

The following terms and conditions are made a part of the purchase order ("Order") to which they are attached regarding the purchase of certain goods by **XPO Enterprise Services, Inc.** ("XPO Logistics") from the Supplier named in the Order ("Supplier"). These terms and conditions are incorporated by reference into all written and electronic orders between XPO Logistics and Supplier as if expressly set forth therein. If the parties previously entered into a written agreement for the purchase of goods and/or services, then the terms and conditions of that agreement shall apply to this Order.

1. **Acceptance of Order.** Placement of this Order constitutes an offer to purchase the products and services described herein ("Goods") at the purchase price set out herein. Supplier's acceptance of this Order shall form a contract which is expressly limited to the instructions, terms and conditions stated herein. By acceptance of this Order, Supplier agrees to sell to XPO Logistics the Goods ordered. Supplier's commencement of performance under this Order shall constitute Supplier's unconditional acceptance of this Order. XPO Logistics hereby objects to and rejects all terms and conditions contained in any Supplier quotation, acknowledgment, confirmation, invoice, counter-offer or other form that are additional to or different from those stated herein. By accepting this Order, Supplier agrees that all such additional or different terms and conditions are ineffective.
2. **Price and Payment.** The purchase price paid by XPO Logistics for the Goods shall be that contained in Supplier's price list or quotation last furnished to XPO Logistics on or before the date hereof, or Supplier's quoted price on the date of shipment, whichever is lower. In the event shipment of Goods is made in installments, Supplier shall have no right to demand payment upon delivery of each installment, and payments shall not be required until after the last shipment of Goods hereunder is received by XPO Logistics.
3. Supplier agrees to comply with all instructions on the Order.
4. **Extra Charges.** No charges of any kind will be paid by XPO Logistics unless specifically agreed to by XPO Logistics in writing. The purchase price is to cover net weight of material unless otherwise agreed in writing. Unless otherwise specified on the Order, all transportation and shipping charges are to be paid by Supplier.
5. **Delivery.** Time is of the essence in performance of Supplier's obligations under this Order. The Goods shall be tendered by delivery to XPO Logistics at the date, time, and place indicated and via the carrier specified in the Order. If not specified, the Order shall be filled promptly and delivery made by the most expeditious form of land transportation to XPO Logistics' business address. If Supplier's deliveries fail to meet the delivery schedule specified herein, XPO Logistics, in addition to its other rights and remedies, may require Supplier to deliver the products in any manner necessary to speed delivery. Supplier will pay the difference between normal freight and any premium rates required. Supplier shall notify XPO Logistics as soon as Supplier is aware that it will not meet the scheduled delivery date. Invoices covering Goods in advance of dates specified will not be paid until the appropriate period after the date specified for delivery unless XPO Logistics has specifically authorized in writing such advance shipment. In the event Supplier fails to deliver all of the Goods within the time specified due to causes beyond Supplier's control, XPO Logistics may, at its option; (1) decline to accept Goods and may terminate the Order, or (2) may demand its allocable fair share of Supplier's goods available for delivery, and terminate the balance of the Order, or (3) may approve a revised delivery schedule. Acceptance of any part of an order shall not bind XPO Logistics to accept further shipments, nor deprive it of the right to return Goods already accepted. XPO Logistics shall not be liable for any failure to take delivery of the Goods as provided herein where such performance is rendered commercially impracticable due to fire, flood, labor disputes, war, act of God, governmental regulation or other circumstances beyond XPO Logistics' control not here above enumerated. Unless expressly otherwise provided on the face hereof, delivery of all Goods shall be made at one time in a single lot. If this Order calls for delivery of Goods in installments, each installment is dependent on every other installment, and delivery of nonconforming Goods or a default by Supplier of any nature under one installment will substantially impair the value of the whole Order and, at XPO Logistics' option, constitute a total breach of the Order as a whole. Unless otherwise agreed in writing, Supplier shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet XPO Logistics' delivery schedule. It is Supplier's responsibility to comply with this schedule, but not to anticipate XPO Logistics' requirements. Goods shipped to XPO Logistics in advance of schedule may be returned to Supplier at Supplier's expense.
6. **Packing and Shipment.** Deliveries shall be made as specified, without charge for boxing, crating, carting or storage. Supplier shall pack products to ensure against damage from weather or transportation and in accordance with the requirements of common carriers. XPO Logistics' order number, line item number and the price, quantity, Supplier part number and XPO Logistics part number of the Goods, as listed on this Order, shall be plainly marked on all invoices, packages, bills of lading, shipping orders and packing lists. Packing lists shall accompany each box or package shipment.
7. **Identification - Risk of Loss.** Identification of the Goods shall occur as soon as the Order is received by Supplier. Risk of loss of and clear title to the Goods shall pass to XPO Logistics at the time that conforming Goods are received and accepted by XPO Logistics.
8. **Inspection.** Within a reasonable time after delivery of the Goods in accordance with Section 5 (Delivery), XPO Logistics shall have the right to inspect the Goods to determine their conformity with the Specifications. "Specifications" shall mean final specifications, drawings, plans, instructions, samples or other descriptions, whether express or implied, furnished by XPO Logistics or by Supplier ("Specifications"). Receipt of Goods prior to inspection shall not constitute acceptance thereof. If all or any part of the Goods are found to be non-conforming, XPO Logistics may reject such non-conforming Goods, whereupon such rejected Goods promptly shall be removed by Supplier at Supplier's cost, and the purchase price with respect to such rejected Goods either shall be refunded by

Supplier if already paid, or shall be reduced if still owing. In either case, if XPO Logistics so directs in writing, Supplier shall promptly replace such non-conforming Goods with Goods conforming to the Specifications. All direct and incidental costs of rejecting and removing such non-conforming Goods shall be borne by Supplier.

9. Warranties Respecting Goods. Supplier expressly warrants that all Goods covered by this Order will : (a) conform to any and all Specifications, (b) be fit and sufficient for the purpose(s) for which they were manufactured and sold, and if Supplier knows or has reason to know of any other particular purpose for which XPO Logistics intends to use such Goods, the Goods will be fit for such particular purpose, (c) be new and merchantable, and (d) be of good material and workmanship and free from defects, whether latent or patent. The foregoing warranty shall survive XPO Logistics' inspection, acceptance, use and subsequent dispossession or sale of the Goods. Supplier hereby extends to XPO Logistics any and all warranties received from Supplier's suppliers and agrees to enforce such warranties on XPO Logistics' behalf. All Supplier's warranties shall run to XPO Logistics, its successors, assigns, customers and users of products sold by XPO Logistics. Supplier agrees to promptly correct all defects in any Goods not conforming to the foregoing warranties, or replace such Goods, without expense to XPO Logistics, when notified by XPO Logistics. In the event of Supplier's failure to correct or replace such foregoing warranties and remedies shall be in addition to any warranties and remedies of additional scope herein or otherwise provided by Supplier to XPO Logistics, or otherwise provided by law, including, but not limited to, any and all warranties provided in the Uniform Commercial Code. Supplier shall compensate, indemnify and hold XPO Logistics harmless from and against any and all damages, including incidental and consequential damages, claims, liabilities, and expenses (including court costs and attorneys' fees) arising out of or related to or resulting in any way from a breach of any warranty, whether express or implied, or from any act or omission of Supplier, its officers, agents, employees or subcontractors.

10. Security. XPO Logistics shall not be obligated to give and Supplier may not reserve any security interest in the Goods covered by this Order to secure any portion of the purchase price not paid at the time of delivery.

11. Destruction of Goods. If the Goods covered hereby are destroyed prior to the time risk of loss passes to XPO Logistics, XPO Logistics may, at its option, cancel the Order or require delivery of substitute goods of equal quantity and quality upon the terms set forth herein, in which event delivery will be made as soon as commercially practicable. If loss of Goods is partial, XPO Logistics shall have the right to require delivery upon the terms herein set forth of that portion of the Goods not destroyed which conform to the Order.

12. XPO Logistics Property.

(a) Intellectual Property. XPO Logistics shall own all right, title and interest in all Property conceived or all forms of such materials and information, including without limitation specifications, data, documents, drawings, files, input and output materials, media, ideas, inventions, derivatives of pre-existing copyrighted works, software in any format, documentation, and any related material. Any tangible expression of property which qualifies as a "work made for hire" under the Copyright Act, 17 U.S.C. §101, is expressly agreed by Supplier to be a "work made for hire" with the copyright in the work owned by XPO Logistics. Supplier shall label all property with a notice indicating evidence of XPO Logistics' ownership.

(b) XPO Logistics Materials. Supplier assumes all risk of loss of all material furnished by XPO Logistics to Supplier for use in performance of this Order.

13. Changes. XPO Logistics shall have the right to make changes in the Order, but no additional charge will be allowed unless authorized in writing by XPO Logistics. If such charges affect delivery or the amount to be paid by XPO Logistics, Supplier shall notify XPO Logistics immediately and negotiate an adjustment.

14. Set-Off. XPO Logistics shall be entitled at all times to set-off any amount owing at any time from Supplier to XPO Logistics or any of its affiliated companies against any amount payable at any time by XPO Logistics or any of its affiliated companies to Supplier.

15. Compliance with Laws. Supplier shall comply with all applicable State, Federal and local laws, rules and regulations.

16. Indemnification. To the fullest extent permitted by law, Supplier shall indemnify and hold harmless Con- way and all of its respective directors, officers, employees and agents (collectively "Indemnitees") from and against all claims, liabilities, damages, losses, costs (including without limitation, reasonable legal fees) and expenses (collectively "Claims"), arising from or relating to the undertaking of Supplier hereunder, or any defect(s) in the Goods supplied, provided such Claims are caused in whole or in part by any negligent act, omission, recklessness or willful misconduct of Supplier or anyone for whose acts Supplier may be liable, or provided Supplier may be held responsible for same under products liability law or under other applicable legal or equitable principles. Supplier further agrees to assume the defense of any suit brought against Indemnitees and to protect Indemnitees from all Claims arising out of claims for infringement of any patent, invention, design, trademark or copyright in connection with the Goods.

17. On-site Work - Insurance. If Supplier's work under the Order involves operations by Supplier on the premises of XPO Logistics or one of its customers, Supplier shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and except to the extent that any such injury is due solely and directly to XPO Logistics' or its

customer's negligence, as the case may be, shall indemnify XPO Logistics against all loss which may result in any way from any act or omission of the Supplier, its agents, employees, or subcontractors. Supplier agrees to maintain such liability, property damage, employee liability, Worker's Compensation insurance, and any other insurance required by law, that will protect Con- way from said risks and from any Claims.

18. Cancellation. XPO Logistics may, without penalty, charge or liability, cancel this Order or any part hereof at any time prior to acceptance of the Goods, to be cancelled by service upon Supplier of a written notice, except however, XPO Logistics shall be responsible for deliveries previously made or for Goods covered by the Order then completed and subsequently delivered in accordance with the terms of this Order. XPO Logistics may, in addition to any other available right of remedy, cancel this Order or any part hereof at any time without penalty, charge or liability if any of the following events occur: (a) Supplier fails to make delivery in accordance with the schedule specified herein, (b) Supplier ceases to conduct its operation in the normal course of business (including inability to meet its obligations as they mature), in the event of any proceeding by or against Supplier in bankruptcy or insolvency or for appointment of a receiver or trustee or an assignment for the benefit of creditors, or (c) Supplier otherwise fails to comply with any provision of this Order and such failure is not remedied within ten days after XPO Logistics' notice thereof to Supplier.

19. Quantities. It is the Supplier's responsibility to furnish the proper quantity called for in this order. No variation in the quantities specified herein will be accepted as compliance with this order, except by prior written agreement. XPO Logistics reserves the right to return excess shipments at Supplier's expense.

20. Remedies. In the event of breach of contract by Supplier, in addition to the remedies provided in these terms and conditions, XPO Logistics shall have all other rights and remedies available under applicable law. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE ORDER, IN NO EVENT SHALL SUPPLIER BE ENTITLED TO ANY PAYMENT ON ACCOUNT OF LOST PROFITS OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH ANY TERMINATION OF THE ORDER, OR OTHERWISE IN CONNECTION WITH THE ORDER.

21. Interpretation - Parol Evidence. This writing contains the entire agreement between the parties. There are no oral understandings, representations or agreements relative to this Order which are not fully expressed herein, except as provided in Section 9 (Warranties Respecting Goods) above. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this writing. Acceptance or acquiescence in the course of performance rendered pursuant hereto shall not be relevant to determine the meaning of this writing even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity for objection. Subject to the provisions hereof, this Order shall be construed and governed by the laws of the State of California.

22. Waiver. No claim or right arising out of a breach of the Order by Supplier can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by XPO Logistics.

23. Assignment - Delegation. No right or interest in the Order shall be assigned by Supplier without written permission of XPO Logistics, and no delegation of any obligation owed, nor performance of any obligation by Supplier shall be made without the written permission of XPO Logistics. Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

24. Alteration of Terms. Irrespective of whether this writing may be characterized as an offer or an acceptance of Supplier's prior offer, none of the terms and conditions contained in this Order may be added to, modified, superseded or otherwise altered, except by a written instrument signed by an authorized representative of XPO Logistics and delivered by XPO Logistics to Supplier and each shipment received by XPO Logistics from Supplier shall be deemed to be only upon the terms and conditions contained in this Order, except as they may be so added to, modified, superseded or otherwise altered. Any terms and conditions that may be contained in any acknowledgment, invoice, or other form of communication of Supplier which are inconsistent with the terms and conditions hereof are hereby expressly rejected. To the extent that this writing might be treated as an acceptance of a Supplier's prior offer, such acceptance is expressly made conditional on assent by Supplier to the terms hereof and shipment of the Goods by Supplier shall constitute such assent.

EO Clause for Contractors and Subcontractors

XPO Logistics and Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.