



SERVICE AGREEMENT AND CREDIT APPLICATION

PART 1 - TERMS & CONDITIONS OF SERVICE

According to the terms of this agreement and in consideration of service fees charged, the undersigned "Customer" retains EPES Logistics Services Inc ("EPES") as its agent to arrange transportation services and to provide logistics advice. These services include but are not limited to preparing and/or processing export declarations, booking, arranging for or confirming cargo space, preparing or processing delivery orders or dock receipts, preparing and/or processing bills of lading, arranging for crating, packing and unpacking, warehouse storage, and cargo insurance, handling freight or other monies advanced by shippers, or remitting or advancing freight or other monies or credit in connection with the dispatching of shipments, giving advice concerning letters of credit, licenses or inspections, or other documents or issues relating to the dispatch of cargo.

Customer understands and agrees that the terms and conditions under which EPES's services are provided are subject to change and that Customer shall be bound by any such changes. The current terms and conditions are available at any time to Customer on EPES's website at www.epeslogistics.com at "Terms and Conditions"

Customer understands that EPES is not a carrier, but that EPES will use its best efforts to select and engage responsible carriers, warehouseman and other transportation intermediaries on behalf of the Customer. Customer understands that the terms and conditions of the storage receipts of warehouseman and contracts of carriage of the water, road, or air carriers which EPES retains will apply to Customer as if Customer had entered into those contracts itself.

1A) LIMITATION OF LIABILITY FOR LOSS, DAMAGE OR DELAY

EPES will not be liable for any loss, delay or damage to goods caused by a carrier. EPES will assert a claim for loss, damage, or delay against the carrier on behalf of the Customer, but the recovery on such claims will, in nearly every case, be limited by the terms of the underlying contracts of carriage. For truck transportation and domestic air transportation, liability for damage is typically limited to \$0.50 per pound or \$40 per article, whichever is less. In international air transportation damage is typically limited to 17 Special Drawing Rights per kilogram. For carriage by water damage is limited to \$500 per package or customary freight unit.

EPES will not be liable for any loss, delay or damage to goods caused by acts of God, public authorities, strikes, labor disputes, weather, mechanical failures, civil commotion, acts of terrorism, hazards incident to a state of war, acts or omissions of customs, or defects in the goods being shipped. EPES will not be liable for any special, incidental or consequential damages including lost income, profits, interest, or loss of market, whether or not EPES had knowledge that such damages might be incurred.

UNLESS OTHERWISE SPECIFIED, IT SHALL BE PRESUMED THAT THE VALUE OF CUSTOMER'S GOODS DOES NOT EXCEED \$0.50 PER POUND OR \$40 PER ARTICLE, WHICHEVER IS LESS, AND CUSTOMER AGREES THAT EPES'S LIABILITY FOR ANY LOSS, DAMAGE, OR DELAY TO THE GOODS RESULTING FROM EPES'S NEGLIGENCE OR OTHER FAULT, IF ANY, WILL BE LIMITED BY THIS PRESUMPTION. CUSTOMER HAS THE OPTION OF PAYING SPECIAL COMPENSATION TO INCREASE THE LIABILITY OF EPES BEYOND THESE LIMITS BY SPECIFYING THE ACTUAL CASH VALUE OF THE GOODS AND APPLYING FOR SEPARATE INSURANCE COVERAGE.

CUSTOMER IS ENCOURAGED TO PURCHASE FREIGHT INSURANCE OR TO INSTRUCT EPES TO PURCHASE FREIGHT INSURANCE ON ITS BEHALF IF THE AFORESAID LIMITATIONS POSE UNACCEPTABLE RISKS TO THE CUSTOMER.

EPES LOGISTICS SERVICES INC WILL ONLY HONOR INSURANCE CLAIMS WHEN A PREMIUM IS CHARGED ON ANY INVOICE AND COLLECTED BY EPES LOGISTICS SERVICES INC FOR THE SHIPMENT IN WHICH THE CLAIM OCCURRED.

1B) PROMPT NOTICE OF LOSS, DELAY OR DAMAGE REQUIRED

Customer agrees to inspect its shipment upon delivery and to give prompt notice of any damage or loss within 5 days of delivery. Customer agrees that EPES will not be held responsible for any loss or damage if notice of such loss or damage was not provided in writing to EPES within 5 days of delivery to the Customer. Customer agrees to monitor its shipment and to immediately give notice in writing to EPES of any delay. Any notice of delay must be made within 5 days of the Customer's anticipated date of delivery. Customer agrees that notification of delay does not invalidate EPES's limitation of liability set forth in paragraph 1(a) above.

1C) PAYMENT OF INVOICES REQUIRED BEFORE CONSIDERATION OF CLAIMS

Customer agrees that EPES 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 EPES's invoices.

1D) EPES GIVEN A LIEN ON INSURANCE PROCEEDS

Customer agrees that EPES shall have a lien in the amount of any unpaid invoices on any insurance proceeds issuing as a result loss, delay or damage to Customer's cargo.

1E) CLAIMS EXPIRE AFTER ONE-YEAR

PART 2 - PAYMENT TERMS AND CREDIT AGREEMENT

2A) PAYMENT GUARANTEED BY CUSTOMER

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

2B) CUSTOMER BEARS RISK OF FOREIGN EXCHANGE FLUCTUATIONS

Estimates of service charges may have been given by EPES using current exchange rates. Actual charges may differ in accordance with variations in the currency exchange rate at the time service is provided.

2C) SERVICE FEES ACCRUE ON LATE PAYMENTS

Customer agrees to pay EPES's invoices per agreement. See credit agreement.



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2D) EPES ENTITLED TO ATTORNEY FEES INCURRED IN COLLECTION

Customer agrees to pay EPES's attorney fees, costs and other expenses incurred in the event this account requires that an attorney be engaged for purposes of collection.

2E) EPES GIVEN A LIEN ON GOODS FOR UNPAID CHARGES

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

EPES SHALL HAVE A CONTINUING LIEN ON ANY AND ALL PROPERTY (AND DOCUMENTS RELATING THERETO) OF CUSTOMER, IN EPES'S ACTUAL OR CONSTRUCTIVE POSSESSION, CUSTODY, OR CONTROL OR EN ROUTE, WHICH LIEN SHALL SURVIVE DELIVERY, FOR ALL CHARGES, EXPENSES OR ADVANCES OWED TO EPES IN CONNECTION WITH THE SHIPMENT ON WHICH THE LIEN IS CLAIMED, PRIOR SHIPMENTS OF CUSTOMER, OR BOTH. CUSTOMS DUTIES, TRANSPORTATION CHARGES, AND RELATED PAYMENTS ADVANCED BY EPES SHALL BE DEEMED PAID IN TRUST ON BEHALF OF CUSTOMER AND TREATED AS PASS THROUGH PAYMENTS MADE ON BEHALF OF CUSTOMER FOR WHICH EPES IS ACTING AS A MERE CONDUIT. EPES MAY SELL AT PUBLIC AUCTION OR PRIVATE SALE, UPON WRITTEN NOTICE VIA EMAIL OR REGISTERED MAIL TO CUSTOMER, THE GOODS, WARES AND/OR MERCHANDISE OR SO MUCH AS MAY BE NECESSARY TO SATISFY SUCH LIEN AND THE COSTS OF RECOVERY, INCLUDING THE VALUE OF MANAGEMENT TIME AND EFFORT, AND APPLY THE NET PROCEEDS OF SUCH SALE TO THE PAYMENT OF THE AMOUNT DUE TO EPES. THE SURPLUS, IF ANY, FROM SUCH SALE SHALL BE TRANSMITTED TO CUSTOMER, AND CUSTOMER SHALL BE LIABLE FOR ANY DEFICIENCY IN THE SALE.

Customer agrees to sign any notice of a security interest whether in the form of UCC-1 or other form we request. Customer appoints EPES as its attorney-in-fact to sign any such notice on Customer's behalf in the event Customer fails to sign it immediately upon EPES's request.

2F) PERMISSION TO RECEIVE CREDIT INFORMATION

Customer authorizes EPES to obtain Credit Reports on Customer or any individuals listed on Part 6 or to obtain credit and funding information from Customer's bank, or other persons or entities listed as references below. It is understood that any such credit information will be held in strict confidence and used only in consideration of this application for credit. Customer further agrees to supply such additional information as may be required by EPES to warrant future extensions of credit or enable EPES to perfect liens or to recover upon any bond issued.

PART 3 - SPECIAL POWER OF ATTORNEY GRANTED TO EPES

CUSTOMER APPOINTS EPES AS ITS ATTORNEY-IN-FACT TO ACT IN CUSTOMER'S PLACE FOR THE PURPOSE OF TRANSACTING CUSTOMS BUSINESS, TO ISSUE AND SIGN ATA CARNETS AND SHIPPER'S EXPORT DECLARATION ON BEHALF OF CUSTOMER AND FOR FILING UCC-1 FORMS TO PERFECT LIENS GRANTED HEREIN. CUSTOMER FURTHER GRANTS EPES FULL AUTHORITY TO ACT IN ANY MANNER BOTH PROPER AND NECESSARY TO THE EXERCISE OF THE FOREGOING POWERS AND RATIFY EVERY ACT THAT EPES MAY LAWFULLY PERFORM IN EXERCISING THOSE POWERS. THIS POWER OF ATTORNEY IS GRANTED FOR THE TERM OF THIS AGREEMENT.

Note: The attached Power Of Attorney must be completed and signed for filing with U.S. Customs.

PART 4 - TERMS OF AGREEMENT AND TERMINATION; LEGAL JURISDICTION

4A) TERM OF AGREEMENT AND TERMINATION

This Agreement shall be effective upon execution and shall remain in effect until cancelled by either party upon thirty days written notice to the other party, or upon breach of the agreement by Customer or failure to pay EPES's fees.

4B) APPLICABLE LAW & FORUM SELECTION

To the extent not governed by applicable federal statutes, the laws of the state of California shall govern the validity, construction and performance of this Agreement and all controversies and claims arising hereunder. Customer agrees that the forum for any litigation arising out of the performance of this Agreement, whether initiated by the Customer or EPES, shall be Los Angeles County, California.

4C) THIS FORM IS THE ENTIRE AGREEMENT AND SUPERCEDES CONTRARY ORDERS

These terms comprise the entire agreement between Customer and EPES. If the terms of this Agreement differ in any material way from the terms of Customer's order, this Agreement shall be construed as a counter-offer and shall not be effective as an acceptance of Customer's order unless Customer assents to the terms herein.

PART 5 - ACKNOWLEDGEMENT AND WARRANTY OF AUTHORITY

WARRANTY OF AUTHORITY & CERTIFICATION

The person signing this Agreement on behalf of the Customer represents and warrants that he or she has the authority to sign this agreement on behalf of the Customer, including appointment of EPES as Customer's attorney-in-fact and to assure EPES full and prompt payment. The person signing below certifies that the information given in the Customer Data and Credit References, (Part 6), is true, correct and complete and further understands that EPES will rely on this information for the extension of credit.

COMPANY

ADDRESS

PRINT

SIGNATURE

TITLE

DATE



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PART 6 - CREDIT APPLICATION

Company Name	
Street Address	
Suite	
State/City	
Zip	
Phone + Area Code	

(If not same as physical location)

Billing Address	
Suite	
State/City	
Zip	
Phone + Area Code	

BUSINESS INFORMATION

IRS #	
Nature of Operations	
Year Incorporated	
Annual Sales	
Years at Location	
Credit Requested	
A/P Contact	
Direct Extension	
Email	

TYPE OF BUSINESS

Corporation

LLC

Partnership

Sole Owner

CREDIT REFERENCES

Name		Phone + Area Code	
Contact		Fax + Area Code	
Title			

Name		Phone + Area Code	
Contact		Fax + Area Code	
Title			

Name		Phone + Area Code	
Contact		Fax + Area Code	
Title			

BANKING DETAILS

Name		Contact	
Branch		Phone + Area Code	
Account Number		Fax + Area Code	

Unless specific arrangements have been made in advance, each invoice is due and payable upon presentation. I, the undersigned officer or agent of the applicant, am authorized to prepare and submit this application.

Signature _____ Print _____ Title _____

For Internal Use Only

Received By: _____ Approved By: _____

Credit Terms: _____