

Letter of Agreement

Party A : Shenzhen Zhontain Logistics Co., Ltd. (Fulfillmen)

Address : Jinze International Logisitcs Park, Huizhou (Head office)

A1 519 (5TH Floor),

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USA

19 Heisser Ct

Farmingdale, NY 11734

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Party B :

On the basis of equality and mutual benefit and through friendly consultation, Party A is entrusted by Party B with freight transportation agency and has come to an agreement as follows:

i. This Agreement determines Party A and Party B to be in cargo transportation agency relationship. Party A is entrusted by Party B with freight transportation agency services.

ii. **Duties of Party A and B**

1.Duties of Party A:

1.1 After receiving cargo from Party B, Party A about to inspect those master cartons on delivery for external damage and let **Party B** know if there is any and transport cargo, as the transportation agent of **Party B**, to destination countries upon Party B's requirements.

1.2 **Party A** will store the goods on warehouse facility located in **Huizhou / Shenzhen** as per the

convenience of both parties.

1.3 Party A Follow up with tracking information and notify Party B on time.

2.Duties of Party B:

- 2.1 Party B takes the responsibility about legality of the consignments and logos. If goods are seized, detained, auctioned or confiscated by the judicial or administrative authorities for violation of legality of the consignment and logos, the legal liability shall be assumed by Party B and Party A has no responsibility for it. Furthermore, Party A reserves the right to claim from Party B.
- 2.2 Party B shall provide Party A with accurate recipient's information, ensure cargo to be transported must be consistent with the waybill declared and provide commercial invoice for customs clearance when needed. If Party B fails to provide materials above, it is deemed that Party A is entrusted to declare and would not undertake any responsibilities for declaration.
- 2.3 The Value and name of cargo shall be declared truthfully and in compliance with customs regulations. All responsibilities and expenses arising from untrue declaration shall be undertaken by Party B itself.
- 2.4 The packaging of consignments must conform with safety standards. Party B is reliable for the damage caused by packaging.
- 2.5 Party B agrees to comply with 《Consignment Clause》 offered by Party A. If any discrepancies occur between this Agreement and 《Consignment Clause》, please comply with the letter. In case the supplemental agreement stipulates otherwise, such stipulations prevail.
- 2.6 Costs arising from any reasons below, in case that recipients refuse to pay, would be automatically paid by Party B, and be listed directly into the statement. Party B shall pay Party A and shall not delay under any excuse, otherwise, would be regarded as breach of contract. Costs include: freight at destination indicated by Party B, customs fine and storage fees caused by goods itself, the returning and address-change fees caused by recipients or goods itself, surcharges for remote areas, discarding fees, duties refused to pay by local recipients, warehousing and other relevant fees.

III. Commission Fee Settlement Standards:

1. To be performed in accordance with price lists exhibited by Party A in Exhibit A.
2. All price lists might be adjusted periodically in accordance with the market rates. If price adjustment occurs during implementation, Party A shall notify Party B on time for Party B to make relevant preparations.

IV. Deposits:

All services availed by Party B will be liable for deductions in the form of service fee, commission and freight charge and will be subsequently deducted accordingly from the advance deposit paid by Party B. Party B will receive invoices from the online portal for all charges which has been deducted from the advance deposit thereof.

V. Commission Fee Settlement:

- 1) In consonance with Party A and Party B, all fees arising from the services in the form of commission fee and duties to be paid by Party B shall be settled on a daily basis by deducting the same from the advance deposit made by Party B. Party B, by itself shall inquire daily commission fee exhibited on the website disclosed by Party A, and settlement materials and commission fees would be deemed confirmed if no objections are raised. Party B is liable to settle dues on a daily basis, failure of the same would allow Party A to charge Party B 2% of the total settled commission fee per day as a default penalty.
- 2) During settlement, costs checked to be disputed shall be settled in the next day without affecting the daily settlement.
- 3) Party B shall remit the commission fee to the appointed account of Party A in advance, or else shall be regarded as unpaid.
- 4) In case Party B fails to settle in accordance with this Agreement, Party A poses the right to cease to provide fulfillment services until unpaid balances are settled, Party A will hold the right to retain the relevant goods of Party B and have it disposed of within **10 days** to clear off.

VI. Compensation:

1- Lost

Lost by Party A

If the parcel is lost after Party B handover the goods to Party A and on or before the Party A handover to the shipping carrier, then Party A shall be responsible. Compensation depends on the Declared Value (which the User inputs into the system) or the actual cost (on the invoice or receipt), whichever is lower.

If goods lost or damage in Fulfillmen warehouse

Once Party B's products arrived to our PARTY A's warehouse, PARTY A will purchase insurance for the Products. The insurance fee is total product cost * 1 %" per year. If product lost, Party A will refund according to product costs to Party B.

Lost by Shipping Carrier

If the parcel is lost after Party A handover to the shipping carrier, then the shipping carrier shall be responsible. The Service Provider shall assist to file a claim. Compensation depends on the terms of the shipping carrier.

Lost at Customs

Party A is not liable for any losses due to the parcel lost at Customs, partial content lost during Customs inspection, or confiscation by Customs.

Counterfeits, Prohibited and Restricted Items

Party A does not accept counterfeits and prohibited items that are listed in the Customs Law. Party B must not tender such items for shipment. Party B is liable for all consequences resulting from non-compliance and the Party A reserves the rights to pursue legal actions against the Party B..

1. If any discrepancies occur regarding Party A's price lists and Consignment Clause upon explanations to compensation, Parties shall comply in accordance with the former.
2. When loss or damage occurs for any reason during transportation, the compensation shall be claimed in written form and resolved as an individual case by established standards. Party B shall not refuse or delay to pay commission fees payable, or else would be regarded as breach of contract.
3. In case of damage or loss due to fire, flood or any such unforeseen events occurring while storage of party B's goods at the warehouse, Party A will compensate the full declared value of the goods left in the warehouse at the time of damage or loss.

VII. Other Stipulations:

- 1) This Agreement comes into force after being signed and stamped by representatives of both parties.
- 2) 《Consignment Clause》 acts as an appendix to this Agreement. Party B shall acknowledges it.

3) Party B appoints _____ as its business representative, whose contact details are _____. Party B appoints _____ as its financial representative, whose contact details are _____. Business or financial representatives appointed by Party B are adjustable.

VIII. Laws Applicable and Dispute Resolutions: :

1. Both explanations and dispute resolutions in this Agreement abides by the laws, regulations and government policies of the People's Republic of China.
2. If disputes arises between both parties upon this Agreement, please settle through negotiation. If no settlement can be reached, please refer to the 1st way as below:
 - 2.1 Conduct a prosecution at People's Court in the location of Party A's legal body;
 - 2.2 Apply for arbitration to *Shenzhen/Huizhou Arbitration Commission*;
 - 2.3 Apply for arbitration to *South China Branch of CIETAC*.

Party A:

Party A Representative:

Date:____(yy)____(mm)____(dd)

Party B:

Party B Representative:

Date:____(yy)____(mm)____(dd)

Consignment Clause

1. The Party B shall be reliable for the legality of the consignments and logos, for the legality and integrity of documents, and for the security of packaging. The Party B shall not consign prohibited objects, conceal or give false declaration of item names. Offenders would be punished strictly in accordance with the Party A regulations.
2. The Party A transports cargo by channel service providers appointed by consignors, or entrust other channel service providers.
3. The Party A is not liable for delayed transportation, for Act of God or any such unforeseen accidents, which include but is not limited to air crash, road accident, fire, theft and robbery, war, strike, civil strife and local officials' negligence or the Delays from the Shipping Carriers.
4. Insurance is suggested to Party Before safety assurance.
5. The Party B shall pay for freight and miscellaneous charges, warehousing fees arising from the transportation process, freight for returning to place of origin and other reasonable fees. The consignor shall pay in case that recipients refuse to pay for freight and miscellaneous charges or that cargo being discarded due to customs duties. The consignor shall pay for freight and miscellaneous charges required by channel service providers. And in case of overdue payments, Party A holds the right to cease to provide fulfillment services until unpaid balances are settled.
6. In case, disputes concerning this Clause cannot be settled through negotiation, both the Parties shall conduct a prosecution at People's Court in the location of the agent's legal body in China.
7. Clauses mentioned above are valid for all transportation relationship between the consignor and

the agent, which includes but is not limited to the «Cargo Handing-Over Inventory» -based model, confirmed by both sides.

8. This Consignment Clause would be disclosed on the agent's website and attached in the agent's price lists.