

## **GENERAL TERMS AND CONDITIONS OF SERVICE**

Pursuant to the terms and conditions of this agreement and in consideration of the fees charged, the undersigned Customer retains Magusa as its agent to coordinate transportation services and provide logistics advice (“Services”).

### **1. SCOPE OF SERVICES**

1.1. The services will include, but will not be limited to: (i) preparing and/or processing import and export declarations, (ii) booking, arranging for or confirming cargo space, including chartering (iii) preparing or processing delivery orders or dock receipts, (iv) preparing and/or processing bills of lading and/or airway bills, (v) booking, arranging or confirmation of warehouse storage, (vi) obtaining of cargo insurance, upon Customer’s request, (vii) coordination and hiring of road, air and sea freight, (viii) managing of funds advanced by the Customer, (ix) coordination of loading and unloading operations, if previously requested by the Customer, (x) remittance or advance of freight or other funds or credit in connection with transportation and logistics, (xi) advice as to shipping mode, selection of carriers, licenses or documents or issues related to the dispatch of cargo.

1.2. Customer understands that Magusa is not a carrier, but that Magusa will use its best efforts to select and engage responsible carriers, warehousemen and other transportation intermediaries (“Suppliers”) on behalf of the Customer. Customer understands that the terms and conditions of the storage receipts of warehousemen and contracts of the waterway, road, or air carriers which Magusa retains will apply to Customer as if Customer had entered into those.

### **2. PAYMENT OF SERVICES**

2.1. Client shall pay to Magusa, as the compensation of its services, the amount proposed by Magusa and accepted by the Client in the respective quote, which may also contain details regarding the form of payment of Magusa’s fees (“Quote”) and shall be an integrant part of this Agreement.

2.2. Customer shall also be responsible for the reimbursement of all expenses incurred by Magusa in connection with the Services, which respective receipts shall be presented, upon Customer’s request.

2.3. Such reimbursements, along with the amount provided in the Quote, shall compose the total price to be paid to Magusa for the Services (“Price”).

2.4. Customer guarantees payment for all services rendered and carriage arranged by Magusa on Customer’s behalf, no matter what person ordered the services or benefited there from.

2.5. The Quotes shall be prepared by Magusa using current exchange rates. Actual charges may differ in accordance with variations in the currency rate at the time the Service is provided and invoiced.

2.6. Customer agrees to pay Magusa in advance according to the quote provided. If any terms of the quote change due to weight difference, change in routing or services requested not previously quoted, Magusa will collect those funds in advance and issue an invoice once the project is completed. If the

services quoted are not completely performed because of change of routing or any decision made by the client, Magusa will reimburse the customer any funds paid in excess provided that Magusa has not incurred in cancellation fees from the suppliers.

2.7. Customer – provided that has a credit line approved with Magusa - agrees to pay Magusa's invoices within the terms, as disclosed on the invoices, from the date of issuance, without any prejudice to Magusa's right to demand an advance of the Price, or part of it ("Advance"), or a compatible and satisfactory guarantee for Magusa ("Guarantee").

2.7. Customer agrees to pay Magusa's attorneys fees, costs and other expenses incurred in the event this account requires legal action to collect funds due.

2.8. The Customer and the consignee or holder of or assignee on any bill of lading shall be liable for all unpaid charges for Services provided under this Agreement. When Magusa is instructed to collect charges from any person or entity other than the Customer, the Customer shall remain jointly and severally liable for the charges and interest if Magusa is not paid.

2.9. Unless otherwise agreed upon the parties or provided in the Agreement, all amounts due to Magusa under this contract shall be paid in U.S. Dollars.

### **3. COMPLIANCE WITH SECURITY GUIDELINES**

3.1 Magusa recognizes the complexity of international supply chains and the potential vulnerability to malicious activities such as terrorism, smuggling or concealment of weapons, and as such has adopted provisions to comply with the Customs-Trade Partnership Against Terrorism (C-TPAT) initiative by the U.S. Customs and Border Protection for cargo with destination to the United States of America.

3.2 Customer agrees to maintain adequate security measures to prevent misuse or introduction of illegal or dangerous merchandise in their boxes/containers of materials/products.

3.3 Customer acknowledges that has verified content of boxes/containers given to Magusa and contain material/products as per cargo manifest or any other listing of products given to Magusa by customer in order to prepare transportation documents.

3.4 In the case customer detects any suspicious activity, customer agrees to immediately notify Magusa.

3.5 Customer agrees to comply with country-specific laws and regulations and will follow Magusa's advice as to any documentation needed to be completed and signed for such purposes.

### **4. ETHICAL BUSINESS CONDUCT**

4.1 Magusa has produced a tradition of excellence that ties ethical conduct to its high performance and quality of service. Magusa is committed to conducting business in a way that is honest, lawful, fair and ethical. Magusa's guiding principles are set out in the Code of Conduct and Ethics, which may be found on the corporate website at: [www.magusa.us](http://www.magusa.us)

4.2 As a valued business partner, your commitment and cooperation are critical to Magusa's continued success and maintain high standards of ethical conduct. Customer acknowledges that has read Magusa's Code of Conduct and Ethics.

4.3 Business partners are expected to conduct business in a way that is ethical and in compliance with all applicable laws.

4.4 Customer agrees to report to Magusa any actions believed to be contrary to Magusa's standards, ethical commitments or policies.

## **5. TERM AND TERMINATION**

5.1. This Agreement shall commence on the date that Customer accepted Magusa's Quote and shall continue in force until the completion of the services as described therein. The Customer's acceptance may be express or implicit, including via fax or e-mail.

5.2. Magusa reserves the right to terminate this Agreement at any time, in its sole discretion and without any penalty, if Customer fails to comply with any payment obligations under this Agreement, being Magusa held harmless from any liabilities related to this contract.

5.3. Either party may terminate this Agreement at any time, upon written notice to the other if: (i) the other party materially breaches this Agreement and, in the case of a breach that is capable of remedy, fails to remedy the breach within 15 days after receipt of a written notice detailing the breach, or (ii) the other party becomes insolvent or bankrupted, or subject to any proceeding under any bankruptcy law.

5.4. Termination of this Agreement for any reason shall not affect any rights or obligations of the parties that accrued before termination, including without limitation the Customer's obligation to pay any fees accrued prior to termination.

## **6. LIMITATION OF LIABILITIES**

6.1. Magusa will not be liable for any losses, costs, expenses, delays or damages caused directly or indirectly by the Suppliers. Magusa may place a claim for losses, costs, expenses, delays or damages against the Suppliers on behalf of Customer, if requested by the Customer. However, Magusa shall not be responsible for the success of such claims.

6.2. Magusa will not be liable for any special, incidental, consequential or punitive losses or damages even if indirect, including lost income, loss of profits, interest or loss of market whether or not Magusa had knowledge that such losses or damages might have occurred.

6.3. If Magusa is not held harmless from liabilities under the terms of this agreement by a definitive judicial decision recognizing fraud, willful misconduct by Magusa, the customer agrees that Magusa's total liability cannot exceed the amount of the price according to section 2.3 of this agreement.

6.4 The customer agrees with the limitation of Magusa's liabilities provided in this agreement.

6.5. Customer agrees to inspect its shipment upon delivery and to give prompt notice of any damage or loss. Customer agrees that Magusa will not be held responsible for any loss or damage if notice on such loss or damage was not provided in writing to Magusa within forty-eight (48) hours as from the delivery of the goods to the Customer, without prejudice to the provisions set forth in this Section.

6.6. Customer agrees that Magusa has no obligation to consider claims for loss, delay or damage, or to prosecute such claims against carriers or warehousemen on behalf of Customer if Customer has not paid Magusa's invoices.

## **7. CONFIDENTIALITY**

7.1. Each party shall hold in confidence all Confidential Information disclosed by the other party in connection herewith, and shall use the same degree of care that it uses to protect its own valuable confidential information (but not less than a reasonable degree of care) not to (i) disclose such Confidential Information other than to its authorized personnel who are bound by agreements protecting the disclosing party's rights hereunder, or except as otherwise expressly permitted under this Agreement; or (ii) use such Confidential Information for any purpose other than to exercise its rights and perform its obligations under this Agreement.

7.2. For the purposes of this Agreement, Confidential Information means all the information concerning the business and technology of the parties; the data concerning current and future products, services and pricing of each party; the terms of this Agreement; and any other information clearly marked as confidential.

## **8. NATURE OF THE AGREEMENT**

8.1. The relationship of Magusa and the Customer established by this Agreement is that of independent contractors, and nothing in this Agreement shall be construed to (i) give either party the power to direct and control the day-to-day activities of the other or (ii) constitute the parties as partners, joint in a joint or common undertaking or (iii) constitute any employment relationship between the parties.

Neither Magusa nor the Customer and any of their agents, employees or contractors shall hold itself out as the agent of the other and shall have no power or capacity to represent, act for, bind, or otherwise create or assume any obligations on behalf of the other party for any purpose whatsoever. All financial obligations associated with each party's business are the sole responsibility of that party.

## **9. FORCE MAJEURE**

9.1. Neither party shall be liable to the other for any total or partial failure, interruption or delay in performance of their respective duties or obligations under this Agreement resulting from causes constituting Force Majeure. For the purpose of this Agreement Force Majeure shall be any cause attributable to acts, events or omissions beyond the reasonable control of the party claiming Force Majeure, including but not limited to governmental acts, Act of God, flood, fire, explosion or earthquake, power outages, strikes, lock-outs, or industrial disputes. If a Force

Majeure situation arises, the party whose performance is most immediately affected shall promptly give notice to the other, and shall be excused performance of its obligations under this Agreement in so far as the Force Majeure prevents such performance. In the event that a Force Majeure situation continues for a period of one month or more, then either party may terminate this Agreement by giving thirty days' notice in writing to the other.

## **10. ASSIGNMENT**

10.1. Neither party may assign any of its rights or obligations under this Agreement, by force of law or otherwise, without the prior written consent of the other party. Notwithstanding the foregoing, Magusa may assign this Agreement, in whole or in part, without the Customer's consent, to (a) any entity which controls, or is controlled by, or is under common control with Magusa, (b) any entity resulting from any merger or consolidation with Magusa, or (c) any person or entity which acquires substantially all of the assets of Magusa that are related to the subject matter hereof.

## **11. SPECIAL POWER-OF-ATTORNEY**

11.1. Customer appoints Magusa as its attorney-in-fact to act in Customer's place for the purpose of arranging customs brokerage services, to issue and sign any documents related to the services to be rendered.

## **12. INSURANCE**

12.1. Customer is encouraged to purchase freight insurance or to instruct Magusa to purchase it on its behalf if the limitations stated in Section 4 above pose unacceptable risks to the Customer.

12.2. Magusa will only honor insurance claims when a premium is charged on an invoice and collected by Magusa for the shipment in which the claim occurred.

12.3. Insurance will be procured by Magusa when requested by and for the benefit of the Customer. Customer understands that failure to pay insurance fees may result in the loss of coverage.

12.4 Insurance coverage will be limited by the underwriting terms. Customer understand there is a deductible on all insurance policies.

## **13. GENERAL PROVISIONS**

13.1. Any tolerance, from any of the parties, as to any obligations under this Agreement, shall be construed as a mere liberality and shall not be deemed a novation of Magusa of rights regarding the fulfilling of the obligations set forth herein.

13.2. If any provision of this Agreement is determined by a competent judicial authority to be illegal, void or unenforceable, this Agreement shall continue in full force except that such provision shall be

deemed to be deleted with effect from the date of such determination. The parties shall use all reasonable efforts to replace the illegal, void or unenforceable provision with a valid provision the commercial effect of which is the closest possible to the deleted provision.

13.3. This Agreement shall not be amended except by a written document executed by authorized representatives of both parties hereto.

13.4. Any notice or other document to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified mail or courier service to the address of the party appearing in the preamble of this Agreement, as well as by facsimile or e-mail, with the relevant proof of receipt.

13.5. This Agreement constitutes the entire agreement and understanding between the parties hereto relating to the subject matter of this Agreement and this Agreement supersedes and terminates any prior or contemporaneous arrangement, promise, agreement or understanding relating to the subject matter hereof.

13.6. Customer acknowledges and confirms that it has had the opportunity to read, revise and negotiate this agreement. It fully agrees to its contents, provisions (including Magusa's limitation of liability), purposes and effects. This agreement reflects with fidelity the will of the parties and the business negotiated between them.

13.7. The Sections 4 and 5 shall survive to the termination or expiration of this Agreement, for an indefinite term. The same applies to Section 3, until all payments due by the Customer to Magusa are duly liquidated.

#### **14. APPLICABLE LAW AND JURISDICTION**

14.1. This Agreement will be governed by the laws of the State of Florida in the United States of America. All suits, proceedings or claims in connection with this Agreement shall be brought in the courts of the City of Miami in the State of Florida and the parties hereby consent to the jurisdiction and venue of those courts.