

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 an Expeditors entity, agrees to the following terms and conditions ("Distribution Terms") for storage, distribution and value added services in respect of goods ("Services"), 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 reasonably 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 the right to choose the means, procedures, agents, and contractors for performing Services. If Expeditors agrees to provide transportation services to Customer in connection with the Services, the terms and conditions of the applicable contract of carriage shall apply to those 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. 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. (c) Customer must immediately notify Expeditors in a record of any recall, field alert, product withdrawal, or field correction (each, a "Recall") as to any goods as to which Expeditors performs Services. Unless obligated to do so under applicable law, Expeditors has no duty to act on a Recall without Customer's prior written approval. Customer bears all costs and expenses of any Recall.

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 in a Scope Document, subject to additional fees. On 30 days' notice, Expeditors may adjust pricing based on conditions in the locality where the goods are stored to reflect Expeditors' increased costs for storing or handling the goods. Any other pricing adjustment becomes effective upon the parties' agreement in an 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 Customer asks Expeditors, and Expeditors agrees, to procure insurance, then Expeditors has the right to select the insurers. Beyond Expeditors' liability under section 5, the insured's recovery shall be limited to the benefit available under the applicable insurance policy, whether Customer or Expeditors procured such policy. 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. WITHOUT LIMITING THE FOREGOING, EXCEPT AS SPECIFICALLY SET FORTH IN THESE DISTRIBUTION TERMS, EXPEDITORS DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING (1) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (2) ANY WARRANTY OF TITLE, (3) ANY WARRANTY OF NON-INFRINGEMENT, AND (4) ANY WARRANTIES BASED ON COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE.

(b) In the absence of proven failure by Expeditors to exercise care with regard to the goods that a reasonably careful Person would exercise under similar circumstances 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. Expeditors shall not be liable for damages that could not have been avoided by the exercise of that care. In cases where Expeditors is liable for any loss, damage, expense, or delay, Expeditors' liability is subject to the limitations in sections 5 and 6 of these Distribution Terms. To the maximum extent permitted by applicable law, the parties expressly agree that the limitations of liability in sections 5 and 6 of these Distribution Terms apply even in the event of a significant or material deviation from agreed upon performance standards or security procedures and that such deviation shall not serve as a basis for increasing Expeditors' liability.

(c) Expeditors bases its rates on limited liability for loss, damage, expense, or delay under sections 5 and 6. Because of this limited liability, the rates are lower than charges based on full release value of goods. Accordingly, subject to the further limitations of liability in this section, Expeditors' liability for any loss, damage, expense, or delay is limited to the following:

(i) for loss or damage to goods which does not occur during or in connection with transportation by Expeditors, a released value of fifty cents (US) (\$0.50) per pound, up to a maximum of fifty dollars (US) (\$50) per Lot (each amount to be reduced on a pro rata basis for any partial loss or damage to goods);

(ii) for loss or damage to goods which occurs during or in connection with transportation by Expeditors, the greater of (1) fifty cents (US) (\$0.50) per pound, up to a maximum of fifty dollars (US) (\$50) per shipment, or (2) the limitation of liability set forth in the applicable contract of carriage;

(iii) for any delay, the lesser of (1) ten thousand dollars (US) (\$10,000), (2) actual direct damages, or (3) the amount of Expeditors' charges paid by Customer to Expeditors for the Services that were delayed;

(iv) for failure to perform any VAS (defined in section 6), two hundred fifty dollars (US) (\$250) per occurrence, with a cap of five thousand dollars (US) (\$5,000) per calendar year (Expeditors having no obligation to perform value added services unless Expeditors agrees to do so); and

(v) for other expenses or damages during any calendar year that are not already limited by clauses (i) - (iv), whether or not the same arise out of or relate to services performed or to be performed by Expeditors, the lesser of (1) ten thousand dollars (US) (\$10,000), (2) actual, direct damages, or (3) the aggregate service charges paid by Customer to Expeditors during the same period.

(d) Customer may obtain an increase in the liability limitation 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 increased 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) Expeditors' willingness to perform Services for Customer is conditioned on the application of the contractual limitation of Expeditors' liability in this section, subject to Customer's right in subsection (d) to increase Expeditors' limited liability in exchange for additional compensation; provided, further, however, that if at any time the actual value of Customer's goods in Expeditors' possession for the Services exceeds ten million dollars (US) \$10,000,000, Expeditors' willingness to perform Services is further conditioned on the following: (i) Customer obtains property insurance for the goods and provides Expeditors with evidence of insurance upon reasonable request; (ii) Customer obtains a waiver of subrogation rights against Expeditors from any insurer of Customer or its goods regarding any amount of Expeditors' liability that exceeds the limitations of liability established under sections 5 and 6 ("Waiver"). Customer shall not seek damages from Expeditors beyond the limitations of liability established under sections 5 and 6, and Customer shall not assign any right of recovery beyond such limitations of liability, and any purported assignment is null and void. Customer shall indemnify, defend and hold harmless Expeditors in the event Customer's insurer pursues a subrogation action against Expeditors notwithstanding the Waiver, including for reasonable attorneys' fees incurred by Expeditors.

(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, OR WILLFUL OR INTENTIONAL ACTS OR OMISSIONS.

(g) THE LIMITATIONS AND EXCLUSIONS IN THESE DISTRIBUTION TERMS APPLY EVEN IF THEY CAUSE ANY REMEDY OTHERWISE AVAILABLE TO FAIL OF ITS ESSENTIAL PURPOSE AND WITHOUT REGARD TO EXPEDITORS' PERFORMANCE OR 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, then the limitations of liability in these Distribution Terms apply for any storage or related services.

6. Value Added Services Limitation of Liability. Expeditors at its sole discretion may agree to provide Value Added Services ("VAS") and Customer shall pay such rates as Expeditors may specify. Expeditors' willingness to perform VAS for Customer is conditioned on the application of the contractual limitation of Expeditors' liability in section 5 of these Distribution Terms to the VAS.

7. Limitation of Actions. As to any act or omission by Expeditors, Customer must present to Expeditors (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 either of 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.

8. 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.

9. 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 satisfaction of all indebtedness and obligations 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, including sale or other disposition of property covered by the lien. 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.

10. 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, claims, 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).

11. 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.

12. 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.

13. 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.

14. Governing Law. These Distribution Terms shall be governed and construed according to the laws of the State of Washington. Customer irrevocably consents to non-exclusive jurisdiction and venue for all proceedings related to disputes involving Customer and Expeditors in the federal or state courts sitting in King County, Washington. Customer irrevocably consents to the commencement and transfer of all proceedings to such courts. Customer also irrevocably consents to the commencement and to the transfer of venue in any action to any other venue in which Expeditors is party to an action brought by itself or another Person. Customer waives all defenses based on inconvenience of forum in all actions commenced in or transferred to the venues agreed to above.

15. Indemnification. Customer shall indemnify Expeditors and hold Expeditors harmless from and against all claims (including third-party claims), suits, damages, liabilities, judgments, costs, expenses, payments or losses of any kind (including for purchase price, freight, storage, demurrage, detention, duties, taxes, fines, penalties, incidental, indirect, consequential or exemplary damages, and Expeditors' litigation expenses and reasonable expenses, including attorneys' fees) arising from or related to any one or more of the following: (a) any breach of any representation, warranty,

covenant, agreement, undertaking, consent, or waiver by Customer; (b) any other claim by any such other Person (including third-party claims asserted under a theory of tort, negligence, strict liability, contract, warranty, or any other legal theory) that relates in any way to any Services provided by Expeditors to Customer, in each case, even if not due to any negligence or other fault of Customer; (c) any Recall with respect to any goods as to which Expeditors performs Services; or (d) any claim against Expeditors that Customer breached its data compliance or privacy obligations under applicable law, including Customer's obligation to obtain necessary consents from data subjects. If any action, claim, suit or proceeding is brought against Expeditors, Expeditors shall give notice in writing to the Customer by mail to the address on file with Expeditors. At Customer's expense Expeditors may employ attorneys and other professionals of its own choice in connection with any indemnified matter. Customer's indemnity obligation in this section shall not apply to the extent a court of competent jurisdiction enters a final, non-appealable judgment, specifically finding that the charge, claim, damage, liability, judgment, cost, expense, payment or loss was directly and proximately caused by Expeditors' gross negligence or willful misconduct.

16. 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/service-terms>, are effective fifteen (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.