



Unless a separate written agreement is signed by both the Customer and an authorized representative of Absolute Freight Management, Inc., dba HBI Logistics, Inc. ((referred to herein as “HBI Logistics”), the following Terms and Conditions shall govern the use of HBI Logistics’ services and/or the extension of credit.

By engaging HBI Logistics for services or receiving credit, the Customer—including its employees, agents, contractors, representatives, affiliates, parent companies, and subsidiaries (collectively, “Customer”)—acknowledges and agrees to be bound by these Terms and Conditions. These Terms and Conditions are hereby incorporated into any credit applications, shipping documents, statements of work, or letter agreements executed by the Customer, and shall apply to all transactions unless expressly superseded by a duly signed written agreement.

1. INDEPENDENT CONTRACTOR

HBI Logistics is a transportation broker operating as an independent contractor for the customer. HBI Logistics is not an agent or employee, and nothing in these Terms & Conditions shall be construed as establishing an employment relationship, partnership, or joint venture between the parties.

2. LIMITATION OF LIABILITY AND HANDLING OF CLAIMS

Customer understands and agrees that HBI Logistics is not a motor carrier or an employee or agent of a motor carrier. It does not physically transport freight. HBI Logistics is an authorized Broker, as that term is defined in 49 U.S.C. 13102. Customer authorizes HBI Logistics to act in its capacity as a Broker, and arrange, or offer to arrange, the transportation of freight by an authorized motor carrier.

As the Broker, HBI Logistics has no responsibility, liability or involvement in the issuance of insurance, the denial of insurance, or in the payment of claims. HBI Logistics does not carry insurance for Customer. HBI Logistics is not liable for cargo losses or claims, and Customer shall not pursue HBI Logistics or any of its employees, agents, representatives, affiliates, parents, or subsidiaries (collectively: “HBI Logistics”) in relation to the same. See 49 C.F.R. 370 et seq., as amended. Any insurance purchased for the benefit of Customer is purchased directly by the actual carrier of the freight. Customer shall pursue the actual carrier for its claims and acknowledges that its losses shall be subject to that carrier’s limitation of liability provisions (if

any), which may be contained in the carrier's tariff, terms and conditions, or contract with HBI Logistics. Unless Customer negotiates for a higher value that is agreed to in a signed writing by an authorized representative of HBI Logistics, all load tenders to HBI Logistics shall be considered to have a value of \$100,000 or less for purposes of carrier insurance.

HBI Logistics is not liable for any loss, late-delivery, non-delivery, or consequential damages caused by the act, default or omission of the carrier, Customer or any other party who claims interest in the shipment, or caused by the nature of the shipment or any defect thereof. HBI Logistics is not liable for losses, late-delivery or non-delivery caused by violation(s) by the Customer of any provisions contained in a bill of lading, contract, these Terms and Conditions, or the carrier's tariff or terms and conditions, nor will HBI Logistics be liable for improper or insufficient packing, securing, marking or addressing, or for failure to observe any of the rules relating to shipments not acceptable for transportation or shipments acceptable only under certain conditions.

Subject to any applicable limitations of liability or defenses, HBI Logistics shall only be liable for loss, damage, mis-delivery or non-delivery caused by HBI Logistics' own gross negligence. In such event, HBI Logistics' liability shall be limited to the fees that HBI Logistics earned with respect to the subject shipment. HBI Logistics makes no warranties, express or implied, including, without limitation, warranties of merchantability or fitness for a particular purpose, with regard to deliveries or with regard to its website, information provided on its website or services related to transactions conducted on its website. HBI Logistics cannot guarantee delivery by any specific time or date. In any event, HBI Logistics shall not be liable for any special, punitive, incidental or consequential damages, including but not limited to business interruptions and/or loss of profits or income, whether or not HBI Logistics had knowledge that such damages might be incurred.

Notwithstanding anything in these Terms and Conditions to the contrary, Customer acknowledges and agrees that HBI Logistics and the transporting carrier(s) will not be held liable for cargo loss, damage or delay occurring or arising in Mexico and if it is unclear whether such a claim arose in Mexico there will be a rebuttable presumption that loss, damage or delay arose in Mexico unless rebutted by Customer by clear and convincing evidence. In the event of a loss, HBI Logistics will make reasonable efforts to provide Customer with the information necessary for Customer to file a claim with the transporting motor carrier or unaffiliated service provider. All cargo claims should be filed immediately and directly with the actual carrier or responsible party, with contemporaneous notice to HBI Logistics, to help ensure timely resolution.

3. FORCE MAJEURE/ERRORS AND OMISSION

HBI Logistics is not liable for losses, late delivery or non-delivery caused by the acts of God, perils of the air, public enemies, public authorities, acts or omissions of Customs or quarantine officials, war, riots, strikes, labor disputes, weather conditions or mechanical delay or failure of aircraft or other equipment. HBI Logistics is not liable for failure to comply with delivery

or other instructions from Customer or for the acts or omissions of any person other than employees of HBI Logistics.

4. PAYMENT

HBI Logistics must receive payment of all charges within thirty (30) days from the date Customer receives an invoice from HBI Logistics. For purposes of calculating the payment's due date, Customer will be considered to be in receipt of the invoice upon the earliest of the following: (i) confirmation of receipt by one of the parties; (ii) successful electronic transmission of the invoice; (iii) if sent by mail, after three (3) days have passed from the date listed on the invoice as the invoice date. In the event the payment is not received within thirty (30) days, Customer agrees that interest shall accrue daily and be payable to HBI Logistics at the interest rate of 1.5% per month (18% per annum), together with any and all collection costs, including attorney fees. The invoice shall be paid in full, and shall not be subject to any deduction, counterclaim, delay in payment, or offset by Customer, whether on account of overcharges, cargo loss, damages, amounts owed by HBI Logistics, or otherwise. All disputed charges shall be reconciled separately with HBI Logistics or the non-affiliated broker or carrier. However, if HBI Logistics does not receive a written dispute within thirty (30) business days after the date listed on the invoice as the invoice date, the disputed charge will be denied by HBI Logistics. This paragraph clarifies and supersedes any conflicting language that may be contained in invoices, shipping documents, or carrier tariffs.

The Customer is liable for all charges payable on account of its shipment, including but not limited to transportation, fuel and other applicable accessorial charges, including all adjustments issued by the carrier(s) or service provider after the shipment, and all duties, customs assessments, governmental penalties and fines, taxes, and HBI Logistics' attorney fees and legal costs allocable to this shipment and/or all disputes related thereto. Customer agrees to pay any convenience fees charged by HBI Logistics or its parent company or affiliates related to the payment of services via credit card or other electronic payment methods. HBI Logistics shall have a lien on the shipment for all sums due it relating to this shipment or any other amounts owed by Customer. HBI Logistics reserves the right to amend or adjust the original quoted amount or re-invoice Customer if the original quoted amount was based upon incorrect information provided at the time of the original quote or if additional services by the carrier or service provider were required or otherwise authorized by Customer to perform the pick-up, transportation and delivery functions therein. If HBI Logistics accepts payment by credit card or electronic funds in advance of the shipment ("Pre-Pay"), Customer agrees it will be responsible for all charges payable, including any adjustments, on account of such shipment. These charges and adjustments, if any, may be automatically debited from the Customer's credit card or bank account. HBI Logistics reserves the right, at its sole discretion, to refuse any shipment at any time.

5. INSURANCE

Customer shall maintain in full force and effect, policies of insurance, or qualified self-insurance to cover the following:

- i. Comprehensive general or commercial liability, including coverage for
 - (i) contractual liability,
 - (ii) property damage, and
 - (iii) personal injury (including bodily injury).

The limits for such coverage shall be no less than \$1,000,000 combined single limit for personal injury (including bodily injury) and property damage;

- ii. Statutory worker's compensation coverage meeting all state and local requirements;
- iii. Employer's liability coverage with limits no less than \$1,000,000; and,
- iv. Any other insurance commonly procured in the industry for which Customer is engaged and any other insurance Customer is required by law to maintain. These Terms and Conditions may be amended to reflect higher levels of insurance coverage agreed to be the parties from time to time. Customer agrees to furnish HBI Logistics certificates showing evidence of such insurance coverage or proof evidencing said self-insurance upon request.

6. INDEMNIFICATION

Customer shall indemnify HBI Logistics for any loss, damage, injury, liability, expense, cost, including reasonable attorney's fees, fines, penalties, actions and claims, including, but not limited to, claims for injuries to persons (including death), for damage to property, and for damage to third parties arising out of Customer's negligence, wrongful act or omission, failure to comply with the law, and failure to comply with the terms of this Agreement.

7. VENUE AND JURISDICTION

Any claim, dispute or litigation (collectively referred to as: "Proceedings") relating to these Terms and Conditions or services offered or provided by HBI Logistics shall be governed by Indiana state law and applicable Federal law, and exclusive jurisdiction for such Proceedings will lie in the state or federal courts serving Indiana.

8. BILLS OF LADING

Bills of lading shall be considered non-negotiable and shall act as a receipt only. Any unauthorized alteration or use of bills of lading or tendering of shipments to any carrier other than that designated by HBI Logistics, or the use of any bill of lading not authorized or issued by HBI Logistics shall void HBI Logistics' obligations, if any, to make any payments relating to the shipment and void all rate quotes. If the Customer or its affiliates do not complete all the documents required for carriage, or if the documents which they submit are not appropriate for the services, pick up or destination requested, Customer hereby instructs HBI Logistics, where

permitted by law, to complete, correct or replace the documents for them at the expense of Customer. However, HBI Logistics is not obligated to do so. If a substitute form of bill of lading is needed to complete delivery of the shipment and HBI Logistics completes that document, the terms of the substitute completed by HBI Logistics will govern. HBI Logistics is not liable to Customer or to any other person for any actions taken on behalf of Customer under this provision.

Customer agrees to the Terms and Conditions in their entirety, and no agent or employee of the parties may change, alter, or in any way transform them. The Terms and Conditions shall apply to all shipments by Customer and all services provided by HBI Logistics. HBI Logistics reserves the right to alter or amend the Terms and Conditions, and Customer agrees that HBI Logistics' provision of services to Customer after any such changes constitutes sufficient consideration for them. Customer shall review the Terms and Conditions on a periodic basis such that it stays informed of any changes. The parties hereby waive 49 U.S.C. 14706, as provided for under 49 U.S.C. 14101, to the extent necessary to limit HBI Logistics' liability as provided herein.

By executing HBI Logistics' credit application and/or doing business with HBI Logistics, Customer attests to its solvency and ability and willingness to pay HBI Logistics' invoices in accordance with these Terms and Conditions. Customer also agrees that its employee or representative who is agreeing to these Terms and Conditions and/or completes the credit application has been duly authorized to do so by Customer and therefore binds Customer to the Terms and Conditions set forth herein.