates and charges of all third parties to handle, transport, load, unload, store, clear, enter, deliver, distribute or otherwise deal with the goods, and shall be exclusive of any brokerage, commissions, dividends or other revenue received by Expeditors from insurers or other Persons. Customer shall pay all costs, expenses and fees (including reasonable attorneys' fees) incurred by Expeditors in connection with (a) the enforcement of payment or performance of any indebtedness or obligation of Customer (including by any action or participation in, or in connection with, a bankruptcy or insolvency proceeding, wherever pending) or (b) any dispute between Expeditors and Customer or any other Person. Customer shall pay all amounts owed to Expeditors in the lawful currency specified in Expeditors' invoices in immediately available funds, without abatement, counterclaim,

set-off, recoupment, and free and clear of, and without any deduction or withholding for, any taxes, duties, confiscation, detention, or other matters. If any amount is not paid when due, it shall accrue interest until paid at 1.5% per month (19.72% per annum).

10. Intellectual Property. Expeditors' intellectual property provided, demonstrated or used in connection with any Services, including databases, software, web pages, programs, processes and procedures, reports, manuals, presentations, patents, trademarks, copyrights, trade secrets, service marks, know-how and any other similar rights or intangible assets recognized under applicable law (all of the foregoing, including source codes and similar information, "Intellectual Property"), was developed and maintained at great expense, is of great value to Expeditors, is confidential and proprietary, and shall remain the sole and exclusive property of Expeditors at all times. Without Expeditors' consent, Customer shall neither directly nor indirectly attempt to or actually disclose, use, re-create, duplicate, decode, alter, change, disassemble, decompile, or reverse engineer any Intellectual Property. Customer acknowledges and agrees that a violation of any of the foregoing shall cause irreparable harm to Expeditors.

11. Data Privacy. Customer must comply with all applicable privacy and data protection laws with respect to information ("Customer Data") about Persons that Customer provides to Expeditors to enable Expeditors to perform Services. With respect to Customer Data, Customer acts as a "data controller" or similar term under applicable law. Customer must obtain the proper consent from all data subjects to the disclosure and transfer of Customer Data to Expeditors. In providing Services, Expeditors may be required to share Customer Data with a governmental authority and may process Customer Data and thus act as a "data processor" or similar term under applicable law with respect to such data. Expeditors may use Customer Data in any place in performing services or in account opening or administration.

12. Force Majeure. Expeditors is not liable for loss, damage, expense, delay, or nonperformance resulting in whole or in part from circumstances beyond the control of Expeditors, including: (i) acts of God, including flood, earthquake, storm, hurricane, pandemic, power failure or other natural disaster; (ii) war, hijacking, robbery, theft or terrorist activities; (iii) incidents or deteriorations to means of transportation; (iv) embargoes; (v) civil commotions or riots; (vi) defects, nature or inherent vice of any goods; (vii) acts, breaches of contract, or omissions by Customer or any other person, entity, association or other organization who may have an interest in any goods; (viii) acts by any government, governmental authority or governmental official, including denial or cancellation of any import, export or other necessary license; or (ix) strikes, lockouts, slowdowns or other labor conflicts.

13. Governing Law. These Distribution Terms shall be construed according to the laws of the location where the goods are stored.

14. Miscellaneous. "Person" includes an individual, trust, estate, partnership, association, business or nonprofit organization, governmental authority, or other legal entity. Terms such as "includes" and "including" are not limiting. All references to documents include electronic documents. These Distribution Terms shall be construed without regard to any presumption or rule that they be construed against the Person causing all or part of them to be drafted. If any part of these Distribution Terms is held invalid or unenforceable by a final, non-appealable judgment, the judgment does not affect the validity or enforceability of any other part of these Distribution Terms. Notwithstanding any course of dealing, course of conduct, course of performance, or usage of trade, (a) whenever reference is made to Expeditors' agreement, acceptance, approval or consent, even if not specifically so stated such agreement, acceptance, approval or consent is not effective unless in writing and signed by a duly authorized officer of Expeditors, (b) neither failure nor delay by Expeditors to exercise any right operates as a waiver, (c) no single or partial exercise of any right by Expeditors precludes any other or further exercise thereof or the exercise of that or any other right, (d) no amendment, modification, rescission, waiver or release of all or part of these Distribution Terms is effective without Expeditors' specific prior written approval. Expeditors may from time to time change these Distribution Terms. The applicable Distribution Terms can be found on Expeditors' website, <https://www.expeditors.com/forms-downloads>, are effective 15 days after such publication, and may differ from the pre-printed terms. In the event of a conflict between these Distribution Terms and the updated version on Expeditors' website in effect on the date that Expeditors commences Services, the updated version controls.