



Terms and Conditions

1. These Terms and Conditions of this Credit Agreement, including limitations of liability and the assignment of lien rights and security interests, apply to the services offered by Company and accepted by Customer. The terms and conditions of this Credit Agreement are established by contract as set forth in the governing instrument or by operation of law.
2. Definitions:
 - a. "Approved Transaction" means an Invoice which has been submitted by Customer or the Vendor via the PayCargo Service and which the Customer has approved payment by selecting the "Approve" button (or similar online or automated functionality).
 - b. "PayCargo Service" means the services provided by the PayCargo System.
 - c. "PayCargo System" means a web based application accessible at www.paycargo.com which stores, manages, delivers, downloads and displays information related to Transactions between Customers and Vendors and the payments associated with such Transactions.
 - d. "Settlement" means the process by which funds are disbursed to Vendors on behalf of Customer, in connection with Transactions.
 - e. "Shipment Documentation" shall mean all documentation pertaining to the Approved Transaction with respect to the shipment(s), including: invoices from Vendors, bills of lading, air waybills, commercial invoices, arrival notices and delivery orders.
 - f. "Transaction(s)" means a separately identifiable invoice or other item submitted by Customer to Company for payment to a Vendor utilizing the PayCargo System.
 - g. "Vendor" means a Person who receives payments through the PayCargo System for Transactions, such as carriers and third-party service providers.
3. Customer agrees that for each Transaction for which it contemplates seeking to utilize credit extended hereunder, it shall submit all Shipment Documentation into the PayCargo System in accordance with the requirements of the PayCargo System, but in no event later than three (3) days after tender of goods to the ocean carrier or three (3) hours after tender of goods to the air carrier, as applicable. Customer acknowledges that Company is expressly authorized to obtain the Shipment Documentation from the PayCargo System.
4. The Shipment Documentation shall contain sufficient information to enable Company to determine the quantity, type and location of the cargo comprising the shipments, the Vendors performing transportation services of said cargo, the vessel(s) or vehicles transporting said cargo; and the dates, or expected dates, of departure and arrival of said cargo. For every Approved Transaction, Customer warrants and represents that all information contained in the Shipment Documentation is true and accurate to the best of Customer's knowledge.
5. The amount of credit extended to Customer is subject to periodic review and any decision to increase, decrease or revoke the amount of credit granted to Customer shall be in the sole discretion of Company. The extension of credit to Customer shall be governed by the Security Agreement and Revolving Credit Note to be executed by Customer contemporaneously

herewith (hereinafter "Loan Documents"). It is acknowledged and agreed that the execution of this Credit Agreement does not create any obligation of Company to extend credit unless accepted and agreed to by Company in writing as evidenced solely by execution of this Agreement by Company.

6. Customer agrees to pay Company for all Approved Transactions incurred for the Services provided by Company.
7. Company shall send an invoice to Customer for all payments advanced by Company hereunder and in accordance with the terms of the Loan Documents for each Approved Transaction.
8. Company will not be responsible for, and hereby disclaims any and all liability for, disputes that arise (and the resolution thereof) between Customer and Vendors.
9. Settlement. Company will process and disburse payments on behalf of Customers according to the terms outlined herein, and in accordance with the Loan Documents.
10. Customer hereby authorizes Company to Settle the Approved Transactions in accordance with the terms of this Agreement and the Loan Documents.
11. Company shall pay all Approved Transactions up to the Limit as set forth in the Loan Documents.
12. Customer shall comply with all minimum utilization requirements as set forth in the Appendix "A" hereto, or as modified from time to time by Company. Company reserves the right to terminate this agreement as set forth herein, in the event Customer fails to comply with the minimum utilization requirements.
13. Customer acknowledges and agrees that the credit extended under the Credit Agreement and Loan Documents shall be utilized by Company to pay for the Approved Transactions directly to the Vendors. Customer shall make no claim to entitlement for any such credit extended under the Credit Agreement and Loan Documents.
14. Customer agrees to keep the account current and agrees to pay each invoice according to its terms. Unless other payment terms are shown on the face of the invoice, it is agreed that Company will receive payment within thirty (30) days from the date the payment was made by Company to the carrier(s) or vendor(s), as reflected on the invoice. If Company accepts payment beyond the thirty (30) days, such acceptance is not a waiver of the terms of the conditions set forth herein or as set forth in the Loan Documents.
15. In the event that Customer fails to keep the account current, all amounts owed by Customer shall immediately become due and payable. Customer shall also become indebted to Company for costs of collection, including reasonable attorney fees, plus a late fee equal to five percent (5%) per month, or at the highest rate permitted by law, whichever is less, and calculated from the date of the invoice for any invoice not paid before the expiration of 30 days after the date of payment by Company to the carrier(s) or vendor(s).

16. As security for any existing and future indebtedness of Customer to Company, including claims for charges, expenses or advances incurred by Company in connection with any shipment or transaction of Customer, and whether or not presently contemplated by Customer and Company, Customer hereby assigns, transfers, conveys, pledges, mortgages and grants to Company a first perfected priority security interest/lien in/upon all goods, documents of title and other property for which Customer provides services for its customers and clients and for which services credit is extended hereto (collectively, with proceeds of the foregoing, the "Collateral"). Customer expressly warrants and represents to Company that Customer holds and maintains valid liens, title and/or security interests in the Collateral by way of: (a) carrier's and/or warehouse liens upon the Collateral under Article 7 of the Uniform Commercial Code, U.S. maritime law, and/or other applicable law; (b) consensual security interests in the Collateral under Article 9 of the Uniform Commercial Code or other applicable law; and/or (c) general and continuing liens pursuant to contractual agreements with its customers and/or its tariffs in effect governing the services provided by Customer to its customers. Customer expressly agrees that it holds the Collateral as bailee for Company's benefit to secure its obligations under the terms of this Credit Agreement and the Loan Documents and that Company shall have a security interest and a general and continuing lien on any and all Collateral, wheresoever located, in the possession, custody or control of Customer or its agents, for any amounts owed by Customer to Company with regard to the shipment on which the lien is claimed, a prior shipment(s) or both, and without regard to the services performed by Customer for its customer. Company is hereby granted power of attorney to execute and file appropriate financing statements on Customer's behalf. This lien and security interest shall be in addition to any other rights Company has or may acquire under other agreements, conventions, tariffs and/or applicable laws, and shall survive delivery or releases of any Collateral. In the event of any Default as set forth in the Loan Documents or failure to pay any amounts due hereunder, Customer shall notify all parties having an interest in its shipment(s) of Company's rights and/or the exercise of such lien. Unless, within thirty days of receiving notice of Company's intent to exercise such lien, Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of Company, guaranteeing payment of the monies owed, plus all charges accrued or to be accrued, Company shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.
17. Customer acknowledges its awareness of and assent to "The Electronic Signatures and Records Act" and the "U.S. Electronic Signature in Global and National Commerce Act of 2000" and expressly acknowledges that "an electronic signature may be used by any person in lieu of a signature affixed by hand" and that such a signature "shall have the same validity and effect as the use of a signature affixed by hand"; and that Notwithstanding any statute, regulation, or other rule of law, with respect to any transaction in or affecting interstate or foreign commerce "â€" (1) a signature, contract, or other record relating to such transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form; and (2) a contract relating to such transaction may not be denied legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. Customer acknowledges that the use of the PayCargo System for an Approved Transaction shall be

sufficient to constitute the Customer's signature, and Customer's acceptance and the applicability of these terms and conditions to such Approved Transaction.

18. Customer's Representations and Warranties.

- a. Customer represents and warrants that: (a) it has the corporate authority to execute this Agreement; (b) executing this Agreement does not constitute a material conflict with, breach or default under any applicable law, their respective charter or bylaws, or any documents, agreements or other instruments which are binding upon the Parties; (c) this Agreement creates valid, legal and binding obligations that are enforceable against the Parties; (d) it has, and shall have, the lien rights and/or security interests as set forth hereunder and in the Loan Documents; (e) it has notified its customers of the transfer and assignment of the aforementioned lien rights and security interests in the Collateral to Company or its to secure its obligations hereunder and under the Loan Documents; (f) it has notified its customers that Company or its affiliated entity holds and maintains a general and continuing lien and security interest in the Collateral to secure Customer's obligations hereunder and under the Loan Documents; (g) it has not entered into any contract or agreement with any person or entity, including but not limited to, its customer, which provides that Customer shall not assign or otherwise transfer said liens and security interests; (h) its customers have agreed or otherwise consented to the transfer and assignment of said lien rights and security interests in the Collateral to Company or its affiliated entity; (i) it has a contract with its customers and/or maintains and publishes a tariff which (1) provides for the assertion of the liens over the Collateral; (2) puts its Customers on notice that third parties such as Company or its affiliated entity may have liens or security interests over the Collateral; and (3) provides for the right of Customer and/or such third parties to execute on such lien to sell or otherwise dispose of the Collateral; (j) it will defend the Collateral against all claims and demands of all persons and entities, and will not permit any circumstances to exist under which the Company or its affiliated entity may lose its lien or lien priority on the Collateral; (k) it will promptly pay all potential taxes upon the Collateral that might result in the imposition of a lien upon the Collateral; (l) it will not sell, assign, mortgage, lease, pledge, lend, transfer, allow any third party to use or otherwise dispose of the Collateral without the prior written consent and at the sole discretion of the Company; (m) it shall allow Company or its representatives free access to and right of inspection of the Collateral at any time; (n) all of the information supplied and statements made to Company by or on behalf of Customer relating to Customer's financial information, capacity to make payments hereunder or the Collateral are and shall be true and complete and accurate, whether supplied or made prior to, contemporaneously with or subsequent to the execution of this Agreement; and (o) that no tangible document of title can be substituted for an electronic record, and that Customer's customers have acknowledged and agreed to same. Customer expressly agrees and acknowledges that Company shall have the right to instruct the underlying carrier(s) to release any Collateral in their possession, or the possession of their agents, to the custody of Company or its agents, and that the carrier(s) are directed to follow all such instructions by Company with respect to the disposition of any portion of the Collateral, regardless as to whether Company is in possession of the applicable bill(s) of lading.

19. Company's Representations and Warranties:

- a. COMPANY DOES NOT WARRANT OR MAKE ANY REPRESENTATION REGARDING THE INFORMATION CUSTOMER OBTAINS FROM THE PAYCARGO SYSTEM, INCLUDING THE CAPABILITY, CORRECTNESS, ACCURACY, OR RELIABILITY OF THE INFORMATION.
- b. CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT COMPANY HAS NO CONTROL OVER THE PAYCARGO SYSTEM.
- c. COMPANY DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT.
- d. CUSTOMER EXPRESSLY ACKNOWLEDGES THAT COMPANY SHALL IN NO EVENT BE HELD LIABLE FOR ANY DAMAGES, SUITS OR CLAIMS RELATING TO THE INFORMATION OBTAINED BY CUSTOMER FROM THE PAYCARGO SYSTEM, OR THE USE BY CUSTOMER OF SUCH INFORMATION.
- e. COMPANY WILL HAVE NO LIABILITY TO CUSTOMER OR THIRD PARTIES IN CONNECTION WITH THE USE OF THE PAYCARGO SYSTEM.

20. Compliance with Import and Export Laws. Customer acknowledges Company is subject to United States laws that impose export restrictions or economic sanctions on, or otherwise prohibit or penalize, dealing with the governments, nationals, Specially Designated Nationals (SDNs) and products and services originating from or owned and controlled by certain countries or in which such governments, nationals or SDNs have an interest. These laws include the Export Administration Act of 1979 administered by the U.S. Department of Commerce and the economic sanctions regulations administered by the U.S. Treasury's Office of Foreign Assets Control ("OFAC") (all such laws, collectively the "Sanctions Laws"). Customer warrants that, for all Transactions, neither Customer, its Vendors nor its customers are (i) located in or under the control of the government of a country subject to U.S. sanctions; or (ii) are on OFAC's SDN list or the Department of Commerce's denied persons list. Customer further warrants that the information, software and technology used by the PayCargo System will not be transferred, exported or re-exported to a sanctioned country, SDN or denied person or otherwise used in violation of the Sanctions Laws. Customer is responsible for ensuring that any necessary licenses for its business (including import and export licenses) are obtained from the relevant governmental authority.

21. Indemnification. Customer agrees to indemnify, defend, and hold the Company harmless from any claims, liability, loss, damages, costs, and/or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay arising in any way from any action, inaction, omission, or conduct of the Customer, including, but not limited to any claims by any Third Party for freight or other charges, duties, fines, penalties, liquidated damages or other money due arising from services provided to or on behalf of the Customer relating to any Transaction. Customer agrees to indemnify, defend and hold the Company harmless from any claim, suit, demand or action in whatever form, asserted against Company for any injury, death, property damage, environmental damage or advertising injury arising in any way from any services provided by Customer relating to any Transaction.

22. Limitation of Liability. In no event will Company be liable for any direct, indirect, incidental, special, punitive or consequential damages, whether founded in tort, contract, product liability or under any theory of law, including, but not limited to, loss of profits, data or use, even if advised of the possibility of such damages. Company will have no liability to Customer or third parties in connection with the use of the PayCargo System.

23. Verification; Audit and Inspection.

- a. Company may periodically select certain of Customer's Transactions for audit. To assist with this process, Customer agrees to provide requested supporting documentation for the Transaction(s), such as bills of lading or invoices reflecting dollar amounts due and the date. Customer further agrees to assist Company in obtaining and verifying invoices and bills of lading submitted for payment using the PayCargo System.
- b. Audit and Inspection. During the term of this Agreement and for one (1) year thereafter, Company may audit or inspect Customer's records related to its performance, duties or obligations under this Agreement, during normal business hours and upon reasonable notice.
- c. Examinations. To the extent permitted by law, Company and Customer will cooperate with each other in providing information or records in connection with examinations, requests, or proceedings of regulatory or law enforcement authorities.

24. Notices. Any notice or other communication required or permitted by these terms and conditions must be given in writing and must be delivered by personal delivery (including personal delivery by overnight courier such as Federal Express, DHL, or similar overnight courier), first class mail (registered or certified), telecopy or e-mail (with a copy sent by personal delivery or first class mail), in each case addressed as follows, or to such other address or addresses as may be hereafter furnished by one party to the other party in compliance with the terms hereof. Notice will be deemed given when received or delivered. Notice shall be given:

To Company:
PayCargo Finance, LP
201 Alhambra Circle, Suite 711
Coral Gables, Florida 33134
Attn: Jose R. Vazquez, Jr., CEO

To Customer: at such address, physical or electronic, as furnished in the Invoice or such other address utilized or referenced by Customer in the Credit Application, Loan Documents, or in its correspondence with Company.

25. Term and Termination.

- a. Term. This Agreement commences on the date Company approves this Agreement and will continue for a period of one (1) year until terminated as set forth herein. This Agreement will automatically renew for successive one (1) year periods, unless Company or Customer gives the other Party written notice of its

intent not to renew this Agreement at least thirty (30) days prior to the end of the term.

- b. This Agreement may be terminated by Company without further obligation or liability in the event that Customer is in default regarding (i) the payment of any amount payable to Company hereunder, or (ii) any other material obligation of this Agreement, and such default is not cured within five (5) days of receipt of written notice from Company. Payment of any amounts accrued prior to such termination shall survive such termination. Either Party may terminate this Agreement for any reason upon thirty (30) days written notice.
- c. Survival of Rights. Termination of the Agreement will not limit or affect Company's right to recover any amounts for which Customer is liable or obligated arising under this Agreement, the Loan Documents or the Credit Agreement. Termination of the Agreement will not affect Customer's responsibility to pay all amounts.

26. Jurisdiction and Choice of Law. The foregoing shall be construed according to the substantive laws of the State of Florida without regard to the conflict of law principles of such state. Customer hereby (i) consents to the exclusive jurisdiction and venue of the federal or state courts located in Miami-Dade county, Florida, regarding any matter arising under this agreement with the sole exception that an action to recover possession of all or part of the Collateral, may, in the sole discretion of Company, be brought in a state or federal court having jurisdiction over the Collateral; (ii) waives any objection based on personal jurisdiction, venue or forum non conveniens of any such action or proceeding; (iii) irrevocably designates and appoints the Florida Secretary of State as attorney-in-fact and agent for Customer and in Customer's name, place and stead to accept service of any process within the state of Florida; (iv) expressly consent to service of any legal process via electronic mail pursuant to the Notice provision as set forth herein; and (v) waives the right to transfer the venue of any such action or proceeding. Customer waives all rights to a jury trial of any claim, cause of action, counterclaim, cross-claim, defense or offset. Customer further hereby waives any claim for recovery of any punitive or consequential damages or any damages other than, or in addition to actual damages arising out of this agreement and/or the acts or omissions of Company.