

FRANCHISE DISCLOSURE DOCUMENT

Unishippers Global Logistics, LLC
A Delaware Limited Liability Company
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A Unishippers® franchise permits you to promote, establish, bill, and collect on customer accounts for transportation services offered by one or more domestic and international carrier companies.

The total investment necessary to begin operation of a Unishippers franchise can range from \$16,065 to \$233,300. This amount includes between \$5,000 to \$30,000 that must be paid to the franchisor or its affiliates. The initial franchise fee is \$1,500, \$15,000 or \$30,000, depending on certain factors described below.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, us or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format, including electronic or paper, whichever is more convenient to you. To discuss the availability of disclosures in different formats, contact us at the address and telephone number listed above.

The terms of your contract will govern your franchise relationship. Do not rely on the Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as “A Consumer’s Guide to Buying a Franchise”, which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FRC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call Your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: March 27, 2024

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit B.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Unishippers business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Unishippers franchisee?	Item 20 or Exhibit B lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you make additional investments in your franchised business or may harm your franchised business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchised business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some State Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Texas. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Texas than in your own state.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

MICHIGAN NOTICE

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided by the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchised business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This subsection does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside the State of Michigan. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market value or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c) above.
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the Attorney General of Michigan does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa Street, Williams Building, 1st Floor, Lansing, MI 48933; (517) 373-7177.

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ITEM 1

THE FRANCHISOR AND ANY PARENT, PREDECESSORS, AND AFFILIATES

Unless otherwise indicated, to simplify language in this Disclosure Document, “Unishippers”, “franchisor”, “we”, “us”, or “our” refer to Unishippers Global Logistics, LLC. “You” or “your” means the person or legal entity that buys the franchise (“franchisee”). If you are a legal entity, certain provisions of the franchise agreement and its attachments also apply to your shareholders, officers, directors, members or partners. These provisions are noted.

Franchisor

Unishippers is a Delaware limited liability company that was formed on October 10, 2007. We do business under the names “Unishippers Global Logistics” and “Unishippers.” Our principal business address is 2700 Commerce Street, Suite 1500, Dallas, TX 75226. Our agents for service of process are shown in Exhibit A.

Parent and Affiliates

We are wholly owned by our parent, Unishippers Holdings, LLC (“Unishippers Holdings”), a Delaware limited liability company that was formed on October 12, 2007. Unishippers Holding’s parent, REP UNI Holdings, LLC (“REP UNI”), is a Delaware limited liability company that was formed on September 10, 2015. Unishippers Holdings and REP UNI also are our affiliates. The principal business address for Unishippers Holdings and REP UNI is the same as ours. Neither Unishippers Holdings nor REP UNI have ever offered franchises in any line of business, nor do they provide products or services to our franchisees.

On September 30, 2015, Unishippers Holdings sold all of its outstanding equity in Unishippers to REP UNI. On February 3, 2017, REP UNI sold all of its outstanding equity in Unishippers to SMB Shipping Logistics, LLC, a Delaware limited liability company formed on November 16, 2016. SMB changed its name to Worldwide Express, LLC (“WWE”) on January 1, 2020. WWE is a wholly-owned subsidiary of WWEX UNI Intermediate Holdings, LLC (“WWEX UNI”), a Delaware limited liability company formed on November 22, 2016. WWEX UNI is a wholly-owned subsidiary of WWEX UNI Topco Holdings, LLC (“Topco”), a Delaware limited liability company which was formed on November 22, 2016. The principal business address for WWE, WWEX UNI and Topco is the same as ours. WWE, WWEX UNI and Topco have never offered franchises in any line of business, nor do they provide products or services to our franchisees.

On July 26, 2021, Topco sold all of its outstanding equity in Unishippers to Accord JV Corp (“Accord”), a Delaware corporation, formed on June 9, 2021. Accord’s principal business address is the same as ours and Accord has never offered franchises in any line of business, nor does it provide any products or services to our franchisees.

Worldwide Express Operations, LLC (“WWEX”), a Delaware limited liability company, formed on July 6, 2007, and WWEX Franchise Holdings, LLC (“Franchise Holdings”), a Delaware limited liability company, formed on July 15, 2015, are under common ownership with us through WWE, WWEX UNI, Topco and Accord, making them our affiliates. The principal business address for WWEX and Franchise Holdings is the same as ours. WWEX formerly offered franchises in the same line of business as us, but no longer offers franchises in our or any other line of business. WWEX provides some products and services to our franchisees as further described in Item 8. Franchise Holdings has never offered franchises in any line of business, but does provide certain back-office services to our franchisees.

On July 26, 2021, Accord acquired all of the outstanding equity in GlobalTranz Enterprises, LLC (“GTZ”), a Delaware limited liability company, which was formed on May 15, 2019. As a result, GTZ is now a wholly-owned subsidiary of Accord and is our affiliate. Its principal address is 2700 Commerce Street, Suite 1500, Dallas, TX 75226. GTZ is a third-party logistics provider specializing in truckload and less-than-truckload

freight brokerage that sells its services directly and through a network of independent freight agents. GTZ has never offered franchises in our or any other line of business. GTZ currently does not provide products or services to our franchisees, but may provide freight services to our franchisees in the future.

SGI, LLC (“SGI”), a Delaware limited liability company, was formed on October 15, 2014 and is a wholly-owned subsidiary of Unishippers Holdings. Its principal business address is the same as ours. SGI processes payments for Unishippers franchises to our Carriers who handle freight.

Unishippers Management Services, LLC (“UMS”), a Delaware limited liability company and wholly-owned subsidiary of Unishippers Holdings, was formed on March 28, 2019. Its principal address is 751 North Drive, Suite 4, Melbourne, Florida 32934. UMS was formed to provide certain consulting and administrative services to Unishippers franchisees upon mutual agreement. UMS has never offered franchises in any line of business, but has been operating the same type of business that the franchisees operate since its formation and provides certain administrative support services to Unishippers franchisees.

Franchisor's Business

In October 2007, we began to offer logistics franchises under the “Unishippers” name and Marks (each a “franchised business”) which help small and medium-size businesses find affordable shipping services. We have not engaged in any other line of business and have not offered franchises in any other line of business. We have not operated a business of the type being franchised.

We contract with companies that provide small parcel (via air express and/or ground delivery), freight (full truckload (“FTL”) and/or less-than-truckload (“LTL”)) shipping services, and other transportation services with 3rd party carriers (“Carriers”) to provide these services at a discount. We grant Unishippers franchisees the right to use the Unishippers Marks and set up customer accounts with certain Carriers and to provide customer service on these customer accounts. Franchised businesses are conducted according to a business concept, format, and operation collectively called the Unishippers System.

The franchise permits you to promote, advertise, solicit, establish, maintain, service, bill, and collect on qualifying customer accounts for specified shipping services, subject to the provisions of the franchise agreement. The customer accounts you set up are provided discounted transportation services under the terms of the contracts and pricing agreements between Unishippers or its affiliates and the Carriers (“Carrier Contracts”).

The franchise also permits you to use certain trademarks, service marks, and trade names that use the word “Unishippers” and other marks (the “Marks”), subject to the provisions of the franchise agreement. Please see Exhibit D for the current form of our franchise agreement.

Currently, we do not establish our own new accounts, but we support existing corporate customers under the Marks. UMS supports existing corporate and franchise customers and establishes its own accounts under the Marks. Franchise Holdings, through its direct sales force, promotes and establishes its own new accounts in all areas of the United States under the WWE trademarks and service marks. GTZ, through its direct sales force and agent network, promotes and establishes its own new accounts in the United States, Mexico, and Canada under the GTZ trademarks and service marks.

We use the services of one or more franchise brokers or referral sources to assist us in selling our franchises. A franchise broker or referral source is our agent and represents us. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

National Franchise

A National Franchise grants you the non-exclusive right to develop and manage a business for all transportation services offered under the Carrier Contracts. A franchisee with a National Franchise may market in all areas of the continental United States (subject to the policies as set forth in the Manual). As set forth in greater detail in Item 12, a National Franchise must meet minimum performance requirements, including UPS revenue requirements (as further described in Item 12), and a minimum royalty requirement (as further described in Item 6).

We only offer National franchises (each a “National Franchise”) to prospective franchisees, and on renewal or transfer. Legacy Single Select Franchises exist in our system, but we no longer offer those for sale, renewal, or on transfer.

Parcel Only Program

We currently offer limited parcel resale-only Franchise Agreements to certain qualified franchisees pursuant to a Parcel Amendment (See Franchise Agreement – Attachment “N”). Currently, some agents of our affiliate, GTZ, have signed Parcel Amendment Franchise Agreements.

Market

The market for the franchise is well developed and consists of persons, businesses, and organizations in need of overnight, parcel, air express, truck, and other transportation services. There is some seasonality to your business and the transportation industry is very competitive. You must use United Parcel Service, Inc. (“UPS”) which is our only approved supplier for parcel shipping services, and you will be seeking customers that are not already using UPS. The major competitors of our approved parcel supplier currently include Federal Express and the United States Postal Service. You may choose from multiple approved suppliers for freight shipping services, but must use only those freight suppliers that have been accepted by us or our affiliates through our carrier qualification process.

You will compete with national, regional, and local businesses that sell similar or competitive services at a discount, including agents, representatives, and salespersons employed or otherwise paid by carrier companies, including those under contract with us. You will compete with other franchise systems and companies in the same line of business, including our affiliates, Franchise Holdings, and GTZ. Franchise Holdings sales representatives and/or GTZ sales representatives or agents may offer discounts as great as or greater than those offered through us. The discount rates currently offered through Unishippers may not always be available.

Laws and Regulations

You must comply with all applicable federal, state and local laws and regulations that are applicable to businesses generally, including federal laws such as the Fair Labor Standards Act, National Labor Relations Act and Americans with Disabilities Act, and laws and regulations governing matters such as business licensing, public health and safety, occupational hazards, minimum wages, overtime, working conditions, workers’ compensation insurance, unemployment insurance, interstate commerce, shipping, consumer protection, unfair or deceptive practices, environmental protection, intellectual property protection, privacy, data protection, and taxation. Also, the Federal Motor Carrier Safety Administration, the Federal Maritime Commission and the Federal Aviation Administration have various laws and regulations regarding obtaining licenses if you sell, offer, or arrange ground, ocean, or air freight.

You should consult with your attorney and local, state, and federal government agencies before buying a Unishippers franchise, to determine all applicable legal requirements and compliance costs and to consider

their effects upon you. It is your responsibility, on an ongoing basis, to investigate and satisfy all local, state, and federal laws, since they vary from place to place and can change over time.

This Disclosure Document sets forth the terms and conditions on which we currently offer franchises. Every detail of your Unishippers franchise is important for you and all Unishippers franchisees so as to maintain uniform operating standards based on the Unishippers core operating values and a reputation for offering quality products and service. A fundamental requirement of your joining and remaining part of the Unishippers System is your commitment to operating your Unishippers franchise in accordance with the Unishippers System Standards (“System Standards”), as modified in our sole discretion from time to time. During the term of the franchise agreement, you must develop and operate your Unishippers franchise in compliance with all System Standards. Among the primary factors in any success that you might experience will be (1) your personal effectiveness, personality, and ability as a franchisee and as a marketer for your franchised business, (2) the degree to which you follow the Unishippers System, and (3) your willingness to work smart and hard.

ITEM 2 **BUSINESS EXPERIENCE**

Chief Executive Officer: Thomas Madine

Tom Madine has been Chief Executive Officer for us, Accord, Topco, WWEX UNI, WWE, UMS, WWEX and Franchise Holdings since March 2019. He has been Chief Executive Officer of GTZ since July 2021. He was a member of the Board of Managers for Topco from February 2017 to July 2021. He has been Chief Executive Officer of WWEX and Franchise Holdings since August 2013, and was President of WWEX from January 2011 to February 2019. He was WWEX’s Chief Operating Officer from January 2009 to July 2013, and its Executive Vice President of Franchise Operations from July 2007 to December 2008. Mr. Madine is located in Dallas, Texas.

Chief Financial Officer: Jack Pearlstein

Jack Pearlstein has been Chief Financial Officer for us, Accord, Topco, WWEX UNI, WWE, UMS, WWEX, Franchise Holdings and GTZ since May 2022. From May 2020 until August 2021, he was the co-founder, Executive Vice President and Chief Financial Officer for Navsight Holdings, Inc. in Reston, Virginia. From May 2014 through June 2020, he was Chief Financial Officer for Cision, Ltd. in Chicago, Illinois. Mr. Pearlstein is located in Bal Harbour, Florida.

Chief Operating Officer: Joel Clum

Joel Clum has been our Chief Operating Officer since February 2017 and Chief Operating Officer of WWEX and Franchise Holdings since March 2016. He has been Chief Operating Officer of GTZ since July 2021. From May 2015 until February 2016, he was Senior Vice President of Operations for WWEX and Franchise Holdings. Mr. Clum is located in Dallas, Texas.

Chief Technology Officer: Daniel Curling

Daniel Curling has been our, WWE and GTZ’s Chief Technology Officer since January 2024. From January 2022 until January 2024, he was the Chief Technical Officer for Experian Health. Between January 2021 and January 2022, he was the Chief Information Officer at National Seating and Mobility. He was at Asurion from June 2014 through December 2020, serving in many executive technology roles, with the last role being the Chief Information Officer. Mr. Curling is located in Nashville, Tennessee.

Chief Relationship Officer and EVP, Freight: T. Michael Grayson

Mike Grayson has been our Chief Relationship Officer since February 1, 2023, and Executive Vice President of Freight since April 2020. He was Executive Vice President of Freight for WWEX and Franchise Holdings from January 2016 to April 2020. He was Senior Vice President of Franchise Operations for WWEX from December 2009 to December 2015, and Vice President of Franchise Operations for WWEX from November 2008 to November 2009. He has been a Senior Advisor to XStream Trucking since September 2020. Mr. Grayson is located in Dallas, Texas.

Senior Vice President, Partner Channel: Dustin Wesley

Dustin Wesley has been our and GTZ’s Senior Vice President of Partner Channel since July 2023. He was our Senior Vice President of Franchise Development from February 2021 to June 2023, and Vice President of Franchise Development from January 2019 to January 2021. From February 2016 to December 2018, he was Vice President of Franchise Development for WWEX. From January 2010 to January 2016, he was Director of Sales for WWEX. Mr. Wesley is located in Dallas, Texas.

Vice President, Marketing Strategy: Alison Smith

Alison Smith has been Vice President of Marketing Strategy for us, WWE and GTZ since January 2022. Prior to that she was Vice President of Digital Marketing of WWE, from September 2019 until January 2022. Ms. Smith served as our Vice President of Franchise Operations and Sr. Director of Franchise Operations from 2014 through 2019. Ms. Smith is located in Salt Lake City, UT.

General Counsel and Chief Legal Officer: Charlene York

Charlene York has been General Counsel, Chief Legal Officer, Secretary and Vice President for us and for Accord, Topco, WWEX UNI, WWE, UMS, WWEX and Franchise Holdings since September 2020. She has been Chief Legal Officer and Secretary of GTZ since July 2021. She was Associate General Counsel for us and for WWEX and Franchise Holdings, from August 2017 to August 2020. From March 2009 until June 2017, she was an attorney and partner with Akerman, LLP in Washington, D.C. Ms. York is located in Dallas, Texas.

Vice President, Operations & Integration: Josh Pluemer

Josh Pluemer has been our Vice President of Operations & Integration since November 2023. He was Vice President of Operations from April 2019 to November 2023. From February 2017 to April 2019, he was Vice President of Operations for WWEX. Mr. Pluemer is located in Dallas, Texas.

ITEM 3
LITIGATION

Current:

None.

Concluded:

Jeff Kelley et al. v. Unishippers Global Logistics, LLC et al. (California Superior Court, Los Angeles County, Case No. BC 695927). On March 1, 2018, former franchisee, JMK/USA Enterprises, Inc. and its principal shareholder, Jeff Kelley, (collectively, “Plaintiff”), filed a complaint against Unishippers, Launch Logistics, LLC (“Launch”), and Dan Lockwood, Kevin Lathrop and Steve Leavitt individually (collectively,

“Defendants”) alleging breach of contract, common counts and fraud in the inducement in connection with a transition agreement dated January 22, 2016 under which Plaintiff sold the assets of its Pasadena, CA and Arcadia, CA franchises to Launch. Plaintiff sought rescission of the transition agreement or in the alternative, payment of the balance due under the transition agreement in the amount of \$660,000, less amounts already paid, as well as punitive damages of an unspecified amount, interest, attorney’s fees and costs. On May 29, 2018, Defendants filed a motion to compel arbitration pursuant to the terms of the franchise agreement, a motion to dismiss for forum non conveniens and a motion to quash as to the individual defendants. On October 22, 2018, the court granted the Defendants’ motions, ruling that Plaintiff had failed to prove personal jurisdiction over the individual defendants and that the forum selection clause in the franchise agreement required that the matter be arbitrated in Utah, thus rendering California an improper forum. On October 22, 2018, the court entered an order dismissing Plaintiffs’ case without prejudice.

Morning Star Associates, Inc., et al. v. Unishippers Global Logistics, LLC (U.S. Court for the Southern District of Georgia, Augusta Div., Case No. 1:15-cv-00033-JRH-BKE). On February 27, 2015, former Unishippers’ franchisee Morning Star Associates, Inc. and its principal, Chris Herrmann (“Plaintiffs”), filed a complaint against Unishippers alleging breach of contract, unjust enrichment, misrepresentation and seeking a declaratory judgment and damages in an undetermined amount following the termination of Plaintiffs’ Augusta/Columbia, Greenville/Spartanburg and Asheville franchises for failure to meet performance standards. Unishippers moved to compel arbitration pursuant to the franchise agreement and filed an arbitration demand against Plaintiffs before JAMS, alleging breach of contract, tortious interference, misappropriation of trade secrets and conversion. On May 20, 2015, the District Court granted Unishippers’ motion to compel arbitration in Utah, and Chris Herrmann appealed the court’s decision to the 11th Circuit Court of Appeals, Herrmann v. Unishippers Global Logistics, LLC, No. 15-12680-A, which dismissed the appeal for lack of jurisdiction on February 21, 2017. Plaintiffs then re-filed their claims as counterclaims in the JAMS arbitration. On April 26, 2017, the parties reached a settlement whereby Unishippers agreed to pay Plaintiffs \$125,000 and the parties agreed to the dismissal with prejudice of both the arbitration action and the lawsuit. The court entered the order of dismissal with prejudice on June 5, 2017.

Unishippers Global Logistics, LLC v. Mercari, Inc. et al., (Utah arbitration before JAMS). On October 8, 2015, Unishippers filed an arbitration demand against former franchisee Mercari, Inc. and its guarantors Sanjay Ahuja, Ernest Liu, Dinah Liu, David M. Patel and Chaitanya Rayasam, following the termination of Mercari’s Fresno, CA franchise for non-payment of carriers. The demand included claims for breach of contract and conversion regarding unpaid carrier fees and accounts receivable, and declaratory judgment on Mercari’s claims against Unishippers, Launch Logistics, LLC, Dan Lockwood, Story Group, Inc., Tim Story, Kevin Biagi and Stacey Biagi, including those for breach of contract, tortious interference, misrepresentation and conversion. The parties subsequently settled their claims on November 19, 2015 for a total payment of \$200,000 by all defendants to Mercari.

No actions involving the franchise relationship have been filed by Unishippers against any franchisees in the last year.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Below is a table summarizing the initial franchise fees. These fees are payable to us:

Fee	Amount	Description
Initial Franchise Fee	\$30,000	Payable upon signing Franchise Agreement; Non-refundable
Diversity or VetFran Ownership Program Franchise Fee	\$15,000	Payable upon signing Franchise Agreement; Non-refundable
Inter-System Franchise Fee	\$1,500	Payable upon signing Franchise Agreement; Non-refundable

The above fees are sometimes referred to collectively as the “Franchise Fees.” At our option, we may pay a portion of the Initial Franchise Fees to a third-party referral source.

We strongly discourage you from making major life changes in expectation of receiving a franchise, including relocating or terminating employment, before a Franchise Agreement is fully executed.

In 2023, we awarded 76 new franchises for less than the standard Initial Franchise Fee. The fee paid depends on your (i) qualification under our Diversity or Veteran Ownership Programs, (ii) past or present affiliation with any of our affiliates; and/or (iii) current business portfolio. Except as provided in this Item 5, Franchise Fees must be paid in full when the franchise agreement is signed by you and submitted to us for approval. You may not finance any part of the Franchise Fees with any other person, partnership, corporation, or other business entity without our prior written approval. We offer financing for the Initial Franchise Fee under the terms set forth in Item 10.

We offer a referral program for existing franchisees and corporate employees. They can be eligible for a “thank you” gratuity of up to \$10,000 if they refer an eligible and qualified candidate to us who has not been referred by anyone else, is not considered an Inter-System Franchisee prospect (already part of a GTZ agency (whether as an owner, employee or contractor) or a current employee with one of our affiliates or franchisees), and that person signs a new (not a transfer) franchise agreement, successfully completes all required training, and reaches certain operational milestones. This gratuity is for the referral only and the franchisee or employee has no part in the sales process. This program maybe be discontinued or changed at any time and we may impose additional rules or conditions for eligibility.

Our Veteran’s Ownership program offers eligible and qualified former full time active-duty military veterans who have been honorably discharged from any branch of the United States armed services (Air Force, Army, Coast Guard, Marines, Navy, National Guard) a reduced Initial Franchise Fee of \$15,000. To qualify, you must be a U.S. citizen, provide proof of your honorable discharge, be new to the Unishippers System, be the majority owner of the business and meet our other qualifications for new franchisees. If there is any ownership change of a franchise purchased under this program within the first two years, the remaining 50% of the Initial Franchise Fee will be due and payable to Franchisor as an additional fee. This program maybe be discontinued or changed at any time and we may impose additional rules or conditions for eligibility.

Our Diversity Ownership program encourages underrepresented groups to become Unishippers franchisees by offering eligible and qualified candidates a reduced Initial Franchise Fee of \$15,000. To qualify, you must be a woman or a minority (as defined by the United States Small Business Administration), a U.S. citizen, be new to the Unishippers System, be the majority owner of the business, and meet our other qualifications for new franchisees. If there is any ownership change of a franchise purchased under this program within the first two years, the remaining 50% of the Initial Franchise Fee will be due and payable to

Franchisor as an additional fee. This program may be discontinued or changed at any time and we may impose additional rules or conditions for eligibility.

We charge a \$1500 Inter-System franchise fee for prospects who meet our qualifications for new franchisees and (a) are also owner or employees of a GTZ agency; (b) have past or present affiliation with any of our affiliates, and are currently (or were) in good standing (in our sole discretion), or (c) franchisees who sell their business to us or one of our affiliates and enter into a new Franchise Agreement. If there is any ownership change of a franchise purchased under this fee within the first two years, the remaining amount of the Initial Franchise Fee will be due and payable to Franchisor as an additional fee, unless the transferee meets other discounted eligibility requirements.

We do not charge a fee for you or your personnel to attend our New Owner Training, Basic Sales Training, or Advanced Sales Training, although we reserve the right to charge a fee for such training in the future.

The above fees are the only initial fees and payments due to us from the franchisee prior to the opening of the franchise. All other initial costs and fees (as listed in Item 7) are paid to third parties. We fully earn the Initial Franchise Fees when you sign the franchise agreement, and we do not refund any of the above fees under any circumstances.

**ITEM 6
OTHER FEES**

Type of Fee ¹	Amount	Due Date	Remarks
Royalty Payments	The greater of: (i) 18.5% of Gross Profit Margin on shipments zero to 150 pounds and all other services and products. 15% of Gross Profit Margin on shipments over 150 pounds; or (ii) Minimum royalty of \$17.50 per 4 week month or \$21.88 per 5 week month and increasing by that respective amount each month.	Payable on the 15 th day of each month for sales in the month before the preceding calendar month.	Gross Profit Margin means the Gross Sales Volume less the cost of Carrier services billed to and paid by you (but not less any related or other expenses paid by you, such as bad debt, royalties, Truckload Fees, Technology Fees, CRM Fees, sales commissions, marketing fees, etc.). ² See Section 2.02 of the Franchise Agreement.
Marketing Fund Contribution ³	Currently, 1% of Gross Profit Margin Phase 2 - 2% Phase 3 - 3%	Same as royalty payments. See above.	See above for the definition of Gross Profit Margin. ²
Technology Fee	Technology Fee: Currently, \$65.00 per month	Paid in advance, on the 10 th day of each month.	We may increase the Technology Fee on notice to cover changes in our program-related costs.

Type of Fee ¹	Amount	Due Date	Remarks
User CRM Fee:	Currently, \$62.24 per user/per month	Paid in advance, on the 10 th day of each month.	Franchisees pay \$62.24 per user/per month We may increase the User CRM Fee on notice to cover changes in our program-related costs.
Freight Fees	Fee for LTL and FTL shipments. Current per shipment fee is \$5.20 (\$3.70 for each bill of lading (“BOL”) and \$1.50 for each invoice on BOL).	Payable on the 10 th day of each month for shipments in the month prior.	A BOL may have more than one invoice on it.
	\$25 per shipment per week fee assessed for shipments disputed by you and left unresolved for more than one month.		Fee will be assessed if the dispute is deemed invalid. Not applied where prohibited by law.
	Late fees: If a payment is returned, you are subject to a 10% or \$250 return fee, whichever is greater.		Not applied where prohibited by law.
	\$20.00 fee per BOL for missing BOL.		Not applied where prohibited by law.
Administrative Group Fee	Currently, 7%-26% of Gross Profit Margin, depending on the type of shipment (UPS, LTL or TL)	Weekly	If UMS is your Administrative Group, you pay these fees to our affiliate. After the first 12 months, there will be a weekly minimum charge of \$250. For franchisees using other Administrative Groups, this fee is billed by the third party and paid directly to them.
New Term Fee	\$5,000	Payable upon signing new Franchise Agreement	Non-refundable after we countersign.
Transfer Fee	\$15,000 - 30,000 – New to System (as applicable)	Payable upon signing Franchise Agreement	Non-refundable
	\$5,000 – In-system		

Type of Fee ¹	Amount	Due Date	Remarks
Amendment Fee	\$1,000 - \$5,000	Payable as incurred.	\$1,000 – Minority Ownership change and other minor amendments; fee increases to \$3,000 per amendment on the third amendment in any rolling 12-months \$5,000 – Majority Ownership change
Late Fees	10% on royalty, marketing, administrative, tech fee, CRM and any other amount owed to us that is past due	Payable as incurred.	Not applied where prohibited by law.
Interest	Lesser of 18% per year or highest rate allowed by law on all overdue amounts ⁴	Payable as incurred.	Payable on the unpaid overdue balance owed to us from the date due.
Rejected Payments	Payment returned for insufficient funds or otherwise rejected or returned will incur the following fees: <ul style="list-style-type: none"> • \$150 for each returned UPS payment • 10% of returned carrier payment • 10% for any other returned payment 	Payable as incurred.	
Debts to Carriers	Amounts billed by or owing to Carriers on shipments, services and products	Payable promptly when invoiced by Unishippers.	You grant us a security interest in and the right to manage, bill and collect on your accounts to pay Carriers and others. We may terminate your franchise for failure to pay amounts when due per the terms of your franchise agreement or as required in the Carrier Contract(s). ⁵
Other Debts	Amounts billed by or owed to third parties	Promptly when due.	You must pay all costs, expenses and debts incurred by you or your franchise (see Item 8).
Mandatory Meeting Fees	Registration fees vary between \$0 and \$500 per person	As established per meeting.	You or your designated manager must attend the Sales Kickoff and other mandatory meetings, not to exceed two meetings in any 12-month period.
Meeting Non-Attendance Fee	\$1000	Payable as incurred.	Unexcused absence from mandatory meetings

Type of Fee ¹	Amount	Due Date	Remarks
Insurance Payments	Amounts imposed by insurance companies	As insurance companies require.	If you fail to make any required payments, we may make all payments necessary to keep the required insurance in force. You must immediately reimburse us on notice. ⁶
General Indemnification	Depends on circumstances	Immediately as incurred.	You must indemnify us for certain expenses, losses, liabilities, and other amounts. ⁷
Inspection Charges	Costs of further inspections after the first one	Immediately after each inspection.	You must pay us inspection costs if there are breaches of the franchise agreement. ⁸
Audit Charges	Amount of understatement, up to 18% interest (or highest rate allowed by law) and costs of audit	Within two days after receipt of the audit report.	You must pay all understatements, interest, and our audit costs for certain breaches. ⁹
Debts at Termination	Payment of all debts owed to Unishippers and others	Immediately upon termination.	Upon termination of the franchise agreement all debts owed to us and others are accelerated and must be paid.

Note 1: Unless otherwise specified, all fees are imposed by and payable to us. We will pull royalty payments, Marketing Fund contributions, and other amounts due to us by Electronic Funds Transfer (“EFT”) on a monthly basis. Administrative Group fees are pulled weekly. All payments must be received by and credited to our bank account before 5:00 p.m. on or before the due date. All fees are nonrefundable unless stated otherwise.

Note 2: Items deducted in determining the Gross Profit Margin include certain amounts that have been billed to you that are later credited back by a Carrier to you, and certain amounts arising from shipments deemed to be service failures by the Carrier for which you issue credit to the customer. Notwithstanding the foregoing, Freight Fees and other transaction fees are not deducted in determining Gross Profit Margin. See Section 12 of the franchise agreement for the definitions of Gross Profit Margin and Gross Sales Volume.

For illustrative purposes only, Month 1 Minimum Royalty could be \$20.23, Month 2 - \$36.42, Month 3 - \$56.66.

Note 3: We have established a Marketing Fund and contributions are payable by you monthly. We are limited as to how much of the Marketing Fund can be spent on our administrative expenses and we are required to submit annual budgets to the Marketing Advisory Council (“MAC”) for its approval, which cannot be unreasonably withheld.

Note 4: Interest is payable on all overdue amounts, including but not limited to franchise fees, carrier payments, royalty payments, technology fees, CRM fees, admin fees, and Marketing Fund contributions.

Note 5: You grant us a security interest in all accounts receivable and unpaid customer shipment sales for the purpose of satisfying your obligations to Carriers. In addition, if you fail to pay all bills and invoices when due, we may terminate your franchise or we may opt to manage, bill, and collect on the accounts, and to pay bills as we deem appropriate. We or the Carriers may terminate your Carrier account(s)

for failure to pay amounts when due. Your obligation to pay outstanding billings and invoices continue regardless of whether the account is terminated.

Note 6: You must purchase and retain all insurance in the amounts and in the manner required by the franchise agreement (see Item 9) and applicable law.

Note 7: You must indemnify us for all expenses, losses, liabilities and other amounts, including costs and attorneys' fees, from your operation, conduct, and business.

Note 8: Initially, our inspection of your franchised business is at our expense. If, however, we make more than one inspection in connection with your failure to comply with the franchise agreement, then we may charge you for the cost of all further inspections after the first one in connection with your failure to comply, including the travel expenses, room, board and compensation of any Unishippers employee or agent conducting such inspections.

Note 9: Initially, our audit of your franchised business is at our expense. However, if there are any understatements of royalty payments or marketing contributions for any period, you must pay us any outstanding amounts from the understatements, plus interest at the lesser of 18% per year or the highest rate allowed by law in your state, within two business days after receiving the audit report. In addition, if the understatement for any period is 1% or more of your Royalty Payments or marketing contributions for the period, you must reimburse us for the cost of the audit, including travel expenses, room, board and compensation of any Unishippers employee or agent conducting such audit.

ITEM 7
ESTIMATED INITIAL INVESTMENT¹

Type of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Franchise Fees ¹	Initial Franchise Fee – \$1,500 - \$30,000 New Term Fee – \$5,000	Lump sum in wire transfer or EFT	Upon signing and submitting franchise agreement	Unishippers
Real Estate Deposit and Improvements ²	\$0 – \$10,000	Lump sum	As negotiated	Landlord and contractors
Fixtures, Furniture, Equipment and Signage ³	\$0 – \$7,500	Lump sum	As negotiated	Various vendors
Computer Hardware and Software ⁴	\$1,000 – \$7,500	Lump sum	Before opening	Various vendors
Initial Inventory and Supplies ⁵	\$250 – \$1,000	Lump sum	Before opening	Various vendors
Utility Deposit and Costs ⁶	\$50 - \$500	Lump sum	Before opening	Utility companies
– Telephone and Broadband Internet Service	\$150 – \$500			Internet Service Provider

Type of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Business Licenses and Fees ⁷	\$100 – \$2,500	Lump sum	Before opening	State and local agencies
Broker Authority, BOC-3, Unified Carrier Registration, and Licensing Fees ⁸	\$390 – \$500	Lump Sum and Annually	Prior to using method of shipping and annually as required.	FMCSA or state agencies
Surety Bond ⁸	\$600 – \$1,300	Lump Sum and Annually	Before opening and annually as required.	Insurance companies
Automobile ⁹	\$300 – \$4,000	Lump sum	Before opening	Third party sellers
Insurance (for the first year) ¹⁰	\$525 – \$2,500	Lump sum	Before opening	Insurance companies
Organizational Expenses ¹¹	\$1,000 – \$7,500	Lump sum	Before opening	Accountants and attorneys
Travel and Living Expenses ¹²	\$1,200 – \$8,000	Lump sum	During training	Airlines, hotels and restaurants
Additional Funds – 3-Month Initial Period ¹³	\$9,000 – \$150,000	As incurred	As incurred	Vendors, others
TOTAL ¹⁴	\$16,065 – \$233,300			

Note 1: These figures are estimates. Some franchises may incur a higher initial investment depending on whether they immediately hire sales representatives and other factors. All items but “Additional Funds” are estimates through the date that you open the franchised business. We cannot guarantee that you will not have additional expenses starting the business. All expenses are nonrefundable except as otherwise specified. We offer financing for the Initial Franchise Fee for qualified franchisees under the terms set forth in Item 10. If ownership of a franchise purchased under a discounted franchise fee program is amended or transferred within the first two years, the remaining amount of the Initial Franchise Fee is due and payable to Franchisor as an additional fee at the time of the transfer.

Note 2: You may work from a home office. If you choose to have an office outside of your home, leasing office space generally requires the payment of a security deposit, the first month’s rent and the cost of any improvements. The ranges shown are based on a small office (800 to 1,000 square feet). Real estate values vary greatly across the country. To estimate the deposit and rental expense for your office, apply the square footage requirements above to the local real estate rental costs where your office will be located. Some landlords will include the cost of leasehold improvements in the rent. We do not review your lease agreement.

Note 3: Fixtures, furniture, and equipment can include decor, furnishings, desks, chairs, copiers, scanners, filing cabinets, reception room seating, a telephone system, signage and other items necessary to operate the franchised business.

Note 4: You must buy one or more computers and hardware meeting Unishippers' then-current specifications. In addition, you must purchase a printer and software and software licenses to compliment the Unishippers Software provided with the franchise license. See Item 11.

Note 5: This assumes enough marketing and administrative materials for the first three months.

Note 6: This includes a security deposit and start-up charges. You must obtain a separate phone line for the business. Most telephone companies require a security deposit of approximately \$150 to \$200 per line installed in your office.

Note 7: You must obtain all licenses required by law including city, county, and state business licenses.

Note 8: As a broker, Federal Motor Carrier Safety Administration ("FMCSA") regulations require you to obtain a license and a surety bond. The required amount of the bond for brokers is \$75,000. We have partnered with a low-cost provider of the surety bond and you may obtain the FMCSA bond through this vendor or find your own provider. Businesses offering Ocean or Air Freight services may be required to obtain additional licenses and surety bonds according to federal regulations. Consult an attorney in your state to determine whether these laws and regulations apply to you.

Note 9: This represents only an initial down payment or lease deposit for an automobile to be used in the franchised business.

Note 10: This includes premiums for general liability and employee insurance. If truckload shipments are arranged, auto and transportation liability insurance, contingent cargo, and errors and omissions insurance are also required by the franchise agreement (see Item 9). The franchise agreement requires that each franchisee retain general liability insurance of at least \$1,000,000 per occurrence / \$2,000,000 in the aggregate and Employer's liability insurance of at least \$1,000,000 per employee. Additional insurance may be needed. We have partnered with an insurance broker that provides a group rate for this insurance. Premiums are calculated on a monthly basis based on total gross freight revenue. If you participate in this program, premium payments are pulled monthly and paid to the insurance provider.

Note 11 Organizational expenses typically include fees paid to accountants and attorneys.

Note 12: At least one individual owner, your designated manager, and any key sales personnel, must attend and complete to our satisfaction various training programs at the times and places and for the duration that we specify. Currently, we do not charge a fee for New Owner Training, Basic Sales Training or Advanced Sales Training, but we may do so in the future. You must pay for all travel and living expenses, compensation, benefits, and any other expenses incurred by you and your attendees during training. Travel and living expenses while in training depend on the distance you must travel, the mode of travel, the number of people attending, and the caliber of airline, hotel, and restaurant services purchased. New Owner Training is held in various places, including Melbourne, Florida and Dallas, Texas. Basic and Advanced Sales Training is generally held in Dallas, Texas. Training may be provided virtually at our option.

Note 13: The "Additional Funds" estimates your initial expenses for the franchise during the first three months of operation. These funds are in addition to those already listed above. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on such factors as

the following: the size of your franchise Marketing Area, your organizational, management and marketing skills; your experience and business acumen; the market for Carrier services; prevailing wage and salary rates in your area; competition; and other factors. If you decide to hire an account executive during the initial 3-month period, you may need an additional \$5,000 to \$7,500 per month. Your need for working capital reserves will depend on sales volume. We estimate you may need the greater of at least \$3,000 per month or 50% of weekly billings during the initial 3-month period of the franchised business. You will use this money as a reserve to cover carrier payments and not for your monthly expenses.

Note 14: These numbers are based on one person attending New Owner Training (but not Basic Sales Training because they already have previous sales experience) virtually on the low end and two persons attending both New Owner Training and Basic Sales Training in person on the high end. This chart does not include amounts for your personal living expenses, royalty payments, Marketing Fund contributions, debt service on loans, state sales and/or use taxes on services and products where applicable, or any other amounts not described above.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

This Item describes your obligations to buy or lease from us, our affiliates, and approved vendors, or in accordance with our specifications.

Except as described in this Item, you are not required to purchase or lease specific services or products. You cannot purchase or contract for, on behalf of yourself or any other entity, products or services not specifically authorized by us.

Purchases from Unishippers or Affiliates

You must use our Customer Relationship Management (CRM) software and similar programs and pay us a Technology Fee and CRM Fee to cover our recurring costs for administering such programs. You also must use additional specified software and pay for software licenses and other licenses we designate in connection with myUnishippers, our designated technology platform. In 2023, we did not receive revenue or other material consideration from franchisee purchases related to our CRM software.

Our freight program operates in conjunction with our affiliates, WWEX, to make use of efficiencies of scale and to provide more options for your freight customers. You must use only Carriers contracted with us or our affiliates, as further described below. You sign a Co-Broker Agreement (attachment “L” to the Franchise Agreement) to document the contractual relationship between WWEX and your Franchise. We may change or eliminate all or a portion of the freight program at any time on written notice. In 2023, we did not receive any revenue or other material consideration from franchisee participation in the truckload program. For FTL, you must use the systems designated by us, currently Aljex, for booking loads.

In 2023, SGI earned \$2,560,069 in revenue from the services it provided to franchisees and UMS related to the freight program. In 2023, we did not receive any revenue or other material consideration from franchisee participation in the truckload program.

You must use UMS as the third-party Franchise Administrative Group (“Admin Group”) for your back-office functions such as billing and collections (“Administrative Services”) unless you obtain our advanced written approval to perform your own Administrative Services. As described in Item 1, UMS is our Affiliate. In 2023, UMS earned \$5,793,981 in revenue from the services it provided to franchisees. In 2023, we did not receive any revenue from this required service.

The truckload program, Admin Group, Technology Fee, and CRM Fee will represent about 3% to 30% of your total purchases in connection with establishing and operating your Unishippers franchise and about of 1% to 25.8% of your total purchases in connection with establishing and operating a transferred Unishippers franchise.

Purchases from Carriers

We do not supply small parcel, freight, or other shipping services. We or our affiliates have contracted with various Carriers (each a “Carrier Contract”) to supply specified services and products as our approved vendors. We and our affiliates have the right to execute new Carrier Contracts and modify or eliminate any existing or future Carrier Contracts in our sole business judgment. You must purchase, promote, and market only the services and products of these Carriers. You may not purchase or contract, for yourself or on behalf of a customer, any other services or products from Carriers except those specifically authorized by us. If you wish to use a Carrier not contracted with us, the Carrier will be provided with a link to register and complete the qualification process through the Aljex portal. If the Carrier cannot meet our qualifications, you may not use them.

You must comply with the terms of all current and future Carrier Contracts, and any amendments or addenda thereto. You cannot take any legal action or make a formal legal demand or claim against or with respect to a Carrier without our prior written approval, which can be withheld in our sole discretion.

UPS is the only approved vendor of parcel services. You may not use any other parcel Carrier. You are required to execute the Franchisee Terms and Conditions for Offering UPS Products (Attachment “F”) to the franchise agreement).

All purchases of services and products from Carriers must be at the rates and subject to the terms, conditions, and specifications of the Carrier Contracts between us or our affiliates and the Carriers. You also must comply with the terms, conditions, and specifications of the Operations Manual, the Sales Training Manual, and other materials from us, as they may be issued and revised from time to time. The identity of the Carriers and related terms, conditions, and specifications may change as Carrier Contracts are adopted, modified, eliminated, or replaced. Terms, conditions, and specifications also could change as the Operations Manual, the Sales Training Manual, and the other materials are changed. We formulate and modify the terms, conditions, and specifications based on negotiations with Carriers and the interests of the Unishippers System. Carriers are evaluated based on their services, size, responsiveness, locations, pricing, and other factors.

We may receive revenue or other material consideration from Carriers and other vendors resulting from purchases of services or products by you or your customers. We may enter into arrangements through which we earn income because of your purchases and to help offset the administrative costs we incur because of your purchases. The cumulative purchasing power of us, our affiliates and franchisees historically has allowed us to negotiate discounts on services and products from Carriers for the benefit of Unishippers, Unishippers franchisees, and their customers. You must use only the services and products from Carriers authorized by Unishippers to retain and renew the franchise. Your accounts with Carriers may be terminated for failure to pay amounts when due, per the terms of your franchise agreement.

It is our exclusive responsibility (either directly or through our affiliates) to negotiate Carrier Contracts and to manage the relationships with Carriers. Since we do not control and cannot guarantee any outcomes with Carriers or any other approved vendors, we have no liability for negotiations with them or for any related relationship issues, decisions, and/or other matters.

The cost of Carrier services and products purchased from Carriers will represent about 65% to 90% of your total purchases in connection with establishing and operating your Unishippers franchise.

Other Negotiated Purchase Arrangements; Miscellaneous

We have designated Brodnax 21C Printers as an approved vendor for the purchase of printed materials, including business cards. Their address is 737 Regal Row, Dallas, Texas 75247 and their phone number is ph. 214-528-2622. We receive no revenue or other material consideration as a result of franchisee purchases from Brodnax.

We have designated McGriff Insurance Services (“McGriff”) as an approved vendor for the purchase of surety bonds. Their address is 130 Theory, Suite 200, Irvine, California 92617 and their phone number is ph. 714-941-2840. We receive no revenue or other material consideration as a result of franchisee purchases from McGriff.

We have designated MJ Insurance, Inc. (“MJ”) as an approved vendor for the purchase of health insurance for Unishippers franchisees and their personnel. Their address is 517 Monon Blvd, Suite 400, Carmel, Indiana 46032 and their phone number is ph. 602-772-3315. We receive no revenue or other material consideration as a result of franchisee purchases from MJ.

We have negotiated, and may negotiate in the future, arrangements for the purchase by Unishippers franchisees and their customers of other services and products. These arrangements may relate to optional or mandatory purchases. We negotiate these types of arrangements to take advantage of our purchasing power, combined with our affiliates, Unishippers franchisees, and their customers, and to obtain discounts or other benefits on purchases of services and products. We may receive revenue or other material consideration from approved suppliers or otherwise because of these arrangements, generally calculated based on the costs we incur to negotiate, maintain, and monitor the arrangements.

We maintain a list of approved suppliers in the Operations Manual. We may modify this list from time to time on written notice to you. We may approve a single supplier, including us or one of our affiliates, for any service or product, and may approve a supplier only as to specified services and products. We will grant or revoke approvals of alternate suppliers on reasonable written notice based on our criteria for approving suppliers, inspections, and performance reviews. We will provide you with our criteria for alternate supplier approval on written request. You may request in writing our approval of alternate suppliers, other than a parcel carrier. We will provide you with written notification of the approval of any proposed alternate supplier within 45 days after receipt of your request and all information necessary to review the proposed supplier. If you do not hear from us within 45 days of your request, the proposed alternate supplier is deemed not approved.

We do not provide material benefits to you (i.e. special renewal privileges or additional franchises) based on your purchase of services or products from approved suppliers. There are no purchasing or distribution cooperatives in which you must participate except for advertising contributions and as noted above.

In 2023, we generated \$1,089,210 in revenue from required purchases by franchisees, which was about .000315% of our total revenue of \$3,455,913,038.

As of December 31, 2023, there were no approved vendors in which any of our officers owned an interest.

Purchases Pursuant to Specifications

You must purchase a computer, broadband internet service, laser printer, software and other services and products required for the operation of your franchise. You also must purchase printed materials and other

items bearing the Unishippers Marks, including business cards and other printed items. All of these items must be purchased pursuant to specifications in the Operations Manual, Sales Training Manual, and in other written guidance (collectively, the “Manuals”) from us. We may modify the specifications from time to time. We formulate and modify the specifications based on business and marketing needs, efficiency, cost, industry demands, compatibility, and other factors.

ITEM 9 **FRANCHISEE’S OBLIGATIONS**

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

Obligation	Section In Franchise Agreement	Disclosure Document Item
a. Site Selection and Acquisition/Lease	Section 1.01	Items 5, 7, 11 and 12
b. Preopening Purchases/Leases	Sections 3.01, 3.04, 3.05	Items 6, 7, 8 and 11
c. Site Development and Other Preopening Requirements	Sections 2.01, 2.09, 3.01, 3.02, 3.08 and 3.10	Items 5, 6, 7 and 11
d. New Owner Training Program and Ongoing Training	Sections 3.09, 3.10, 3.21 and 3.22	Items 6, 7 and 11
e. Opening	Sections 3.01, 3.02 and 3.03	Items 7 and 11
f. Fees	Sections 1.05 and 2.01-2.09, 10.02	Items 5, 6, 7, 11 and 17
g. Compliance with Standards and Policies/Manuals	Sections 1.01 and 3	Items 8, 11, 12, 15 and 16
h. Trademarks and Proprietary Information	Section 4	Items 13 and 14
i. Restrictions on Products/Services Offered	Recitals and Sections 1.01, 3.01, 3.02, 3.03, 3.04, 3.05, 3.20 and 7.01 Section 1, 3, 5. – Parcel Amendment	Items 8 and 16
j. Warranty and Customer Service Requirements	Recitals and Sections 3.01, 3.02, 3.03, 3.05, 3.09, 3.10 and 10.03.	Items 8 and 11
k. Territorial Development and Sales Quotas	Sections 1.01, 2.02, 3.01, 3.03, 3.09	Item 12
l. Ongoing Product/Service Purchases	Recitals and Sections 1.01, 3.01, 3.02, 3.04, 3.05, 3.14 and 3.20	Items 8 and 11
m. Maintenance, Appearance and Remodeling Requirements	Sections 3.01 and 3.02	Items 7 and 11
n. Insurance	Section 2.09	Items 6 and 7
o. Advertising	Recitals, Sections 2.04, 3.01, 3.04, 3.05, 3.12 and Section 4	Items 6, 8, 11, 13 and 16
p. Indemnification	Sections 2.10, 3.07, 5.07	Items 6 and 17

Obligation	Section In Franchise Agreement	Disclosure Document Item
q. Owner's Participation, Management, and Staffing	Sections 3.08, 3.09, 3.10, 3.21, 3.22, 5.03 and 5.06	Items 15 and 17
r. Records/Reports	Sections 2.03, 2.07, 3.03, 3.04, 3.15, 3.17, 3.18 and 7.01	Item 6
s. Inspections/Audits	Sections 3.17 and 3.18	Item 6
t. Transfer	Sections 5 and 7.01	Items 17
u. Renewal	Sections 1.03 and 1.04	Items 17
v. Post-Termination Obligations	Sections 4, 5.04, 5.07, and 7.01	Items 6, 13, 14 and 17
w. Non-competition Covenants	Sections 4.05 and 4.06 Section 3, 4, 6.c. – Parcel Amendment	Items 14, 16 and 17
x. Dispute Resolution	Sections 10, 11	Items 6 and 17

ITEM 10 **FINANCING**

Initial Franchise Fee. Currently we offer financing for the Initial Franchise Fee for a new Franchise, if you meet our requirements. Depending on your qualifications and our then-current financing policies, we may finance up to 100% of the Initial Franchise Fee for a period of 60 months, at an interest rate of the then-current prime rate, plus 2.5% APR. If we finance any part of the Initial Franchise Fee, you must sign a promissory note at the time you sign the franchise agreement (see Attachment “M” to the Franchise Agreement). If we finance less than 100% of the Initial Franchise Fee, you must make a down payment equal to the non-financed amount. Interest begins to accrue immediately and monthly interest-only payments will begin about 90 days after you sign the franchise agreement. If your franchise is terminated, expires, or is not renewed, we may declare the entire amount, plus any accrued, unpaid interest, due. If you are granted a renewal of your franchise agreement after the initial term, we will extend the term of the outstanding loan to the end of the renewal term.

Start-Up Funding. Currently we offer financing for start-up funding for a new Franchise if you meet our requirements. Depending on your qualifications and our then-current financing policies, we may finance up to \$50,000 of your start-up costs for a period of 60 months, at an interest rate of the then-current prime rate, plus 2.5% APR, which will reset annually with the balance re-amortized over the remaining term of the loan. This reset will cause your payment to vary and it may increase over the course of the loan if interest rates rise. Because the rate is based on the then-current prime rate, there is no cap on the amount the rate can increase. If we finance any part of your start-up funding, you must sign a promissory note at the time we loan the funds to you (see Attachment “M” to the Franchise Agreement). The first six months are interest-free. Interest begins to accrue in the seventh month and monthly principal and interest payments will begin at that point. If your franchise is terminated, expires, or is not renewed, we may declare the entire amount, plus any accrued, unpaid interest, due.

Item Financed	Amount Financed	Down Payment	Term (Months)	Interest Rate	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right or Default
Initial Franchise Fee	Up to 100%	Will vary based on the amount financed	60 months	Prime plus 2.5% APR	Will vary based on the amount financed	None	Personal Guaranty	Termination of franchise agreement, unpaid loan fees	Waive notice, confess judgment
Start-Up Funds	Up to \$50,000	Not applicable	60 months	Prime plus 2.5% APR	Will vary based on the amount financed	None	Personal Guaranty	Termination of franchise agreement, unpaid loan fees	Waive notice, confess judgment

General Terms and Requirements. You may prepay these loans at any time without incurring a prepayment penalty. You must personally guarantee your obligations under each of these loans. If you default on any loan, we may declare the entire amount of that loan due. We may terminate your franchise agreement if you do not pay us. If you do not pay us the entire balance, plus any accrued, unpaid interest, you may be responsible for the court costs and attorneys' fees we incur in collecting the debt from you.

You must waive your rights to certain notices of a collection action in our promissory note, security agreement, and guaranty. If you are a legal entity, all of your shareholders, members, partners and/or owners must personally guarantee the debt and agree to pay the entire debt and all collection costs.

Other than certain Carrier Contracts, we do not guarantee any notes, leases, or obligations. We do not receive any payments from anyone for the placement of financing. We require a security interest in the franchise.

All Franchises

You may not finance any part of the Initial Franchise Fee or purchase price of the franchise with any other person, partnership, corporation, or other business entity. Although we currently have no plans to do so, we may sell, assign, or discount any promissory note or other obligation arising out of the franchise agreement to a 3rd party. If we sell or assign your promissory note, it will not affect our obligation to provide the services to you that are described in the franchise agreement, but the 3rd party may be immune under the law to any defenses to payment you may have against us.

We will file a Uniform Commercial Code Financing Statement (“UCC-1”) to perfect our security interest. We must be in the first lien position. We have not and do not intend to sell or assign our rights under the UCC-1, although we may do so.

ITEM 11

FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, Unishippers is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your business, we will:

1. Negotiate with Carriers (or our affiliates will negotiate with Carriers) to establish terms for transportation/shipping services for customers that set up customer accounts with us or our franchisees

(franchise agreement page 1, §§ 3.20, 6.02). We will make reasonable efforts to obtain competitive business terms from all Carriers with whom we deal and will manage the relationships with all Carriers. We may also change Carriers at any time, and you should be aware that the termination or change of Carrier Contracts and related transportation services could result in substantial changes in, loss to, or termination of your franchise (franchise agreement §§ 3.20 and 6.02).

2. Grant you one Unishippers franchise giving you the right to carry on business as a franchisee in the territory for a specified type of shipping services for a specified period as set forth in the franchise agreement, including certain exceptions noted in Items 8 and 12 herein and Section 1.01 of the franchise agreement.

3. Grant you the right to establish and promote your business, and solicit, establish, maintain, service, and collect on customer accounts in the territory to be serviced utilizing one or more Carrier Contracts (franchise agreement §§ 1.01 and 3.20).

4. Grant you a license to use the Unishippers Marks to promote the franchised business and operate a Unishippers franchise in the continental United States, subject to the provisions of the franchise agreement (franchise agreement § 1.01).

5. Provide you with information regarding required purchases of services and products as designated by us, and meeting our current standards and specifications (franchise agreement Recitals and §§ 1.01, 3.01, 3.02, 3.05, 3.10, 3.15, 3.21, 4.07 and 4.08) including but not limited to:(a) certain overnight, air freight, express and other transportation services and certain products bearing the name or logo of UPS, including packages and products; (b) a computer, modem, internet service/access, and printer; and (c) printed materials and other items bearing the Unishippers Marks, and the name or logo of Carrier(s), including advertising, business cards, letterhead, invoices and other printed items (Refer to Items 8, 11 and 13 of this Disclosure Document).

6. Provide you with access to the use of certain programs used in invoicing, account management, and sales (franchise agreement §§ 4.07, 4.08, 4.09 and 4.10). Computer software and hardware are discussed further below.

7. Provide training for you, your personnel and managers at the times and places, in the manner and for the duration that we reasonably deem appropriate (franchise agreement §§ 3.04(b), 3.10, 3.21 and 3.22). Training is discussed further below.

8. Provide to you, when they are available, written specifications, standards, operating procedures, and rules relating to various aspects of the franchise, as we deem appropriate (franchise agreement § 3).

9. Provide access to systems (currently SupportNet intranet access) and access to the Operations Manual. The Operations Manual is confidential and is our property. You must comply with the provisions of the Operations Manual in operating your franchise (franchise agreement § 3.02). The Operations Manual may change at our sole discretion. The Operations Manual is online and currently contains the equivalent of about 672 pages.

10. You are not required to have an office outside your home. If you choose to have an office, we do not provide assistance to you in locating an office site, or in negotiating the purchase or lease, constructing, remodeling or decorating an office site for your franchise, or in conforming the premises to legal requirements, obtaining permits, purchasing or leasing equipment, signs, fixtures, inventory, or supplies.

Obligations After Opening

During the operation of your franchised business, we will:

1. Provide you revised and updated information regarding services and products that you must purchase from vendors designated by Unishippers (franchise agreement §§ 1.01, 3.14, 3.20, 4.03 and 4.04). This includes information regarding changes in procedure, operations, specifications, requirements, trademarks, logos, forms, shipping materials, services, products, Carriers or other aspects that we consider appropriate. Since you may only deal with Carriers who meet our qualifications, have completed the qualification process, and are in our systems, we will make reasonable efforts to complete the qualification process for any non-parcel carriers that you submit for qualification.
2. Provide revised and updated information regarding items that you must purchase in accordance with Unishippers' specifications. This includes information regarding changes in specifications, requirements, trademarks, logos, forms, shipping materials, printed materials, advertising, products, services or other aspects that we consider appropriate; computer, internet service/access printer, and printed materials and other items bearing the Unishippers Marks, and the name or logo of Carrier(s), including advertising, business cards, letterhead, invoices and other printed items (franchise agreement §§ 3.12, 3.14, 4.03 and 4.04).
3. Provide you with access to certain Unishippers software that you must use in the operation of your franchised business, along with any substitute programs, modifications, additions, or enhancements that we may choose to make to it throughout the term of the franchise. This access may require additional fees from you (franchise agreement §§ 2.07, 3.13, 3.15, 4.07, 4.08 and 4.10).
4. Provide additional training, conferences and seminars to you, your personnel and managers at the times and places, in the manner and for the duration that we reasonably deem appropriate (franchise agreement §§ 3.04(b), 3.10, 3.21 and 3.22). Training is discussed further below.
5. Organize and host a national or regional Sales Kickoff meeting or other conference ("Conference") at least every other year for you and your sales personnel. The Conference may include training, best practices, and presentations from Carriers and other suppliers. You and your designated manager are required to attend. We organize these Conferences as we deem necessary and appropriate, in our sole discretion, (franchise agreement § 3.04(b)) and they may be held in person or virtually, at our option.
6. Provide various means of communication to facilitate communication of information and input. Such means of communication may include (a) electronic bulletins containing information and updates pertaining to current industry events; (b) other support by trained employees, consultants or designated representatives as we deem appropriate to assist you in capturing business, resolving billing issues, negotiating rates, facilitating sales and product training, etc.; (c) marketing programs, including printed materials produced and made available to franchisees; (d) press releases; and (e) direct mail materials (franchise agreement § 3.04(b)).
7. Provide you with additional written specifications, standards, operating procedures, and rules relating to various aspects of the franchise, as we deem appropriate (franchise agreement §§ 3.01, 3.02, 4.03(b)).
8. Provide you with additional written guidance revising and updating the Operations Manual during the term of the Franchise Agreement, as we deem appropriate (franchise agreement § 3.02). We may add to or modify the Operations Manual from time to time as we deem appropriate, and you must comply with these changes.

9. Approve Unishippers customer accounts in accordance with the terms, restrictions, and limitations of Carrier policies and the Unishippers account protection policy

10. Inspect and/or audit your franchise from time to time when we deem it necessary (franchise agreement §§ 3.17 and 3.18).

Operations Manual

Our Operations Manual is confidential and online. It contains both mandatory standards, specifications, policies, techniques, systems and procedures, and non-mandatory guidelines and recommendations, for the operation of the franchised business. The contents of the Operations Manual are incorporated by reference into the franchise agreement.

As of December 31, 2023, the Operations Manual contained the following information:

Confidential Operations Manual	Approx. No. of Pages
Sales Training	
Basic Sales Training Manual	104
UPS eCommerce Policy	3
Business & Sales Plans	
Sales Executive - Business Plan	2
Sales Executive - Sales Plan	16
Franchise Payment Schedule – myUnishippers	4
Franchise Payment Schedule – UOne	1
Marketing	
Unishippers Brand Guide	26
Marketing Fund Guide	17
Email Signature and Business Card Compliance	2
Unishippers Social Media Guidelines and Conduct Standards	2
Technology	
myUnishippers User Guide	48
UOne User Guide	234
Technology Policy	1
Freight	
Unishippers Freight Best Practices Manual	181
Unishippers Carrier Invoice Review and Dispute Processes and Procedures	16
Dispute Process – Updates and Tips	4
Insurance Requirements	2
Account Protection Policy	9
TOTAL	672

Advertising

Marketing Fund and Budgets (Sections 2.04 and 3.12(a) of the Franchise Agreement)

We established an advertising, publicity, and marketing fund (the “Marketing Fund”) to develop awareness of the Unishippers brand and to promote franchised businesses. You must contribute a percentage of your Gross Profit Margin each month as outlined below to the Marketing Fund (the “Marketing Fund

Contribution”). Currently, the contribution is 1% of your Gross Profit Margin, but we may increase the Marketing Fund Contribution to 2% of your Gross Profit Margin after reasonable written notice to you. No sooner than 13 months after the last increase, we may increase the Marketing Fund Contribution to 3% of your Gross Profit Margin. Currently, there is no plan to increase the Marketing Fund Contribution above 1%. For 2024, the Marketing Fund Contribution is capped at \$2,496 per franchise, but there is no guaranty that the cap will be continued each year or that it will be the same from year to year.

Marketing Fund Contributions will be calculated and payable the same way and at the same time as royalties. Some franchisees may pay different or no Marketing Fund Contributions, depending on the age and terms of their franchise agreement.

We present annual budgets for Marketing Fund expenditures to the MAC for its approval, which it cannot unreasonably withhold. Your obligation to contribute to the Marketing Fund will not be dependent on us receiving that approval. Currently, the costs of Unishippers’ administrative staff, overhead, and general and administrative expenses charged to the Marketing Fund will not exceed 20% of Marketing Fund income per year. The MAC may approve higher limits at any time. In any case, there is no limit on costs for services and products provided by third-party vendors.

The Marketing Fund will not be used to fund advertising primarily for sale of Unishippers franchises (unless approved by a majority of the MAC), but a brief statement regarding availability of information on the purchase of Unishippers franchises may be included in advertising and other items produced and distributed using the Marketing Fund. General categories of proposed marketing expenditures will be discussed with the MAC for their review and input. We may change or eliminate the program in the future on written notice. If that occurs, any funds remaining in the Marketing Fund would be spent on marketing initiatives benefiting the Unishippers System.

Expenditures and Administration (Section 3.12(b) of the Franchise Agreement)

The Marketing Fund will be accounted for separately from Unishippers’ other funds. We can spend in any fiscal year an amount greater or less than the aggregate contributions to the Marketing Fund in that year and the Marketing Fund can borrow from us or other lenders. If less than the total aggregate contribution amount is spent in any year, then the remainder will roll over to the next year. The Marketing Fund can invest any surplus until used. We will prepare an unaudited report of Marketing Fund operations each year by about May 1st and furnish the report to the MAC. This report will be available to franchisees in good standing on written request. No more than once in any rolling twelve-month period, we may request an audit of the Marketing Fund, but the Marketing Fund will pay the costs of any such audit. There will be no markup or profit to us from the administration of the Marketing Fund.

You must participate in all marketing programs instituted by the Marketing Fund or us. You will have the ability to set your own prices, but we can, to the greatest degree permitted by law, specify maximum prices above which you will not provide any services or products. You will honor all coupons, price reduction and other promotions/programs as directed by us. If the Marketing Fund provides you with marketing, advertising and promotional materials for distribution, you will properly distribute them and must pay the costs of distribution.

We are not obligated to ensure that expenditures by the Marketing Fund are or will be proportionate or equivalent to contributions to the Marketing Fund by franchisees operating in any geographic area, or that you or any other franchisee will benefit directly or in proportion to your contribution to the Marketing Fund. Our management of the Marketing Fund will not create a “trust”, “fiduciary relationship” or similar special arrangement between you and us.

Local Marketing (Section 3.12(c) of the Franchise Agreement)

You must submit samples of all advertising and promotional materials and programs you create to us, as we direct or as required by the Manuals, for our review and consent prior to using them. All of your use of the Internet, or other electronic media in connection with your franchised business will be as specified by us, and we can condition any use of the Internet, or other electronic media. We can require that all use of the Internet, or other electronic media be through Unishippers, using an Internet Service Provider that we select, and that all pages be accessed only through Unishippers' "home" or other page and meet our design and other specifications. We own and will control all URLs. Any request for use by you of the Internet or any other electronic media in your franchised business must be submitted in writing to us for its review and consent. If we do not notify you otherwise in writing within fifteen (15) days after receiving such request, our consent will be deemed to have been denied.

Marketing Advisory Council (MAC) (Section 3.12(d) of the Franchise Agreement)

We will periodically meet with the MAC to receive input and advice regarding the management of the Marketing Fund and related matters. Approval by a majority of the MAC will be binding on you, whether or not we were required to obtain MAC approval. With input from the Chair of the MAC, we will appoint the members of MAC, who must be franchisees in good standing, or persons designated by franchisees in good standing, who are acceptable to us. Appointments or elections to the MAC will be subject to our approval. If MAC members are not appointed when requested by us, we may appoint the members of the MAC. We will give due consideration to all input from the Chairman of the MAC, but such input will not be binding on us, except as provided for in Section 3.12(a). Non-approval by the MAC on any particular matter will not result in any presumption that our decision or action on any such matter was or would be inappropriate or inconsistent. We will have the right to approve the MAC's bylaws and are a non-voting member of the MAC.

Computers

We require that you own one or more computers and various software program licenses. We do not purchase the computers for you nor aid you in selecting the computers, other than to give you minimum specifications that your computer must meet. Before opening your franchise, you must own or purchase the following computer equipment and software:

Computer Minimum Configuration

- Windows Compatible Intel PC (2.13 GHz Minimum) (Macs are not supported)
- 8 GB Memory Minimum for 32 Bit OS, 8 GB Memory Minimum for 64 Bit OS
- 10/100/1000 Network Connectivity
- 20" Monitor (24" LCD Recommended)
- Uninterruptable Power Supply (UPS)

Peripheral Hardware

- Laser printer or equivalent with scan to email capability
- Backup solution sufficient to store all critical files
- Broadband Internet Access (20Mbps Minimum)
 - The following types of internet access are acceptable:
 - DSL
 - Cable Modem
 - Fiber Optic
 - A dial up modem connection, on-line service or satellite will **not** be sufficient or acceptable

Software

- Windows 10 Pro Operating System or later
- Microsoft Edge / Chrome latest available version
- Microsoft Office 365 Desktop version is strongly suggested. We offer the Office 365 E1 license to franchisees at cost, including the Teams license. Office 365 E1 includes the online mailbox, the local Teams app, OneDrive/SharePoint file storage, and the full office suite online. Word, Excel, PowerPoint, OneNote are only accessible on the web with the E1 license.
- Commercial Anti-Virus Protection (Norton, MacAfee, etc.; Kaspersky products are not permitted due to security concerns)

The number of computers needed will depend upon the size of your staff and the amount of customer service information processed. You may purchase these items from whatever manufacturer or supplier you wish subject to the requirements described above. The suppliers may agree in writing at time of purchase to provide ongoing maintenance, repairs, upgrades or updates. The cost of purchasing or leasing the necessary computers and software programs ranges from \$1,000 to \$1,500 per computer.

We license the Unishippers Software to you, which you are required to use in your franchised business, and you may not use for any other purpose. The cost for the Unishippers Software license is covered by the Technology Fee. “Unishippers Software” means all computer software, programs, source codes, object codes, executable codes and related items, created by us and/or on our behalf and which we designate as “Unishippers Software”; all data and information stored in electronic, digital or other forms for use in or relating to the operation of the franchise, including (but not limited to) the computer software, programs, data and information referred to by us as “UONE”, “myUnishippers”, “Speedship”, “Pricelink”, “Unishippers.com”, “Express Manager”, “Support Net” and “Freight Manager”. The Unishippers Software and all rights in it belong exclusively to us (franchise agreement § 4.08). You may not use any substitute or different software without our express prior written consent, which consent may be withheld for any reason. We may independently access all data in, on or related to the Unishippers Software, and there are no contractual limitations on our right to access this data.

If we believe it is advisable at any time to modify or discontinue the use of any or all of the Unishippers Software and/or use additional or substitute software for any or all of the Unishippers Software, then you are required to update, add or replace the software at your own expense and without any obligation on our part. We are not obligated to update or maintain the Unishippers Software. Unless we expressly provide otherwise in writing, we do not warranty any required computer hardware or software, and we disclaim all implied warranties to the extent permitted by law. Neither we nor any affiliate is obligated to provide ongoing maintenance, repairs, upgrades, or updates to any component of your computer system. You should determine for yourself whether or not any 3rd party supplier from whom you purchase any component of your computer system is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your computer system, and determine the additional cost for the services.

All use of the Internet or other electronic media by you in connection with your franchised business will be as we specify, including email and Teams. Among other things, we may require that all use of the Internet or other electronic media be through us, using an Internet/Intranet service provider selected by us (which can be us or an affiliate) and that all pages be accessed only through Unishippers’ “home” or other page and meet our design and other specifications. You may not maintain a separate website or domain name to advertise or promote your franchised business without our prior written approval. We own and control your URLs used in connection with your franchised business or otherwise. We may independently access all data in, on or related to your Unishippers email addresses and Teams usage, and there are no contractual limitations on our right to access this data.

You must keep your computer systems in good maintenance and repair. You must add, modify, replace, upgrade or update computer hardware, equipment, and software when it fails to perform properly or when

we specify. There are no contractual limitations in the franchise agreement or elsewhere on the frequency and cost of this obligation. We also may independently access the information and data on your computer pursuant to our inspection and audit rights (franchise agreement §§ 3.17 and 3.18) and there are no contractual limitations on our right to access this data. If any third party or proprietary software we require supports modules for personnel-related functions, you have the option to use those modules, to use alternate software to handle those functions, or to handle those functions in any other manner that you choose.

Location

You will select the location within the continental United States from which you conduct your franchised business. You may select as many office locations as you wish, but you may not operate a retail location open to the general public. We do not need to approve your office location.

Length of Time to Opening

You must be prepared to begin operating the purchased franchise at or above its current level of operation within 30 days from execution of the franchise agreement. Factors that may affect the time you need to prepare to begin operating include your previous selling experience, your previous experience in the logistics industry, your ability to obtain financing, permits, licenses, other authorizations, local and state ordinances and regulations, training, the purchase of equipment and supplies, shortages, and other factors. You should plan accordingly.

New Owner Training

You will receive the following New Owner training as you start your business:

TRAINING PROGRAM		
Subject	Classroom Hours	Location
Introduction: training overview, review of written materials	2	Before you attend New Owner Training
Franchise Agreement: compliance requirements	2	Online and Dallas, Texas and/or another location we designate
Office Administration: accounts receivable, collections, accounts payable, reports	2	
UPS: product knowledge, rates, competitive pricing	2	
Freight: product knowledge, rates, competitive pricing	2	
Technology: myUnishippers – UPS operations, LTL Operations, Truckload Operations, and SupportNet	3	
Basic Sales Training: sales process overview	40	

TRAINING PROGRAM		
Subject	Classroom Hours	Location
New Owner Support Calls: operations support, sales support, business management	As needed	Conducted online and may be in person in Dallas, Texas or another location we designate
TOTAL HOURS	53	Conducted telephonically

The instructional materials are our Manuals and other confidential materials that we disclose to you.

New Owner Training is generally held several times a year and is scheduled on an as-needed basis. The course is taught online and in-person weekdays over a period of approximately 3 weeks. Subjects covered include compliance, administrative matters, industry overview, line of business specifics, marketing, sales, creation of business and sales plan, and using myUnishippers. To be prepared, we strongly recommend completion of approximately three hours of online modules beforehand. At our discretion, New Owner Training may also be taught online on weekdays throughout the first 30 days following execution of the franchise agreement.

In addition to New Owner Training, you and your personnel also may be required to attend Basic Sales Training and other sales training classes at our sole discretion.

Basic Sales Training – Basic Sales Training is generally held at least three times a year. This course is taught over a period of eight days. Subjects covered include preferred selling techniques, integrating product knowledge, selling skills, developing customer relations skills, role-playing and building a sales plan. If you do not have significant previous commercial sales experience that we consider relevant to the franchised business, you will be required to attend Basic Sales Training once you have successfully completed New Owner Training and the initial setup of your franchised business.

Advanced Training – In our discretion, we may offer additional optional training. We generally offer one or more optional advanced training classes at least once a year. These classes may include: (1) Business Development for Account Managers, which emphasizes the functions of expanding and maintaining a customer base; (2) Sales Management, which focuses on recruiting and managing account representatives; (3) Advanced Sales Management, which focuses on the day-to-day management of account representatives; (4) Advanced Sales Training; and (5) Advanced Concepts in Sales, which is available by invitation only to high performing managers and account representatives.

Training Fees and Expenses

Currently, we do not charge you a fee to attend any of the above-described training, although we may do so in the future. You must pay your own travel, lodging and meal expenses for any training that you attend, and you also must pay your attendees’ wages and benefits, as well as their travel, lodging and meal expenses for any training they attend.

Training Instructors

Allison Prange and Jaclyn Becker are primarily responsible for franchisee training. Ms. Prange has 11 years of experience with the subject matter and 4 years of experience with us. Ms. Becker has 8 years of experience with the subject matter and 2 years of experience with us. You also may be trained by other Unishippers’ executives and managers, depending on availability, as well as by qualified third-parties designated by us.

The instructors, and consequently the level of experience of the instructors teaching the subjects, are subject to change at any time.

ITEM 12 **TERRITORY**

You will not receive an exclusive territory. You may face competition from us, other franchisees, from outlets that we or an affiliate own, or from other channels of distribution or competitive brands that we are under common control with or that we control. You do not receive the right to acquire additional franchises.

You will have the non-exclusive right to open or relocate one or more Unishippers offices in the continental United States, to solicit Unishippers sales and accept Unishippers orders, and to carry on business as a Unishippers franchise using the Unishippers Marks, with the following exceptions (franchise agreement Section 1.01):

- (a) our right to sell Unishippers franchises to others;
- (b) our right to sell to and service potential or actual customers located anywhere;
- (c) our right to allow other franchised businesses or other businesses of any type at any location;
- (d) our right to develop or become associated with dual branding, or similar concepts;
- (e) our right to develop, purchase, merge, or partner with a competing business. UMS conducts sales of certain Unishippers products and services under the Marks. Other competing businesses, including WWEX, Franchise Holdings, and GTZ, which all operate under different service marks, trademarks and trade names, and offer products and services similar to those offered by us;
- (f) Customer shipments in circumstances such as third-party billing to the customer or similar, may be credited to another franchisee, licensee, us or someone we designate;
- (g) Customer accounts of another franchisee, licensee, us or someone we designate may be subject to the terms of the then-current form of Account Protection Policy, which currently provides for a 90-10 split; and
- (h) Shipments covered under the then-current form of Account Protection Policy as amended from time to time, may be credited to another franchisee, licensee, us, or someone we designate;
- (i) Your use of the Internet and other electronic marketing or other distribution of services or products can be restricted by us, and we may sell accounts, either directly or through licensees or independent contractors; and
- (j) Any potential or existing customer of any type can be serviced by us or our designee if you are unable or unwilling to service them.

You may not establish customer accounts for businesses that are active customer accounts of a Carrier(s) or of another sales and marketing business contracting with Carrier(s) as defined in the Carrier Contract(s) or as communicated by us, including any business operated by any of our affiliates, without our written consent. We retain sole discretion and authority to periodically develop rules, policies, and procedures and to take action regarding the reassignment of freight customers due to a “channel conflict” with a Carrier’s current customer base. A National Franchise pays, but is not entitled to receive, Account Protection Revenue.

Performance Standards

You must meet certain minimum performance and other requirements under the franchise agreement. If you fail to do so, we may terminate the franchise agreement. The minimum performance requirements are described in Section 3.03 of the franchise agreement. The UPS Revenue Requirements for all franchises varies and is currently established in January each year. The UPS Revenue Requirement is currently calculated using the prior calendar year UPS revenue plus a yearly variable. For example, the 2023 UPS

Revenue Requirement was determined by first establishing the franchise's qualifying UPS revenue¹ from January 1, 2022 through December 31, 2022 and then adding \$15,801. New franchisees are not currently subject to the UPS Revenue Requirement until after they have operated their franchise for a full calendar year.

If you purchase a franchise from an existing franchisee, you will assume the responsibility for meeting the UPS Revenue Requirements for that franchise.

End of 5-Year Renewal Term

The initial term of the franchise agreement is 5 years with a 5-year renewal term if you meet all of the renewal requirements, subject to our option to purchase the franchise before the end of the term. When both the initial and renewal terms of the Franchise expire, and if you otherwise qualify, you may be eligible to obtain a successor franchise on the then-current form of franchise agreement, which may contain materially different terms from the franchise agreement offered under this Disclosure Document.

You may not purchase or contract for yourself or on behalf of a customer any other products and/or services except those specifically authorized by us now or in the future. You may not use the Unishippers Marks, relocate or open new offices, expand, solicit sales, or accept orders, or carry on business as a Unishippers franchise using the Unishippers Marks, outside of the continental United States. You may, however, be credited for certain inbound collect customer shipments to other areas as provided in Section 1.01(c) of the franchise agreement.

Also included in the performance requirements are meeting certain minimum sales requirements and participating in the then-current franchise improvement program if necessary. In addition, submitting monthly, quarterly, and yearly reports on time and paying all billings and invoices when due is required.

Acquisitions, Mergers, and other Transactions

Regardless of any rights we may award you, we can acquire, be acquired by, merge, affiliate with, or engage in any transaction of any type with other businesses (whether competitive or not). This could include arrangements in which: (1) other facilities (competitive or not) are converted to the Unishippers brand and (2) we and your franchised business may be converted to another format or brand. You agree that you will fully cooperate with any proposed merger or conversion at your expense.

We and/or our affiliates may establish a direct sales force, other franchises, or company-owned outlets or other channels of distribution, selling, or leasing similar or other products or services under a different trademark or service mark anywhere without any requirement that we offer these to you.

WWEX, Franchise Holdings, and GTZ are affiliates of Unishippers. WWEX, Franchise Holdings and GTZ, operating under different service marks, trademarks, and trade names, offer and sell products and services substantially the same as those offered by Unishippers franchises. Unishippers, WWEX, Franchise Holdings and GTZ operate independently from each other and are not involved in determining territory or customers for the other competing brands. There may be company-owned Franchise Holdings businesses and one or more company-owned or agent-owned WWEX or GTZ businesses directly competing with you. WWEX, Franchise Holdings, and GTZ are not subject to the Account Protection Policy.



¹ Qualifying UPS revenue includes net transportation revenue to UPS, billed by UPS, including all base freight charges plus transportation surcharges for residential delivery and certain remote area delivery, but excluding taxes, all other accessorial fees, non-transportation surcharges, insurance, fuel and UPS freight (LTL) revenue ("Qualifying UPS Revenue").

Unishippers franchisees, Franchise Holdings employees and WWEX and GTZ employees and agents will continue to compete in the market, subject only to the restrictions in their respective agreements and/or those obligations or restrictions imposed by UPS and the other Carriers. Some former WWEX franchisees or their employees or former Franchise Holdings employees have purchased and currently operate one or more Unishippers franchises under programs we have established with WWEX and Franchise Holdings. Some current GTZ agents currently operate parcel-only franchises under separate entities pursuant to the Parcel Amendment to the Franchise Agreement. Additional franchises likely will be granted to former WWEX franchisees or their employees, former Franchise Holdings employees, and current and former GTZ agents under these programs. We, WWEX, Franchise Holdings, and GTZ will work to ensure that our respective franchisees, employees, and agents comply with the terms of their respective agreements and the Carrier Contracts.


ITEM 13 TRADEMARKS

We grant you the right to operate your franchise using the Unishippers Marks in the continental United States for the franchise term. The term “Mark” includes trademarks, service marks, trade names, and logos, but does not include any Internet domain name or URL. Unishippers’ primary trademark is shown on the state cover page of this Disclosure Document and is described below. We own the following registered and unregistered Marks:

We registered the following Marks on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

Mark	Registration Number	Registration Date
UNISHIPPERS	2,230,151	March 9, 1999
THE SHIPPING COMPANY THAT WORKS FOR YOU	2,933,583	March 15, 2005
THE SHIPPING COMPANY THAT WORKS FOR YOU.	2,989,959	August 30, 2005
	3,007,616	October 18, 2005
	3,009,096	October 25, 2005

We have received a Notice of Allowance for the following Marks on the Principal Register of the USPTO:

Mark	Serial Number	Application Date
myUnishippers	97285002	February 25, 2022
	97289319	March 1, 2022

We have filed, and intend to continue to file, all required renewal applications and affidavits for the Marks.

You must follow our rules when you use any of the Unishippers Marks. You must operate under the UNISHIPPERS name. You may not use this name as part of your corporate or entity name, only as a service mark under which you provide services. You must not use “Unishippers” or any of the Marks, or anything confusingly similar to any of the Marks in any Internet domain name or any URL. All use of the Marks in

corporate or other names must be approved by us in advance in writing. All printed materials and electronic representations using the Marks, including any use of the Marks on the Internet, must be approved in writing by us prior to use. All signs and advertising must prominently display the Marks. We reserve the right to control the nature and quality of all services rendered by you in connection with the Marks. You may use the Marks only in the form, style, color, design and manner, and with appropriate legends and notices prescribed from time to time by Unishippers.

There are no presently effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any court; and no pending interference, opposition, or cancellation proceedings or pending material litigation involving the Marks. Except as otherwise noted below, there are no agreements currently in effect which significantly limit Unishippers' rights to use or license the use of the Marks in any manner material to the franchise.

We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the Marks in your state or the state in which your franchise is to be located.

You must immediately notify us of any infringement, challenge or claim by others regarding your use or Unishippers' use or rights in any of the Marks. We may take whatever action it deems appropriate in such instances. It is not required that we take affirmative action in such cases. We have the right to control the resulting litigation or other proceedings. If any infringement, challenge, or claim arises, you must execute any and all instruments and documents, render assistance, and do all we deem necessary or advisable to protect Unishippers' interests in the Marks.

We are not obligated to participate in your defense or to indemnify you for expenses or damages if you are made a party to a judicial or administrative proceeding involving the Marks, or if the proceeding is resolved unfavorably as to you. We are not required to protect your right to use the Marks or to protect or defend you against claims of infringement or unfair competition from your use of the Marks.

You must modify or discontinue your use of the Marks or use one or more additional Marks or substitute marks if we request that you do so. If this happens, we are not obligated to reimburse you or provide other benefits. We will not make such a decision without input from the MAC.

ITEM 14 **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

We do not own rights in any patents that are material to the franchise. We claim common law copyright protection in all Manuals, instructional materials, agreements, advertising, promotional materials, software and other items created by us or our employees or acquired by assignment. We consider these materials proprietary and confidential, and you may use them only as provided in the franchise agreement. The Manuals include the Unishippers Operations Manual and the Sales Training Manual, among other written information and instructions we may provide to you. We have not registered these items with the United States Copyright Office. Unishippers and its franchisees use these items in operating their businesses and in advertising and promotion. You must follow our rules when you use these items.

There are no presently effective determinations of the United States Copyright Office (Library of Congress) or any administrative agency or court; no pending interference, opposition, or cancellation proceedings; or pending material litigation involving these items. Furthermore, there are no agreements currently in effect, which significantly limit our rights to use or license the use of these items. Finally, there are no infringing uses actually known to us that could materially affect your use of any copyrighted materials in any state.

We have no obligation to protect the copyrights or take affirmative action if infringement occurs. We may control any resulting litigation. We are not obligated to participate in your defense or to indemnify you for expenses or damages in proceedings involving these items. You will be required to modify or discontinue use of these items at our request, without a right to reimbursement or other benefit.

We also claim proprietary rights in confidential information and trade secrets as “Proprietary Information” as defined in Section 4.05(a) of the franchise agreement, which consists of the Manuals, as well as all concepts, methods, techniques, formats, specifications, procedures, information, systems, marketing information, such as names, addresses, telephone numbers, contact persons, information regarding accounts, customers and Carriers, rate and price information, financial information, personnel data, marketing approaches, ideas, research, improvements and materials in any form or medium whatsoever, owned or developed by us or our system and not otherwise publicly available, whether or not published or suitable for registration or copyright, and the goodwill associated with them, which is used in the operation of Unishippers franchises.

The use, disclosure, or copying of confidential information other than as authorized in the franchise agreement is prohibited. You may not use or disclose the confidential information in any other business or capacity or make unauthorized copies of the confidential information. You must adopt and implement all reasonable procedures requested by us to prevent unauthorized use, disclosure and copying. You must also restrict use, disclosure and copying by all of your officers, directors, members, employees, agents, salespersons and similar persons. State laws vary, but to the extent possible, you must see that each person with access to the confidential information signs the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement and Non-Solicitation Agreements (franchise agreement §§ 4.05, 4.06, 4.09 and Attachments “G,” “H” and “I”). It is your responsibility to ensure that the forms are enforceable in your state and to have them modified by counsel if necessary.

We also claim proprietary rights in the computer software programs, source codes, object codes, executable codes and related items, created by employees or franchisees of Unishippers, acquired by us by assignment, license or other means, or otherwise designated as “Unishippers Software” by Unishippers, and all data and information stored in electronic, digital or other forms associated with the Unishippers Software or the franchise, for use in or relating to the operation of the franchise, including, but not limited to, the computer software, programs, data and information referred to as “UONE”, “myUnishippers”, “Unishippers.com”, “Express Manager”, “Freight Manager”, “Speedship”, “MercuryGate”, “Aljex”, “Pricelink”, “Salesforce”, “UCMS”, “PPS” and/or “USADT” by Unishippers. You must use the Unishippers Software only with the services of Unishippers and you must use the Unishippers Software only in the form provided by Unishippers. You may not modify the Unishippers Software, or have it modified without our prior written authorization.

We claim all right, title and interest in the Unishippers Software. You agree to use the Unishippers Software in compliance with the rules prescribed by us. You agree not to attack our rights in the Unishippers Software or to do anything that would jeopardize or diminish our rights in the Unishippers Software. You agree to notify us of any infringement or challenge to our rights in the Unishippers Software. You may not use or disclose the Unishippers Software in any other business or capacity during the term of your franchise or thereafter. You may not make unauthorized copies of the Unishippers Software at any time. You must adopt and implement all reasonable procedures requested by us to prevent unauthorized use, disclosure and copying of the Unishippers Software. You must also restrict use, disclosure and copying of the Unishippers Software by all of your officers, directors, members, employees, agents, salespersons and similar persons. You must see that each person with access to the Unishippers Software signs the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement and Non-Solicitation Agreements of the type specified by Unishippers (§ 4.09 and Attachments “G”, “H” and “I”) of the franchise agreement). We can modify, change, add or substitute the Unishippers Software without obligation to you (franchise agreement §§ 4.10). Disclosure of Unishippers trade secrets, proprietary information or marketing

information in violation of the terms of the franchise agreement is cause for termination of the franchise agreement without notice (see Item 17 and franchise agreement § 6.04(a)(xiv)).

From and after the date of the franchise agreement, we own the relationship with, and lists of, all past, current and future customers you service (and prospective customers) and all transactional and other information relating to them, including addresses, email addresses, and telephone numbers. We can use the lists and information in any way we wish, including after the termination or expiration of the franchise agreement. We license this information to you, for the term of this Agreement (and any renewals) only, and subject to your remaining in good standing. You have no rights to such customer accounts, relationships, lists, and information at expiration, transfer, or termination of your franchise agreement.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

You will be held personally liable for the fulfillment of the obligations of the franchise. If the franchisee is a business entity, each individual with an interest of 5% or more in the franchise will be required to personally join the franchise agreement and sign a Guarantee and Assumption of Obligations (See § 9.02 and Attachment "A" to the franchise agreement). Spouses will not be required to personally join the franchise agreement or sign a Guarantee and Assumption of Obligations unless they hold an interest of 5% or more in the entity.

If you are organized as a partnership, corporation, limited liability company or other business enterprise, a specific individual must be the designated manager of your franchise. As an owner, you must participate personally in the direct operation of the franchised business or appoint a designated manager to do so. We require direct supervision and participation by you or your designated manager. All of your personnel, including your designated manager, must execute the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement and other documents of the type specified by us (franchise agreement § 3.10 and Attachments "G", "H" and "I").

If you designate a manager to supervise the franchise, you must disclose his or her identity to us and secure our approval. You or the designated manager must complete all training required by the franchise agreement and us at the times and places and for such duration as we specify. The training must be completed to our satisfaction. You must carefully monitor and be responsible for the performance of the designated manager. You must have Unishippers' prior written approval to change your designated managers. You or the designated manager must devote full time attention and energy to performing your duties under the franchise agreement. The designated manager is considered an officer of the franchisee for all purposes of the franchise agreement (franchise agreement §§ 3.08, 3.10 and 9.02).

You, the designated manager and the officers, directors, members, employees, agents, salespersons, and similar persons involved in the management and operation of the franchise must execute the Franchisee Terms and Conditions for Offering UPS Products before performing any duties for the franchise (franchise agreement §§ 3.10 and Attachment "F").

If franchisee is a partnership, corporation, limited liability company or other business enterprise at least one owner of franchisee who has an ownership interest in said partnership, corporation, limited liability company or other business entity of 5% or more, except limited partners in a limited partnership, must attend training sessions at the request of the Franchisor where, when and for the duration the Franchisor reasonably designates.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must promote, market, and sell only those services and products described in the franchise agreement, except as otherwise authorized in writing by us (see Items 8 and 9). You must promote, market, and sell all services and products specified in the franchise agreement, including overnight, air freight, express, and other transportation services and products offered by certain carrier companies, as they may change from time to time. We have the right to change the types of authorized services and products. This may occur when there is a change in Carriers or other aspects. There are no limits on Unishippers' right to make such changes. If you are a Parcel-Only Franchisee, you are limited to promoting, marketing and selling parcel products only.

You are not limited in the customers you may sell to, except that: (i) you must comply with the Account Protection Policy and set up customer accounts according to its terms, restrictions, and limitations (See the Manual); (ii) they must not be an active customer or account of any Carrier; (iii) they must not be an active customer of another sales and marketing business contracting with a Carrier; and (iv) you are prohibited, for 90 days from the last customer activity, from soliciting any customer of our affiliates including UMS, WWEX, and GTZ wherever located and listed in any Unishippers technology platform. You also cannot sell to existing UPS customers unless you are in compliance with the UPS Rules of Engagement and the UPS Franchisee Terms and Conditions for Offering UPS Products, attached to the franchise agreement. You can only sell those types of shipping services that are permitted under the franchise agreement.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Provision	Section In Franchise Or Other Agreement	Summary
a. Length of the Initial franchise term	Sections 1.02	5 years
b. Length of the Renewal or extension term	Sections 1.03 and 1.04	One 5-year renewal term if all requirements are met. You may be eligible for additional 5-year renewals if all requirements are met and you execute our then-current franchise agreement which may have terms and conditions that are materially different from your original franchise agreement.
c. Requirement for franchisee to renew or extend	Section 1.03, 1.04 and 1.05	You must comply with all agreements, have no defaults, pay all obligations, give timely written notice, not have repeated breaches, meet minimum performance requirements, and other obligations. provided all requirements are met, you execute a new franchise agreement with terms and conditions that may be materially different from those in your current franchise agreement.
d. Termination by franchisee	Sections 6.02 and 6.04	You may terminate if we are in material breach, you give timely notice and the required opportunity to cure, we fail to cure, and you are in compliance with the franchise agreement.
e. Termination by franchisor without cause	Section 6.02	We may terminate with or without prior notice if the principal Carrier Contract is terminated and we are unable to negotiate another contract that is substantially similar or better with a new carrier.

Provision	Section In Franchise Or Other Agreement	Summary
f. Termination by franchisor with cause	Sections 6.02 and 6.04	We may terminate the franchise with cause, after giving you written notice. We will give you an opportunity to cure certain defaults.
g. "Cause" defined – curable defaults	Section 6.04(b) and (c)	<p>We may terminate 10 days after written notice and failure to cure as follows: failure to make payments when due.</p> <p>We may terminate 30 days after written notice and failure to cure as follows: misuse of the Marks or confidential information, violation of Carrier Contracts, misconduct, conduct that reflects unfavorably, failure to have licenses and permits, failure to adhere to Unishippers' standards, procedures, rules and Manuals, breach of any provision of the franchise agreement or other agreements, failure to keep reports current, breach of other agreements, and other grounds.</p>
h. "Cause" defined – non-curable defaults	Section 6.04(a)	We may terminate without notice and without opportunity to cure for certain criminal or fraudulent acts, unauthorized transfers, an assignment for the benefit of creditors, bankruptcy, insolvency, reorganization, appointment of a trustee or receiver, levy or liens not released in 30 days, filing a legal claim or demand against a Carrier, failure to meet standard performance requirements, misrepresentation, fraud, dishonest conduct, distortion, concealment, unsatisfied judgments, violation of law, understated gross sales volume, violation of the non-competition/non-disclosure, repeated breaches within any 12-month period, discord or disruption, unprofessional behavior, and other grounds.
i. Franchisee's obligations on termination / non-renewal	Sections 4.05, 4.06, 4.09 and 7.01	You must pay all amounts owed to us, our affiliates, the Carriers, vendors, and others; cease using the Marks and all copyrighted materials, Manuals, and other items; remove all signs, assign all telephone numbers to us, advise publications of the change, cancel all of your registrations using the Marks, return all software, data and information and delete all programs, data, and information; modify business properties; allow us to act as your attorney-in-fact; abide by non-compete, confidentiality, indemnification, comply with laws, execute documents to vest title in us, deliver required documents and materials to us, permit us the right to all payments on shipments after termination, recognize all of our legal rights, and meet other obligations.
j. Assignment of contract by franchisor	Section 5.01	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	Sections 5.02, 5.03 and 5.04	Includes direct or indirect assignment, transfer, pledge, sale, exchange or encumbrance of the franchise, the franchise agreement, any part of the ownership or control of franchisee or other assets of the franchise.
l. Franchisor's approval of transfer by Franchisee	Sections 5.02, 5.03, 5.04 and 5.05	No transfer without our prior written approval, but we will not unreasonably withhold our consent.

Provision	Section In Franchise Or Other Agreement	Summary
m. Conditions for franchisor’s approval of transfer	Sections 5.02, 5.03, 5.04 and 5.05	You must have performed under the franchise agreement, paid all amounts owed to us, Carriers and others, remain liable, release us and our affiliates from liability, not be in breach, be in compliance with all applicable laws, provide final versions of all assignment and related documents to us at least 30 days before signing. The party you assign to must execute a new then-current version of the franchise agreement, pay the Initial Franchise Fee (if applicable), assume all liabilities and obligations, comply with all other requirements imposed by us, possess good moral character, have adequate finances and capital, meet our then-current standards, not be involved with any similar business, and agree to and complete all required training, and the transfer must comply with all applicable laws. Pay amendment fee.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 5.05	We have a right of first refusal to match any bona fide offer for part or all of the ownership of the franchise. We may substitute cash for any payment proposed in the offer.
o. Franchisor’s option to purchase franchisee’s business	Section 5.07(b)	If we receive an offer to purchase a majority of the Unishippers franchises, we may purchase your rights. If this occurs, we will not assume your debts or obligations, you must indemnify us, pay certain costs and meet other requirements.
p. Death or disability of franchisee	Section 5.06	A competent trained manager must be appointed and approved within 30 days. The interest must be transferred to another franchisee owner or to an approved third party within a reasonable time, not to exceed 12 months, after death or disability.
q. Non-competition covenants during the term of the franchise	Sections 4.05 and 4.06	No involvement, control, ownership or interest in any similar or competing business in the Territory. No use, disclosure or copying of confidential information.
r. Non-competition covenants after the franchise is terminated or expires	Sections 4.05 and 4.06	No involvement, control, ownership or interest in any similar or competing business anywhere for 2 years after termination or expiration. No use, disclosure or copying of confidential information.
s. Modification of agreement	Sections 3.01, 3.02 and 11.05	No modifications unless they are in writing and signed by both parties, except as otherwise provided in the franchise agreement. We retain the right to modify the standards, procedures, and provisions in the Manuals, as we deem appropriate. You must comply with all modifications.
t. Integration/ merger clause	Section 11.04	Only the terms of the franchise agreement and its attachments are binding (subject to state law). Nothing in the franchise agreement or any related agreements is intended to disclaim franchisor’s representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 10	Arbitration – None. Mediation optional at Unishippers’ then-current headquarters; waiver of jury trial; waiver of punitive, consequential and other named damages; limitation of liabilities; limitations on your remedies; appeal limitations; notice of claims requirement; pay own attorney fees, except in limited instances (see 6.04 & others).
v. Choice of forum	Section 11.02	Litigation must be in the state federal district encompassing Unishippers’ then-current headquarters, subject to state franchise law.
w. Choice of law	Section 11.02	The law of the state of Texas applies. May also be subject to state franchise law. Texas law applies without regard to its laws relating to conflicts of laws or choice of laws.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the sale of franchises, but we may do so in the future.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The tables below list the unaudited gross revenue of all Unishippers franchised businesses that were open for at least a full year, including for all of 2023. The first table represents all franchises open for all of 2023 and the remaining tables break out those franchises by initial Franchise Agreement date. Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Of the 211 franchises in operation as of January 1, 2023, 7 ceased operations, 3 were terminated, 72 were acquired by us and 4 were not open for the entire year, all of these were excluded from the tables below.

Total 2023 Gross Revenue of all Franchised Outlets by Quartile (Does not include Corporate or Affiliate owned)						
Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	32	\$7,387,704	\$4,730,053	6	\$56,236,067	\$3,108,743
2nd Quartile	31	\$2,140,328	\$2,014,534	13	\$3,100,131	\$1,473,675
3rd Quartile	31	\$1,030,529	\$1,091,955	17	\$1,455,953	\$584,320
Lower Quartile	31	\$259,323	\$277,008	16	\$506,805	\$8,267

2023 Gross Revenue by Franchise Agreement Start Date Gross Revenue of Franchises with a Pre-2018 Franchise Agreement Start Date						
Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	5	\$17,026,984	\$6,271,972	1	\$56,236,067	\$4,575,763
2 nd Quartile	5	\$2,807,608	\$3,100,131	3	\$3,489,973	\$1,979,410
3 rd Quartile	4	\$1,574,592	\$1,517,157	1	\$1,860,127	\$1,403,929
Lower Quartile	5	\$1,188,355	\$1,187,512	2	\$1,368,346	\$1,035,896

Gross Revenue of Franchises with a 2018 Franchise Agreement Start Date

Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	3	\$8,746,951	\$4,530,557	1	\$17,193,853	\$4,516,442
2nd Quartile	2	\$2,343,898	\$2,343,898	1	\$2,410,163	\$2,277,632
3rd Quartile	2	\$1,813,217	\$1,813,217	1	\$1,884,220	\$1,742,213
Lowest Quartile	2	\$911,226	\$911,226	1	\$1,091,955	\$730,497

Gross Revenue of Franchises with a 2019 Franchise Agreement Start Date

Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	5	\$5,639,558	\$5,613,403	2	\$7,273,271	\$4,468,739
2nd Quartile	4	\$3,191,882	\$3,091,009	1	\$3,616,966	\$2,968,545
3rd Quartile	4	\$2,120,595	\$2,091,810	2	\$2,319,087	\$1,979,674
Lowest Quartile	4	\$1,119,207	\$1,160,122	2	\$1,736,991	\$419,594

Gross Revenue of Franchises with a 2020 Franchise Agreement Start Date

Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	6	\$6,778,306	\$5,578,744	2	\$14,105,121	\$3,387,919
2nd Quartile	5	\$2,573,603	\$2,605,881	3	\$3,124,831	\$2,014,534
3rd Quartile	5	\$1,453,764	\$1,473,675	3	\$1,809,044	\$1,146,072
Lowest Quartile	6	\$642,111	\$719,443	3	\$874,738	\$243,168

Gross Revenue of Franchises with a 2021 Franchise Agreement Start Date

Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	7	\$3,513,514	\$3,206,785	3	\$7,103,383	\$1,255,079
2nd Quartile	7	\$911,314	\$924,546	5	\$1,152,416	\$621,491
3rd Quartile	6	\$401,527	\$358,211	2	\$584,320	\$292,245
Lowest Quartile	7	\$111,575	\$110,545	3	\$277,008	\$19,966

Gross Revenue of Franchises with a 2022 Franchise Agreement Start Date						
Quartile	# Franchised Businesses	Average Revenue	Median Revenue	# of Franchises that Attained or Surpassed Average	Top of Revenue Range	Bottom of Revenue Range
Top Quartile	8	\$3,668,312	\$3,114,523	3	\$8,026,157	\$1,924,441
2nd Quartile	8	\$1,128,758	\$1,179,362	5	\$1,743,684	\$506,805
3rd Quartile	7	\$414,325	\$418,991	4	\$502,685	\$330,046
Lowest Quartile	8	\$115,846	\$86,347	3	\$252,442	\$8,267

Agreement Start Dates:

Pre-2018 Franchise Agreements are in their Renewal Term and we have not exercised our purchase option to date. Franchise Agreement minimum performance requirements increase over time. The financial performance representation figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figure to obtain your net income or net profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business.

You are responsible for developing your own business plan for your franchise, including capital budgets, financial statements, projections, and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business, and legal advisors in doing so.

Some outlets have sold this amount. Your individual results may differ. This is no assurance that you will sell as much.

Other than the preceding financial performance representation, Unishippers does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations, either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Charlene York, General Counsel, 2700 Commerce Street, Suite 1500, Dallas, TX 75226, ph. (681) 233-3569 or charlene.york@wwex.com.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-Wide Outlet Summary
For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	160	198	+38
	2022	198	211	+13
	2023	211	209	-2
Company/Affiliate Owned ¹	2021	92	69	-23
	2022	69	74	+5
	2023	74	69	-5
Total Outlets	2021	252	267	+15
	2022	267	285	+18
	2023	285	278	-7

¹ The Unishippers term for an “outlet” is a “territory.” Unishippers owns unsold territories and territories it reacquired from franchisees, but operates no physical locations other than the corporate office described in Item 1. Unishippers anticipates that corporate territories will be phased out in 2024 after all franchisees are transitioned to the National Franchise Agreement.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than Franchisor or an Affiliate)
For Years 2021 to 2023

State	Year	Number of Transfers
Florida	2021	0
	2022	2
	2023	0
Georgia	2021	1
	2022	0
	2023	0
Louisiana	2021	2
	2022	0
	2023	0
New York	2021	0
	2022	0
	2023	1
Tennessee	2021	0
	2022	1
	2023	0

State	Year	Number of Transfers
Vermont	2021	0
	2022	0
	2023	1
Total	2021	3
	2022	3
	2023	2

**Table No. 3
Status of Franchised Outlets
For Years 2021 to 2023**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2021	4	2	0	0	0	0	6
	2022	6	2	0	0	0	0	8
	2023	8	1	0	0	4	0	5
Arizona	2021	3	2	0	0	0	0	5
	2022	5	1	0	0	1	0	5
	2023	5	3	0	0	1	1	6
Arkansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
California	2021	22	2	0	0	0	0	24
	2022	24	4	1	0	2	0	25
	2023	25	6	1	0	4	0	27
Colorado	2021	4	0	0	0	0	0	4
	2022	4	2	0	0	0	0	6
	2023	6	1	0	0	2	1	4
Connecticut	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
Delaware	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
District of Columbia	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Florida	2021	11	6	0	0	0	0	17
	2022	17	4	1	0	2	2	16
	2023	16	5	2 ¹	0	5	0	15
Georgia	2021	3	2	0	0	0	1	4
	2022	4	2	0	0	0	0	6
	2023	6	5	0	0	2	0	9
Hawaii	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	1	0	0
	2023	0	0	0	0	0	0	0
Idaho	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	1	0	1
	2023	1	1	0	0	1	0	1
Illinois	2021	6	0	0	0	0	0	6
	2022	6	3	0	0	0	0	9
	2023	9	4	0	0	3	1	9
Indiana	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	6	0	0	1	0	8
Iowa	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	2	0	1
Kansas	2021	3	1	0	0	0	0	4
	2022	4	2	0	0	1	0	5
	2023	5	0	0	0	1	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
Kentucky	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	2	0	0	0	0	4
Louisiana	2021	4	2	0	0	0	2	4
	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
Maine	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	1	0	0
Massachusetts	2021	11	1	0	0	0	0	12
	2022	12	2	0	0	0	0	14
	2023	14	1	0	0	8	0	7
Michigan	2021	3	3	0	0	0	0	6
	2022	6	1	0	0	1	0	6
	2023	6	2	0	0	2	1	5
Minnesota	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	2	0	2
Mississippi	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Missouri	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	1	0	0	3	0	2
Nebraska	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	1	0	0
Nevada	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
New Hampshire	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	1	0	1
New Jersey	2021	5	3	0	0	0	0	8
	2022	8	1	0	0	0	0	9
	2023	9	1	1	0	4	0	5
New York	2021	11	2	0	0	0	0	13
	2022	13	2	0	0	2	0	13
	2023	13	2	0	0	4	1	10
North Carolina	2021	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	5	0	0	1	0	8
North Dakota	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	2	0	0
Ohio	2021	3	1	0	0	0	0	4
	2022	4	1	0	0	1	0	4
	2023	4	4	0	0	2	0	6
Oklahoma	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Oregon	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
Pennsylvania	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
	2023	6	1	0	0	2	0	5
South Carolina	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	1	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
South Dakota	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	2	0	0
Tennessee	2021	3	3	0	0	0	0	6
	2022	6	1	0	0	1	1	5
	2023	5	3	0	0	1	1	6
Texas	2021	8	2	0	0	0	0	10
	2022	10	1	0	0	2	0	9
	2023	9	9	1	0	1	0	16
Utah	2021	6	3	0	0	1	0	8
	2022	8	1	0	0	0	0	9
	2023	9	6	0	0	1	0	14
Vermont	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	1	0
Virginia	2021	2	1*	0	0	0	0	3*
	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	2	0	2
Washington	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	1	0	2
West Virginia	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Wisconsin	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	2	0	0	3	0	4
Wyoming	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	1	0	2
	2023	2	1	0	0	1	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company/Affiliate	Ceased Operations – Other Reasons	Outlets at End of the Year
Totals	2021	160	42*	0	0	1	3	198*
	2022	198	34	2	0	16	3	211
	2023	211	80	4 ¹	0	72	7	209

*One outlet was counted as opened when the franchise agreement was signed, but has been moved to signed but not opened and the numbers have been adjusted. ¹ One Franchise Agreement was terminated prior to opening, it is only reflected as a termination.

Table No. 4
Status of Company/Affiliate-Owned Outlets
For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Alabama	2021	3	0	0	3	0	0
	2022	0	0	0	0	0	0
	2023	0	0	4	4	0	0
Arizona	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	1	2	0	0
California	2021	13	0	0	0	0	13
	2022	13	0	2	2	0	13
	2023	13	0	4	4	0	13
Colorado	2021	2	0	0	2	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0
District of Columbia	2021	2	0	0	2	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Florida	2021	6	0	0	0	0	6
	2022	6	0	2	2	0	6
	2023	6	0	5	5	0	6
Georgia	2021	4	0	0	4	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Hawaii	2021	0	0	0	0	0	0
	2022	0	0	1	1	0	0
	2023	0	0	0	0	0	0
Idaho	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	1	2	0	0
Illinois	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
	2023	9	0	3	3	0	9
Indiana	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
Iowa	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0
Kansas	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	1	2	0	0
Maine	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
Massachusetts	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	8	8	0	0
Michigan	2021	8	0	0	0	0	8
	2022	8	0	1	1	0	8
	2023	8	0	2	2	0	8
Minnesota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0
Missouri	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	3	3	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Nebraska	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
New Hampshire	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
New Jersey	2021	6	0	0	0	0	6
	2022	6	0	0	0	0	6
	2023	6	0	4	4	0	6
New York	2021	14	0	0	0	0	14
	2022	14	0	2	2	0	14
	2023	14	0	4	4	0	14
North Carolina	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
North Dakota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0
Ohio	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	2	3	0	0
Pennsylvania	2021	8	0	0	4	0	4
	2022	4	0	0	0	0	4
	2023	4	0	2	2	0	4
South Carolina	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
South Dakota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	2	0	0
Tennessee	2021	6	0	0	6	0	0
	2022	0	0	1	1	0	0
	2023	0	0	1	1	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Texas	2021	7	0	0	0	0	7
	2022	7	0	2	2	0	7
	2023	7	0	1	1	0	7
Utah	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
Virginia	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	2	2	0	2
Washington	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	1	0	0
West Virginia	2021	2	0	0	2	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Wisconsin	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	3	3	0	0
Wyoming	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	1	2	0	0
Totals¹	2021	92	0	1	23	1	69
	2022	69	0	16	11	0	74
	2023	74	0	72	77	0	69

¹ Unishippers combined some corporate territories for administrative purposes, resulting in a reduced number of Company/Affiliate-Owned Outlets. However, no change was made to the overall amount or location of territory owned by Unishippers. Unishippers anticipates that corporate territories will be phased out in 2024 after all franchisees are transitioned to the National Franchise Agreement.

**Table No. 5
Projected Openings as of December 31, 2023**

	Franchise Agreements Signed but Outlet Not Opened as of 12/31/23	Projected New Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	2	0
California	1	0	0

	Franchise Agreements Signed but Outlet Not Opened as of 12/31/23	Projected New Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	0	3	0
Georgia	0	1	0
Kansas	0	1	0
Kentucky	1	0	0
North Carolina	0	3	0
Tennessee	0	1	0
Texas	0	3	0
Utah	0	3	0
Totals	2	17	0

Exhibit B includes a list of the names, outlet business addresses, and telephone numbers of our franchisees as of December 31, 2023. It also includes a list of the names, cities, states, and current business telephone numbers (or if unknown, last known home telephone numbers) of franchisees during our most recent fiscal year who transferred their franchises (2), had franchises terminated (4), had franchises not renewed (0), had franchises reacquired by us or our affiliates or ceased operations for other reasons (79), or who failed to communicate with us within 10 weeks of the issuance date of this Disclosure Document (0). If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Unishippers System.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses with us that would restrict the franchisee from speaking openly with you about their experience with us.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Unishippers System.

The following independent franchisee organization has asked to be included in this Disclosure Document: Unified Franchisee Association (“UFA”). The email address of the UFA is ufassoc@gmail.com.

ITEM 21 **FINANCIAL STATEMENTS**

Exhibit C includes the audited consolidated financial statements for Accord and its subsidiaries (“Successor”), as of December 31, 2023 and 2022, for the years then ended, and for the period from June 9, 2021 to December 31, 2021. Accord has not been in business for 3 years or more and so we cannot include all of the financial statements required by the FTC Franchise Rule for its last 3 fiscal years. Exhibit C also includes the audited consolidated financial statements of Topco and its subsidiaries (“Predecessor”) from January 1, 2021 to July 25, 2021. Accord and Topco jointly and severally guarantee our performance under the franchise agreement, and Exhibit F contains a copy of the Guarantee of Performance. Our fiscal year end is December 31st.

ITEM 22 **CONTRACTS**

Exhibit D includes the franchise agreements and all attachments, including:

- Attachment “A” Guarantee and Assumption of Obligations
- Attachment “B” Security Agreement
- Attachment “C” Risk Disclosure Statement and Agreement

Attachment “D”	Receipt of Franchise-Related Documents
Attachment “E”	Verification of Non-Reliance
Attachment “F”	Franchisee Terms and Conditions for Offering UPS Products
Attachment “G”	Non-Competition Agreement
Attachment “H”	Non-Disclosure and Proprietary Information Agreement
Attachment “I”	Non-Solicitation Agreement
Attachment “J”	Consent to Transfer Franchise
Attachment “K”	General Release
Attachment “L”	Co-Broker Agreement
Attachment “M”	Promissory Note
Attachment “N”	Parcel Amendment

Exhibit E includes all of the state riders to the franchise agreements.

ITEM 23
RECEIPTS

Exhibit H includes documents acknowledging your receipt of this Disclosure Document.

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 3 of this Disclosure Document is modified to include the following:

No person named in Item 2 is subject to any currently effective order of any national securities association or national securities exchange as defined in the Securities and Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling that person from membership in such association or exchange.
2. Item 17(c) of this Disclosure Document is modified to include the following:

You must sign a general release if you transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§ 20000 through 20043).
3. Item 17(r) of this Disclosure Document is modified to include the following:

The franchise agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.
4. Item 17(s) of this Disclosure Document is modified to include the following:

California Corporations Code § 31125 requires us to give you a Disclosure Document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
5. Item 17(u) of this Disclosure Document is modified to include the following:

You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code § 20040.5, Code of Civil Procedure § 1281) to any provisions of the franchise agreement restricting venue to a forum outside the state of California.
6. Item 17(w) of this Disclosure Document is modified to include the following:

California Business Professional Code §§ 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement requires application of the laws of the Franchisor's principal place of business. This provision may not be enforceable under California law.
7. The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

Item 17 of this Disclosure Document is supplemented by the addition of the following paragraphs at the end of the chart:

Illinois law shall apply to and govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for mediation to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or **any other law of Illinois** is void.

INDIANA ADDENDUM TO DISCLOSURE DOCUMENT

Item 8 of this Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, products, services, or any other benefit from any other person with whom the franchisee does business, on account of, in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

Items 6 and 9 of this Disclosure Document are amended to add the following:

The franchisee will not be required to indemnify the franchisor for any liability imposed on the franchisor as a result of franchisee's reliance upon or use of procedures or products which were required by franchisor, if such procedures or products were utilized by franchisee in the manner required by franchisor.

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

1. Items 17(c) and (m) of this Disclosure Document are modified to state that the general release required as a condition of renewal or transfer will not apply to any claim arising under the Maryland Franchise Registration and Disclosure Law.
2. Items 17(u) and (v) of this Disclosure Document is modified to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
3. Item 17(v) of this Disclosure Document is amended to include the following:

The venue provision will not supersede your right to sue under the Maryland Franchise Registration and Disclosure Law in a Maryland court.
4. The Maryland Office of the Attorney General, Securities Division, requires us to defer payment of the initial franchise fee and any other initial payments owed by you to us until we have completed our pre-opening obligations under the franchise agreement.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 17(m) of this Disclosure Document is modified to include the following language after "general release":

"(for claims except those arising under the Minnesota Franchise Act)."

2. Item 17 of this Disclosure Document is modified to include the following paragraphs at the end of the chart:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subs. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the franchise agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or franchise agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 3 of this Disclosure Document is modified to include the following paragraphs:

Neither we nor any of the individuals identified in Item 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) filed against us alleging a violation of any franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither we nor any of the individuals identified in Item 2 above has been convicted of a felony or pleaded nolo contendere to a felony charge or, in the 10-year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint, or other legal proceeding if such, misdemeanor conviction or charge or civil action, complaint or other legal proceeding involving violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair deceptive practices, misappropriation of property or comparable allegations.

Neither we nor any of the individuals identified in Item 2 above is the subject of any injunctive or restrictive order or decree relating to franchises or business activities or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

2. Item 4 of this Disclosure Document is modified to include the following:

During the 10-year period immediately preceding the date of this Disclosure Document, neither we, nor any of our predecessors, nor any person identified in Item 2 above, has been adjudged bankrupt or reorganized due to insolvency or been a principal officer of any company or a general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within 1 year after the period that such officer of ours held such position in such company or partnership, and no such bankruptcy or reorganization proceeding has been commenced.

3. Item 17(d) of this Disclosure Document is modified to include the following:

You may terminate the franchise agreement on any grounds available by law.

4. Item 17(j) of this Disclosure Document is modified to include the following:

However, no transfer or assignment will be made except to a person who, in our good faith judgment, is willing and able to assume our obligations under the franchise agreement.

5. Item 17(w) of this Disclosure Document is modified to include the following:

The foregoing choice of law should not be considered a waiver of any right conferred on us or you by Article 33 of the General Business Law of the state of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 6, Collection Costs and Attorney Fees, Remarks is amended to delete the information in the column and replace it with the following:

You must pay our attorney fees only if we prevail in any arbitration or litigation between you and us.

2. Item 17(m) is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims Franchisee may have under the North Dakota Franchise Investment Law.

3. Item 17(r) is amended to add the following:

In accordance with North Dakota law, the restrictions of the covenant not to compete might not apply to your activities after the termination or expiration of your franchise agreement.

4. Item 17(u) is deleted and replaced with the following:

All disputes must be mediated either in North Dakota or in a mutually agreed location.

5. Item 17(v) is deleted and replaced with the following:

All litigation must be in North Dakota or in a mutually agreed location.

6. Item 17(w) is deleted and replaced with the following:

North Dakota laws apply.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

1. Items 17(u),(v) and (w) are amended to add the following:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

The following statements are added to Item 17.h:

Pursuant to § 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause”, as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

EXHIBIT A

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

**SCHEDULE OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

**AGENCIES/AGENTS
FOR SERVICE OF PROCESS**

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	California Department of Financial Protection & Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	California Commissioner of Department of Financial Protection & Innovation
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street Lansing, MI 48906 (517) 335-7622	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	State of New York Investor Protection Bureau 28 Liberty Street New York, NY 10005 (212) 416-8200	Attn: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 14 th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner

State	State Agency	Agent for Service of Process
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-2 Cranston, RI 02920 (401) 462-9500	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Department of Labor Division of Insurance Securities Regulation 124 South Euclid, 2 nd Floor Pierre, SD 57501-318 (605) 773-3563	Director of South Dakota Division of Securities
UTAH	Division of Consumer Protection Utah Department of Commerce 160 East 300 South Salt Lake City, Utah 84111 (801) 530-6601	Unishippers Global Logistics, LLC 2801 North Thanksgiving Way Suite 150 Lehi, UT 84043 (681) 233-3569
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760
WISCONSIN	State of Wisconsin Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-0448	Commissioner of Securities of Wisconsin

EXHIBIT B

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

FRANCHISEES AS OF DECEMBER 31, 2023

State	Territory	Franchisee		Address				Phone
AL	Unishippers #1646	J. Mark	Ware	2236 Cahaba Valley Drive, Suite 210	Birmingham	AL	35242	(205) 601-9643
AL	Unishippers #1647	J. Mark	Ware	2236 Cahaba Valley Drive, Suite 210	Birmingham	AL	35242	(205) 601-9643
AL	Unishippers #1661	Jeffrey R.	Corte	600 Theakston Street	Fairhope	AL	36532	(713) 594-7332
AL	Unishippers #1682	Jeffrey R.	Corte	600 Theakston Street	Fairhope	AL	36532	(713) 594-7332
AL	Unishippers #5029	Arvin A.	Mayberry, II	5006 Willow Creek Drive SE	Owens Cross Roads	AL	35763	(805) 501-2758
AZ	Unishippers #1567	Shaun	Dilday	2337 East Bella Vista Court	Gilbert	AZ	85298	(480) 226-9805
AZ	Unishippers #1603	David	Haynes	1701 E. Ivyglen	Mesa	AZ	85203	(480) 390-7679
AZ	Unishippers #1604	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
AZ	Unishippers #1690	Michael	LeWinter	1607 W. Red Bird Road	Phoenix	AZ	85085	(632) 466-4621
AZ	Unishippers #1705	Ysidro	Zapata	2322 N. Richland Street	Phoenix	AZ	85006	(480) 363-1185
AZ	Unishippers #1724	Tyler J.	Morgan	24654 N. Lake Pleasant Parkway, Ste. 103132	Peoria	AZ	85383	(805) 668-0539
AR	Unishippers #1605	Jared	McGraw	406 Torrance Drive	Cave Springs	AR	72718	(479) 657-3528
CA	California North	Jan	Roberts	901 Sunrise Avenue, Suite B1	Roseville	CA	95661	(916) 782-2872
CA	California South	Alan	Davenport	953 Canyon Ridge Road	Solvang	CA	93463	(805) 693-0275
CA	Modesto	Larry	Vo	8011 Elsie Avenue	Sacramento	CA	95828	(916) 731-8500
CA	Napa	Eric	Smith	700 North Valley Ste., Ste B	Anaheim	CA	92801	(714) 240-8023
CA	Sacramento	Jan	Roberts	901 Sunrise Ave., #B1	Roseville	CA	95661	(916) 782-2872
CA	San Jose	Eric	Smith	700 North Valley St., Ste B	Anaheim	CA	92801	(714) 240-8023
CA	San Mateo	Eric	Smith	700 North Valley St., Ste B	Anaheim	CA	92801	(714) 240-8023
CA	San Rafael	Jan	Roberts	901 Sunrise Avenue, Suite B1	Roseville	CA	95661	(916) 782-2872
CA	Santa Barbara	Alan	Davenport	953 Canyon Ridge Road	Solvang	CA	93463	(805) 693-0275
CA	Santa Rosa	Eric	Smith	700 North Valley St., Ste	Anaheim	CA	92801	(714) 240-8023
CA	Unishippers #1576	Kurt	Watkins	1251 Armistead Road, Apt. B	San Francisco	CA	94129	(415) 407-7943
CA	Unishippers #1577	John	Sagarino	18191 Von Karman Avenue, Suite 100	Irvine	CA	92612	(714) 580-9849
CA	Unishippers #1578	Michael	Joyce	15466 Los Gatos Blvd., #109- 270	Los Gatos	CA	95032	(916) 747-4256
CA	Unishippers #1591	Joseph	Douglas	3745 Archetto Drive	El Dorado Hills	CA	95762	(310) 343-8709

State	Territory	Franchisee		Address				Phone
CA	Unishippers #1607	Tim	Sullivan	5355 Mira Sorrento Pl., Ste 265	San Diego	CA	92121	(858) 518-4869
CA	Unishippers #1644	Christopher	Dehoney	406 Auburn Avenue	San Marcos	CA	92069	(858) 774-1178
CA	Unishippers #1662	Eric M.	Smith	700 North Valley Street, Suite B	Anaheim	CA	92801	(714) 240-8023
CA	Unishippers #1663	Chad R.	Elliott	700 North Valley Street, Suite B	Anaheim	CA	92801	(714) 240-8023
CA	Unishippers #1669	Reza	Ahangi	21231 San Miguel	Woodland Hills	CA	91364	(818) 964-2443
CA	Unishippers #1684	Crystal	Joyce	5547 Blossom Acres Drive	San Jose	CA	95124	(916) 705-5006
CA	Unishippers #1703	Brendan	Newman	23046 Avenida de La Carlota, Ste 410	Laguna Hills	CA	92653	(248) 842-1343
CA	Unishippers #1710	Tyson	Lawrence	2301 Reserve Drive	Brentwood	CA	94513	(925) 200-8911
CA	Unishippers #1718	Janine	Booth	1588 N. Clinton Street	Orange	CA	92867	(714) 474-9681
CA	Unishippers #1738	JP	Budd	1500 Palma Drive	Ventura	CA	93003	(805) 889-2721
CA	Unishippers #1742	David	Hames	12220 Dehougne Street	North Hollywood	CA	91605	(323) 954-1270
CA	Unishippers #5014	Craig	Bogard	5101 Briarhill Drive	Yorba	CA	92886	(949) 632-0312
CA	Ventura East	JP	Budd	1500 Palma Dr., Suite 224	Ventura	CA	93003	(805) 889-2721
CO	Unishippers #1571	Michael	Portman	2760 W. 5 th Avenue	Denver	CO	80204	(303) 665-1000
CO	Unishippers #1572	Jason	Zilbert	1032 Hooker Street	Denver	CO	80204	(303) 902-1343
CO	Unishippers #1681	Brian	Swerlein	2137 Sherri Mar Street	Longmont	CO	80501	(970) 581-6367
CO	Unishippers #1689	Michael J.	McGonigle	6448 E Lookout Drive	Parker	CO	80138	(303) 564-5276
CT	Connecticut	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
CT	Fairfield	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
CT	Hartford	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
CT	New Haven	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
DC	Unishippers #1728	Hiran	Ranasinghe	2825 11 th Street NW, Unit 2	Washington	DC	20001	(703) 462-3932
DE	Unishippers #1708	Frank	Czar	4023 Kennett Pike, Suite 50393	Wilmington	DE	19707	(978) 905-6769
FL	Unishippers #1579	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
FL	Unishippers #1584	Janine	White	3316 NE 40 th Street	Ft. Lauderdale	FL	33308	(301) 219-2555
FL	Unishippers #1624	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
FL	Unishippers #1625	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467

State	Territory	Franchisee		Address				Phone
FL	Unishippers #1636	Alexis	Oyola	941 West Morse Blvd, Ste 100	Winter Park	FL	32789	(407) 712-5550
FL	Unishippers #1637	Colin	Frost	1851 Kings Court	Jacksonville Beach	FL	32250	(904) 885-1126
FL	Unishippers #1652	Julie	Fisher	2824 NW 23rd Blvd	Gainesville	FL	32605	(321) 351-5739
FL	Unishippers #1653	Walter	Solala	1150 NW 72 nd Ave, Tower I, Suite 455, #5706	Miami	FL	33126	(858) 220-6483
FL	Unishippers #1670	Tracy L.	Smith	208 W. Davis Industrial Drive	St. Augustine	FL	32084	(904) 209-5026
FL	Unishippers #1671	John L.	Jackson III	514 Bahia Circle, #B	Ocala	FL	34472	(321) 248-7897
FL	Unishippers #1672	Joseph A.	Schreck	101 S. Ocean Drive, Unit 203	Deerfield Beach	FL	33441	(954) 330-6335
FL	Unishippers #1715	Daniel	Anglim	4790 Brittany Drive S, #106	St. Petersburg	FL	33715	(516) 318-0855
FL	Unishippers #1726	Joseph J.	Costigan	1809 E. Broadway Street, Suite 221	Oviedo	FL	32765	(239) 919-9534
FL	Unishippers #1733	Kevin	Earle	317 SE 32nd Street	Cape Coral	FL	33904	(239) 565-9315
FL	Unishippers #5013	Gregory J	Guerra	10500 NW 50 th Street, Suite 202	Sunrise	FL	33351	(954) 573-3324
GA	Unishippers #1621	John	Tolbert	480 Simmons Hill Road	Milton	GA	30004	(678) 201-7738
GA	Unishippers #1640	Ronnie (Buster)	Franklin	522 Pineridge Road	Griffin	GA	30224	(678) 588-1988
GA	Unishippers #1657	Eric	Sweeney	400 Plasters Avenue, Suite 120	Atlanta	GA	30324	(770) 616-6104
GA	Unishippers #1675	Sandra	Camp	301 Old Mill Drive	Carrollton	GA	30117	(770) 597-3593
GA	Unishippers #1679	Jeremy	Bowen	308 S 5th St	Griffin	GA	30224	(912) 618-8598
GA	Unishippers #1707	Andrew H.	Ronemus	240 Floyd Lane	Clarkesville	GA	30523	(706) 829-9123
GA	Unishippers #1709	Damian Francis	Santiago	503 Cotton Avenue	Millen	GA	30442	(419) 366-1878
GA	Unishippers #1716	Amanda J.	David	2271 Nursery Road	Blackshear	GA	31516	(847) 814-8138
GA	Unishippers #5031	Mike	Walling	4426 Hugh Howell Road, Suite B336	Tucker	GA	30084	(678) 571-2100
IA	Unishippers #1702	Marianne	Kramer	8003 Douglas Avenue	Urbandale	IA	50322	(515) 226-1575
ID	Unishippers #1712	Brady J.	Stone	4037 North Brooksburg Place	Meridian	ID	83646	(801) 361-3000
IL	Unishippers #1566	Kevin	Ferguson	3542 N. Greenview	Chicago	IL	60657	(708) 638-3374
IL	Unishippers #1574	Ramsey	Batmangelich	1026 Elmdale Road	Glenview	IL	60025	(858) 752-3287
IL	Unishippers #1585	Blake	Hamilton	6404 West Daisy Road	Leaf River	IL	61047	(815) 988-1513

State	Territory	Franchisee		Address				Phone
IL	Unishippers #1676	Peter J.	Benoit	2049 Creekside Drive	Wheaton	IL	60189	(630) 781-6224
IL	Unishippers #1686	Ryan	Ilges	231 Winnetka Avenue	Winnetka	IL	60093	(314) 580-6202
IL	Unishippers #1697	Brendan	Newman	397 S. York Street	Elmhurst	IL	60126	(248) 842-1343
IL	Unishippers #1701	Therese N.	O'Sullivan	112 E. Burlington Avenue, Suite 516	LaGrange	IL	60525	(708) 233-6780
IL	Unishippers #1739	Jay	Chamberlain	7807 Drew Avenue	Burr Ridge	IL	60527	(630) 631-1168
IL	Unishippers #5007	Heather	Sgouridis	15340 130 th Place	Lemont	IL	60439	(630) 780-0979
IN	South Bend	Daniel	Anderson	5233 Brunello Terrace	Fort Wayne	IN	46845	(260) 484-7899
IN	Unishippers #1632	Matthew	Hynan	10126 Springstone Road	Fishers	IN	46055	(248) 346-0282
IN	Unishippers #1693	Monica	Long	10818 Cyrus Drive	Indianapolis	IN	46231	(317) 435-9463
IN	Unishippers #1720	John F.	Skees	209 Troon Way	Fort Wayne	IN	46845	(260) 740-8886
IN	Unishippers #1723	Daniel	Anderson	5233 Brunello Terrace	Fort Wayne	IN	46845	(260) 484-7899
IN	Unishippers #1743	Brendan	Newman	15617 Westfield Blvd	Carmel	IN	46033	(248) 842-1343
IN	Unishippers #5008	Evan	Shine	5732 Evanston Avenue	Indianapolis	IN	46220	(260) 413-3615
IN	Unishippers #5017	Kyle	Williams	70 East Main Street	Greenwood	IN	46142	(317) 450-1273
KS	Unishippers #1588	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
KS	Unishippers #1634	Ryan	Ilges	16308 Rosehill Street	Overland Park	KS	66221	(314) 580-6202
KS	Unishippers #1656	Ryan	Ilges	16308 Rosehill Street	Overland Park	KS	66221	(314) 580-6202
KS	Unishippers #1660	Dennis	Hallblade	3000 W. 120 th Terrace	Leawood, Kansas	KS	66209	(816) 590-8255
KY	Unishippers #1608	Roderic	Hyman	402 Nickleby Way	Louisville	KY	40245	(502) 387-2025
KY	Unishippers #1617	Aaron	Roberson	14703 Forbes Circle	Louisville	KY	40245	(502) 435-7668
KY	Unishippers #5010	Evan T.	Calvin	100 Summer Court	Georgetown	KY	40324	(859) 550-3197
KY	Unishippers #5021	Brandon	Whiting	4545 Bishop Lane, Unit 100	Louisville	KY	40218	(502) 298-4500
LA	Shreveport	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
LA	Unishippers #1601	David	Winslow Jr.	150 Crapemyrtle Road	Covington	LA	70433	(805) 368-8103
LA	Unishippers #1627	Kenneth	Ortego II	111 Sleepy View Dr.	Broussard	LA	70518	(337) 287-7802
LA	Unishippers #1630	Peter	Boese	873 Pontalba Street	New Orleans	LA	70124	(603) 991-6529
LA	Unishippers #1706	David Charles	Winslow, Jr.	150 Crapemyrtle Road	Covington	LA	70433	(805) 368-8103
MA	Massachusetts West	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
MA	Unishippers #1569	Jimmer	Bennett	16 Corporate Woods Blvd.	Albany	NY	12211	(518) 588-6196
MA	Unishippers #1570	Richard	Brodsky	6 Wilkins Drive, Suite 103	Plainville	MA	02762	(508) 277-4783

State	Territory	Franchisee		Address				Phone
MA	Unishippers #1641	Matthew	Patrick	10 Technology Drive, Suite 40	Hudson	MA	01749	(678) 588-1988
MA	Unishippers #1649	Frank	Czar	10 Sanborn Terrace	Amesbury	MA	01913	(978) 905-6769
MA	Unishippers #1678	Meghan H.	Callaghan	33 Ballardvale Street	Wilmington	MA	01887	(339) 927-5494
MA	Unishippers #1731	John	Mancinelli	5 Lantern Lane	Lynnfield	MA	01940	(603) 362-2179
MI	Unishippers #1616	Derek	Eddy	225 Columbia Drive	South Lyon	MI	48178	(734) 560-2004
MI	Unishippers #1622	Brendan	Newman	15581 Spiceway	Fraser	MI	48026	(248) 842-1343
MI	Unishippers #1642	David	Stavale	3809 Linwood Avenue	Royal Oak	MI	48073	(616) 610-2377
MI	Unishippers #1695	Andrew	McDonald	366 N. Main Street	Romeo	MI	48065	(586) 855-0497
MI	Unishippers #1696	Justin	Bright	34620 Utica Road	Fraser	MI	48026	(586) 484-3035
MN	Saint Cloud	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
MN	Unishippers #1668	Lukas G.	Bundgaard	3822 3 rd Place NW	Rochester	MN	55901	(651) 270-9107
MS	Jackson	Jeffrey R.	Corte	600 Theakston Street	Fairhope	AL	36532	(713) 594-7332
MO	Unishippers #1655	Kevin	Ferguson	3542 N. Greenview Avenue	Chicago	IL	60657	(708) 638-3374
MO	Unishippers #1673	Matthew Ryan	Curran	2540 Rolens Drive	Saint Louis	MO	63129	(314) 440-7221
NV	Reno	Eric	Smith	700 North Valley St., Ste B	Anaheim	CA	92801	(714) 240-8023
NH	Unishippers #1593	Evan	Hudson	37 Allen Farm Lane	Greenland	NH	03840	(617) 935-6416
NJ	Elizabeth	Mitch	Greenberg	1010 N Riverside Dr	Indialantic	FL	32903	(609) 752-0173
NJ	Unishippers #1597	Leon	Ariyan	4 Forest View Drive	Martinsville	NJ	08836	(732) 357-2800
NJ	Unishippers #1609	Leon	Ariyan	4 Forest View Drive	Martinsville	NJ	08836	(732) 357-2800
NJ	Unishippers #1654	Susan	Allen	65 Duck Hawk Court	Hackettstown	NJ	07840	(973) 214-3077
NJ	Unishippers #1688	Bryan	Thompson	18 Ashwood Lane	Basking Ridge	NJ	07920	(908) 883-0243
NY	Albany	Neil	DiBiccari	43 British American Blvd	Latham	NY	12110	(888) 681-7447
NY	Brooklyn Northwest	Heshy	Ilowitz	1445 44 th Street	Brooklyn	NY	11219	(718) 853-0123
NY	Buffalo	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
NY	Manhattan Midtown	Mitch	Greenberg	2004 Grant Place	Melbourne	FL	32901	(321) 223-8250
NY	Unishippers #1568	James	Bennett III	5520 State Farm Road,	Voorhesville	NY	12186	(518) 573-2542
NY	Unishippers #1594	Andrew	Sienkiewicz	7 Erie Drive	Fairport	NY	14450	(585) 269-4867
NY	Unishippers #1643	Chris	Cadigan	23 Spring Street	Oyster Bay	NY	11771	(516) 442-4140
NY	Unishippers #1685	David	Hoefler	23 East Amber Lane	Wading River	NY	11792	(631) 740-0379
NY	Unishippers #1711	Leon	LaGrange	426 State Street, Suite 201	Schenectady	NY	12305	(518) 441-2264
NY	Unishippers #1719	Robert	DerMgrdichian	226 Mooney Pond Road	Selden	NY	11784	(631) 428-8344

State	Territory	Franchisee		Address				Phone
NC	Unishippers #1587	Kathleen	Shaw	2416 Rebecca Avenue	Charlotte	NC	28208	(315) 380-5280
NC	Unishippers #1613	Reggie	Walker	7050 Sunshine Meadow Lane	Cherryville	NC	28021	(704) 860-9012
NC	Unishippers #1623	Brendan	Newman	8106 Claude Gilbert Trail	Denver	NC	28037	(248) 842-1343
NC	Unishippers #1699	Scott C.	Bodemann	4922 Randall Parkway, Ste 205	Wilmington	NC	28403	(484) 574-6067
NC	Unishippers #1729	Melodee	Leicht	117 Pilot Knob Road, Suite 110	Denver	NC	28037	(480) 707-3906
NC	Unishippers #5011	Gabriel	Hutchings	5820 N. Church Street, D120	Greensboro	NC	27455	(607) 227-1133
NC	Unishippers #5015	Adrian	Gram	1508 Pecan Avenue	Charlotte	NC	28205	(720) 317-3388
NC	Unishippers #5024	William	Scott Viers	323 Elmhurst Dr.	Marvin	NC	28173	(614) 288-7529
OH	Unishippers #1586	Mark	Puskar	1404 Meadow Road	Columbus	OH	43212	(574) 303-4431
OH	Unishippers #1638	Randy	Yacobozzi	9605 Averi Court	Harrison	OH	45030	(814) 504-2048
OH	Unishippers #1692	Joe	Buringrud	9155 Governors Way, Unit B	Cincinnati	OH	45249	(513) 703-4013
OH	Unishippers #1734	Stephen	Harth	5200 Gillette Avenue	Hilliard	OH	43026	(614) 312-3957
OH	Unishippers #5012	Douglas J.	Lowry, Sr.	9147 Latin Road NW	East Canton	OH	44730	(440) 339-2751
OH	Unishippers #5022	Randall	Abood	441 W. Bagley Road #289	Berea	OH	44017	(440) 403-5907
OK	Tulsa	Marc	Van Hooser	11063D South Memorial Drive #456	Tulsa	OK	74133	(800) 234-9643
OR	Unishippers #1714	Michael J.	Bruni, Sr.	7180 South Zimmerman Road	Canby	OR	97013	(503) 277-8244
OR	Unishippers #5030	Nathan C.	Crooks	2175 NW Raleigh Street, Suite 110	Portland	OR	97210	(503) 773-8206
PA	Allentown	Robert	Lebus	1866 Leithsville Road	Hellertown	PA	18055	(610) 882-5964
PA	Erie	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
PA	Philadelphia South	Robert	Lebus	1866 Leithsville Road	Hellertown	PA	18055	(610) 882-5964
PA	Unishippers #1677	Jessie	Soto	1234 Irwin Drive #7	Erie	PA	16505	(814) 636-9595
PA	Unishippers #1732	Eugene	Brown	9005 Hampshire Ct.	Pittsburg	PA	15237	(412) 916-4142
SC	Unishippers #1658	Tracy	Favre	1585 Rivertowne Country Club Drive	Mount Pleasant	SC	29466	(703) 727-4767
TN	Knoxville	Robert	Lebus	1866 Leithsville Road	Hellertown	PA	18055	(610) 882-5966
TN	Memphis	Richard	Harth	1510 Hunters Pointe Drive	Richmond	IN	47374	(765) 965-6869
TN	Unishippers #1666	Ryan	Ilges	16308 Rosehill Street	Overland Park	KS	66221	(314) 580-6202
TN	Unishippers #1704	Kevin	Franzer	1195 Ben Hill Boulevard	Nolensville	TN	37135	(615) 300-2973
TN	Unishippers #1730	Candice J.	Pyle	2016 Imagine Circle	Spring Hill	TN	37174	(708) 927-1377
TN	Unishippers #1736	Tony	Fingerle	4140 Fitehaven Drive	Chattanooga	TN	37415	(260) 385-4227
TX	San Antonio	Travis	Timmons	718 Presley Way	Sugar Land	TX	77479	(210) 343-2322

State	Territory	Franchisee		Address				Phone
TX	Texas Northeast	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
TX	Unishippers #1580	Anthony	Boscarini	623 Fountain View Drive	Irving	TX	75039	(949) 510-3529
TX	Unishippers #1581	David	Shavlan	143 Plantation Road	Houston	TX	77024	(832) 256-8626
TX	Unishippers #1583	Thomas	Fuqua III	3720 Texas Blvd	Texarkana	TX	75503	(214) 505-9676
TX	Unishippers #1598	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
TX	Unishippers #1600	Corey	Collins	2001 Ross Avenue, Suite 700-164	Dallas	TX	75201	(214) 263-2163
TX	Unishippers #1687	Hans	Bottger	22 Smith St., Apt 335	Houston	TX	77002	(713) 955-6670
TX	Unishippers #1694	Christopher	Meriney	3847 Pine Tree Court	Dallas	TX	75206	(412) 715-5376
TX	Unishippers #1717	Cesar	Vaca	14665 Midway Road, Suite 110	Addison	TX	75001	(214) 498-0505
TX	Unishippers #1725	Richard	Garcia-Nava	701 N. 57 th Street	Waco	TX	76710	(254) 563-9991
TX	Unishippers #1735	David	Hames	12484 Mustang Circle	Forney	TX	75216	(323) 954-1270
TX	Unishippers #1741	Kyla	Watts	2704 Stanford Ave	Dallas	TX	75225	(949) 244-5407
TX	Unishippers #5020	Ellie	Frey	3200 McKinney Avenue, #705	Dallas	TX	75204	(972) 978-0227
TX	Unishippers #5025	Linda V.	Brito	1100 Kessler Drive, Suite C	El Paso	TX	79907	(915) 373-4120
TX	Unishippers #5027	Luis	Gomez, Jr.	1718 Sherwood Drive	Laredo	TX	78045	(956) 526-9306
UT	Cache Valley	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
UT	Unishippers #1575	Kevin	Biagi	3354 E. Enchanted View Dr.	Salt Lake City	UT	84121	(559) 259-3216
UT	Unishippers #1592	Joe	Baca	8889 S. Sunspring Drive	West Jordan	UT	84088	(623) 330-5546
UT	Unishippers #1599	Levi	Bills	12243 South Draper Gate Drive, Unit 2	Draper	UT	84020	(801) 245-0911
UT	Unishippers #1602	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
UT	Unishippers #1618	Matthew	Field	151 West 4500 North	Provo	UT	84604	(479) 715-7459
UT	Unishippers #1633	Toby	Thacker	9350 South 150 East, Suite 840	Sandy	UT	84070	(801) 750-7361
UT	Unishippers #1650	Theodore	Arnoldus	9350 South 150 East, Suite 840	Sandy	UT	84047	(801) 707-2598
UT	Unishippers #1713	Jonathan	Petersen	926 W. Zenyatta Way	Kaysville	UT	84037	(614) 679-1417
UT	Unishippers #1721	Cole	Jones	9350 S 150 E, Suite 840	Sandy	UT	84070	(801) 419-8239
UT	Unishippers #1722	Troy	Hollenbeck	9350 S 150 E, Suite 840	Sandy	UT	84070	(734) 634-2607
UT	Unishippers #1737	Kevin	Biagi	3354 E. Enchanted View Dr.	Salt Lake City	UT	84121	(559) 259-3216
UT	Unishippers #5016	David	Wayt	1474 Rocky Road	St. George	UT	84790	(801) 318-9924

State	Territory	Franchisee		Address				Phone
UT	Unishippers #5023	Jason	Wardle	6047 Autumn Glow Cove	Herriman	UT	84096	(801) 432-7181
VA	Unishippers #1620	Jim	Norwood	8113 Hampton Valley Drive	Chesterfield	VA	23832	(804) 543-2096
VA	Unishippers #1691	Lauren E.	Brown	6119 Mockingbird Lane	Midlothian	VA	23112	(614) 571-9799
WA	Spokane	Rick	Cornwell	222 W Mission Avenue, Suite 134	Spokane	WA	99201	(509) 998-7877
WA	Unishippers #1619	Nick	Latta	4603 S. 367th Street	Auburn	WA	98001	(206) 851-7841
WV	Unishippers #1590	Matthew	Houghton	825 Pleasant Hill Road	Morgantown	WV	26508	(304) 322-0009
WI	Milwaukee North	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
WI	Milwaukee South	Michael	Duquette	2004 Grant Place	Melbourne	FL	32901	(321) 591-0467
WI	Unishippers #1727	Matthew J.	Messinger	7901 4 th Street, Suite 15100	St. Petersburg	FL	33702	(608) 338-6377
WI	Unishippers #5018	Bart	Champine	300 Cottonwood Avenue, Suite 10	Hartland	WI	53029	(262) 224-8516
WY	Unishippers #1665	Keegan F.	Delaney	4335 E. Kings Avenue	Phoenix	AZ	85032	(720) 587-7870
WY	Unishippers #1700	Rachel M.	Loughry	7701 Hedgewood Circle	Mason	OH	45040	(330) 321-6346

**FORMER FRANCHISEES
CEASED OPERATIONS DURING 2023**

TRANSFERRED AND CEASED OPERATIONS

State	Territory	Franchisee		Address				Phone
NY	Unishippers #1614	Brendan	Newman	7114 Wabash Circle	Dallas	TX	75214	(248) 842-1343
VT	Burlington	Leonard	Rubin	1 Windsor Court	South Burlington	VT	05403	(802) 862-4889

TERMINATED

State	Territory	Franchisee		Address				Phone
FL	Unishippers #1645	Erick	Sanon	6142 Miramar Parkway Suite D	Miramar	FL	33023	(786) 440-0288
NJ	Unishippers #1648	Jesse	Adler	335 Sunset Boulevard	Wyckoff	NJ	07481	(201) 280-1485
TX	Unishippers #1674	Tramell	Watkins	3724 Robertson Street	Houston	TX	77009	(832) 649-0388
FL	Unishippers #1698	Dylan	Admire	16425 Collins Avenue, # 2416	Sunny Isles Beach	FL	33160	(913) 832-7190

REACQUIRED

State	Territory	Franchisee	City	State	Phone	Reason for Exiting System
AL	Birmingham	J. Mark Ware	Birmingham	AL	(205) 601-6036	Reacquired by franchisor
AL	Huntsville	Jeff Wilson	Madison	AL	(256) 337-5701	Reacquired by franchisor
AL	Mobile	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
AL	Montgomery	Rick Werner	Auburn	AL	(334) 521-7779	Reacquired by franchisor
AZ	Arizona North	Anthony Linderman	Denver	CO	(303) 665-1000	Reacquired by franchisor
CA	Long Beach	Darrell Chamness	Anaheim	CA	(714) 240-8023	Reacquired by franchisor
CA	Los Angeles	David Hames	North Hollywood	CA	(323) 954-1270	Reacquired by franchisor
CA	Oakland	Jon Petersen	Kaysville	UT	(614) 679-1417	Reacquired by franchisor
CA	San Fernando West	David Church	Henderson	NV	(805) 583-3855	Reacquired by franchisor
CO	Denver	Jeff Boyer	Denver	CO	(303) 912-5527	Reacquired by franchisor
CO	Fort Collins	Jeff Boyer	Highlands Ranch	CO	(303) 912-5527	Reacquired by franchisor
FL	Fort Myers West	Kevin Earle	Cape Coral	FL	(239) 565-9315	Reacquired by franchisor
FL	Gainesville	Mark Loughry	Mason	OH	(330) 321-6346	Reacquired by franchisor
FL	Jacksonville	Jason Cooksey	St. Augustine	FL	(904) 864-8925	Reacquired by franchisor
FL	Naples	Paul Schertell	Naples	FL	(239) 262-1162	Reacquired by franchisor
FL	Palm Bay	Julie Fisher	Melbourne	FL	(800) 226-4661	Reacquired by franchisor
GA	Atlanta Metro	J. Mark Ware	Birmingham	AL	(205) 601-6036	Reacquired by franchisor
GA	Macon	Jeremy Bowen	Griffin	GA	(912) 618-8598	Reacquired by franchisor
IA	Iowa East	Damon Norcross	Salem	NH	(617) 515 2764	Reacquired by franchisor
IA	Iowa West	Marianne Kramer	Urbandale	IA	(515) 226-1575	Reacquired by franchisor
ID	Boise	Brady Stone	Meridian	ID	(801) 361-3000	Reacquired by franchisor
IL	Chicago DuPage Central	Jay Chamberlain	Burr Ridge	IL	(847) 843-0888	Reacquired by franchisor
IL	Chicago DuPage North	Therese O'Sullivan	La Grange	IL	(708) 653-6789	Reacquired by franchisor
IL	Illinois North	Barry Jensen	Springfield	IL	(217) 788-8280	Reacquired by franchisor
IN	Fort Wayne	John Skees	Fort Wayne	IN	(260) 740-8886	Reacquired by franchisor
KS	Kansas South	John Carter	Wichita	KS	(316) 943-1919	Reacquired by franchisor
MA	Boston Middlesex	Kevin Anthony	Boston	MA	(207) 607-2442	Reacquired by franchisor
MA	Boston North Shore	John Collins	Boston	MA	(888) 708-7100	Reacquired by franchisor
MA	Boston Northwest	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
MA	Fall River	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor

State	Territory	Franchisee	City	State	Phone	Reason for Exiting System
MA	Massachusetts	Michael Urvalek	Saratoga Springs	NY	(802) 338-6322	Reacquired by franchisor
MA	Plymouth	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
MA	Worcester	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
MA	Unishippers #1529	Shawn Sullivan	Plymouth	MA	(508) 742-5776	Reacquired by franchisor
ME	Maine	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
MI	Battle Creek	Chad Buehler	Okemos	MI	(801) 462-8214	Reacquired by franchisor
MI	Michigan	Chad Buehler	Okemos	MI	(801) 462-8214	Reacquired by franchisor
MN	Minneapolis East	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
MN	Minnesota	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
MO	Kansas City	Don Rahjes	Ballwin	MO	(314) 517-5006	Reacquired by franchisor
MO	Saint Louis South	Don Rahjes	Ballwin	MO	(314) 517-5006	Reacquired by franchisor
MO	Springfield	Terrell Barkett	Springfield	MO	(417) 862-4500	Reacquired by franchisor
NC	Charlotte North	Daniel Martin	Lindale	TX	(901) 881-9237	Reacquired by franchisor
ND	Fargo	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
ND	North Dakota	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
NE	Lincoln	Frank Czar	Minneapolis	MN	(406) 261-4224	Reacquired by franchisor
NH	New Hampshire	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
NJ	Jersey City	Frank Basanese	Denville	NJ	(973) 625-9268	Reacquired by franchisor
NJ	New Jersey North-Newark	Frank Basanese	Denville	NJ	(973) 625-9268	Reacquired by franchisor
NJ	New Jersey Northwest	Frank Basanese	Denville	NJ	(973) 625-9268	Reacquired by franchisor
NJ	Unishippers #1527	Kiel Eckhardt	Jackson	NJ	(732) 239-1256	Reacquired by franchisor
NY	Nassau County South 2	Chris Cadigan	Oyster Bay	NY	(516) 442-4140	Reacquired by franchisor
NY	Queens	Brian Bailey	Glendale	NY	(718) 514-7346	Reacquired by franchisor
NY	Suffolk County Southwest	Robert DerMgrdichian	Selden	NY	(631) 428-8344	Reacquired by franchisor
NY	Westchester North	Lee LaGrange	Schenectady	NY	(518) 441-2264	Reacquired by franchisor
OH	Ohio	Jon Petersen	Kaysville	UT	(614) 679-1417	Reacquired by franchisor
OH	Youngstown	Frank Czar	Boston	MA	(888) 708-7100	Reacquired by franchisor
PA	Philadelphia Northeast	Frank Basanese	Denville	NJ	(973) 625-9268	Reacquired by franchisor
PA	Pittsburgh	John Tubridy	Pittsburgh	PA	(412) 916-4142	Reacquired by franchisor

State	Territory	Franchisee	City	State	Phone	Reason for Exiting System
SC	Greenville	Andy Ronemus	Clarksville	GA	(706) 829-9123	Reacquired by franchisor
SD	Sioux Falls	Cindy Weiland	Yankton	SD	(605) 664-2254	Reacquired by franchisor
SD	South Dakota	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
TN	Unishippers #1573	Kevin Franzer	Nashville	TN	(817) 705-6736	Reacquired by franchisor
TX	Fort Worth	Don Rahjes	Ballwin	MO	(314) 517-5006	Reacquired by franchisor
UT	Salt Lake City	Ted Arnoldus	Sandy	UT	(801) 572-8949	Reacquired by franchisor
VA	Richmond	Lawrence Steed	Okemos	MI	(888) 791-4466	Reacquired by franchisor
VA	Virginia	Lawrence Steed	Okemos	MI	(888) 791-4466	Reacquired by franchisor
WA	Washington Freight	Michael Bruni	Canby	OR	(503) 277-8244	Reacquired by franchisor
WI	Eau Claire	Mike Loge	Ottertail	MN	(612) 644-5537	Reacquired by franchisor
WI	Green Bay	Bill Sieber	Green Bay	WI	(920) 437-1055	Reacquired by franchisor
WI	Wisconsin	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor
WY	Wyoming	Frank Czar	Minneapolis	MN	(800) 607-4350	Reacquired by franchisor

Ceased Operations – Other

State	Territory	Franchisee		Address				Phone	
AZ	Unishippers #1635	Bradley	Martin	8010 E Wingspan Way		Scottsdale	AZ	85255	(480) 878-8661
CO	Unishippers #1683	Elizabeth J.	Lyons	8026 S. Ammons Street		Littleton	CO	80128	(702) 423-2547
IL	Unishippers #1680	David	Danforth	235 Shelton Street		Cameron	IL	61424	(224) 339-4788
MI	Unishippers #1667	Chad	Buehler	1749 Hamilton Road, Suite 101		Okemos	MI	48864	(801) 462-8214
TN	Unishippers #1626	Kevin	Young	315 Fairfax Avenue		Nashville	TN	37212	(615) 519-1722

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Unishippers franchise system.

EXHIBIT C

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

FINANCIAL STATEMENTS

Accord JV Corp

Consolidated Financial Statements and Supplemental
Schedules as of and for the years ended December 31, 2023
and 2022

Accord JV Corp

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CONSOLIDATED FINANCIAL STATEMENTS

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Report of Independent Auditors

To the Management and Board of Directors of Accord JV Corp

Opinion

We have audited the accompanying consolidated financial statements of Accord JV Corp and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive loss, of stockholder's equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

PricewaterhouseCoopers LLP, 2121 North Pearl Street, Suite 2000, Dallas, Texas 75201
T: (214) 999 1400, www.pwc.com/us



In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Dallas, Texas
March 27, 2024

Accord JV Corp
CONSOLIDATED BALANCE SHEETS
(In thousands, except for share amounts)

	December 31,	
	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 79,953	\$ 157,204
Accounts receivable, net of allowance for credit loss of \$22,695 and \$26,056, respectively	471,217	471,791
Prepaid expenses and other current assets	57,821	62,533
Total current assets	608,991	691,528
Long-term assets:		
Property and equipment, net	147,256	141,532
Operating lease right-of-use assets	52,944	49,337
Intangible assets, net	1,182,285	1,269,555
Goodwill	1,762,167	1,694,362
Deferred tax assets	280	2,489
Other long-term assets	20,978	44,691
Total assets	\$ 3,774,901	\$ 3,893,494
Liabilities		
Current liabilities:		
Accounts payable	\$ 325,436	\$ 273,606
Accrued expenses	135,604	155,772
Current portion of operating lease liability	9,052	7,170
Current portion of long-term debt and other notes payable	14,693	12,890
Other current liabilities	11,834	6,413
Total current liabilities	496,619	455,851
Long-term liabilities		
Operating lease liabilities, net of current portion	52,842	47,960
Long-term debt and other notes payable, net	1,484,433	1,478,327
Other long-term liabilities	57,132	35,405
Total liabilities	2,091,026	2,017,543
Commitments and contingencies (see Note 11)		
Stockholder's Equity		
Common stock, \$0.0001 par value, 500,000 shares authorized, 197,366 and 195,968 shares issued and outstanding as of December 31, 2023 and 2022, respectively	-	-
Additional paid-in capital	1,996,844	1,965,289
Accumulated other comprehensive income	37,340	67,993
Accumulated deficit	(350,309)	(157,331)
Total stockholder's equity	1,683,875	1,875,951
Total liabilities and stockholder's equity	\$ 3,774,901	\$ 3,893,494

The accompanying notes are an integral part of these consolidated financial statements.

Accord JV Corp
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands)

	Year ended December 31,	
	2023	2022
Revenues:		
Revenue	\$ 3,455,913	\$ 4,169,387
Operating expenses:		
Carrier cost of services	2,685,959	3,279,413
Selling, general and administrative	602,665	617,748
Depreciation and amortization	221,770	255,214
Total operating expenses	3,510,394	4,152,375
Operating income (loss)	(54,481)	17,012
Interest expense, net	(118,856)	(105,997)
Loss before income taxes	(173,337)	(88,985)
Income tax provision	19,641	11,790
Net loss	(192,978)	(100,775)
Other comprehensive income (loss)	(30,653)	67,993
Total comprehensive loss	\$ (223,631)	\$ (32,782)

The accompanying notes are an integral part of these consolidated financial statements.

Accord JV Corp
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY
(In thousands, except share amounts)

	Common stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Stockholder's Equity
	Shares	Amount				
Balance at December 31, 2021	195,992	\$ -	\$ 1,960,608	\$ (56,556)	\$ -	\$ 1,904,052
Capital contribution	276	-	3,250	-	-	3,250
Other comprehensive income	-	-	-	-	67,993	67,993
Distributions	(300)	-	(3,521)	-	-	(3,521)
Equity-based compensation	-	-	4,952	-	-	4,952
Net loss	-	-	-	(100,775)	-	(100,775)
Balance at December 31, 2022	195,968	-	1,965,289	(157,331)	67,993	1,875,951
Capital contribution	1,398	-	19,065	-	-	19,065
Other comprehensive loss	-	-	-	-	(30,653)	(30,653)
Equity-based compensation	-	-	12,490	-	-	12,490
Net loss	-	-	-	(192,978)	-	(192,978)
Balance at December 31, 2023	197,366	\$ -	1,996,844	(350,309)	37,340	1,683,875

The accompanying notes are an integral part of these consolidated financial statements.

Accord JV Corp
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (192,978)	\$ (100,775)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	221,770	255,214
Amortization of deferred financing costs	8,150	8,326
Equity-based compensation expense	12,490	4,952
Change in fair value of contingent consideration	204	(2)
Deferred taxes	2,209	(30,393)
Provision for credit losses	23,700	22,205
Loss on disposal of assets	29	470
Changes in operating assets and liabilities, net of effects of businesses acquired:		
Accounts receivable, net	(15,593)	6,237
Prepaid expenses and other current assets	(3,352)	(6,244)
Other long-term assets	1,292	756
Accounts payable and accrued expenses	15,693	(29,646)
Operating lease liability	3,009	3,404
Other liabilities	16,727	32,200
Net cash provided by operating activities	93,350	166,704
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	(98,107)	(19,470)
Payments for note receivable	(2,370)	(1,082)
Principal payments received for notes receivable	751	434
Purchases of property and equipment	(7,225)	(13,466)
Purchases and development of internal use software	(39,012)	(32,751)
Payment of contingent consideration	(696)	-
Net cash used in investing activities	(146,659)	(66,335)
Cash flows from financing activities:		
Repayment of debt - term loans	(12,750)	(12,750)
Payment of notes payable	(336)	-
Payment of contingent consideration	(18,080)	(3,786)
Capital contributions	7,065	3,250
Distributions	-	(3,521)
Net cash used in financing activities	(24,101)	(16,807)
Foreign currency effect on cash and cash equivalents	159	(64)
Net increase (decrease) in cash and cash equivalents	(77,251)	83,498
Cash and cash equivalents:		
Beginning of period	157,204	73,706
End of period	\$ 79,953	\$ 157,204
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 110,191	\$ 97,597
Cash paid for income taxes	\$ 9,604	\$ 8,712
Noncash investing and financing activity:		
Issuance of equity for acquisition of businesses	\$ 12,000	\$ -
Noncash consideration for acquisition of businesses	\$ 54,166	\$ 5,143
Acquisition of property and equipment through accrued liabilities	\$ 2,117	\$ 4,785

The accompanying notes are an integral part of these consolidated financial statements.

Accord JV Corp
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of the Business and Basis of Presentation

WWEX UNI TopCo Holdings, LLC, a Delaware limited liability company formed in 2016, together with its subsidiaries (collectively, "WWEX"), is a non-asset provider of technology-enabled third-party transportation and logistics services. WWEX's proprietary technology platform allows clients to compare rates and transit times, seamlessly add additional services, select preferred carriers and digitally book and track shipments. WWEX provides these services directly through a large corporate sales team and indirectly through franchisees and an extensive agent network. WWEX primarily serves small to medium size businesses ("SMBs") as well as large enterprise customers by arranging small parcel ("SP"), less than truckload ("LTL") and truckload ("TL") freight transportation over different types of transportation modes, such as truck, air or rail. WWEX arranges both domestic and international delivery on behalf of its customers.

Accord JV Corp and its wholly owned subsidiaries were formed on June 9, 2021 for the purpose of acquiring the equity interest in WWEX, REP UNI I-B Blocker, Inc, WWEX II-B Blocker, Inc., REP Coinvest Blocker II-A, L.P (collectively, the "WWEX Acquisition") and Sedona Holdings Inc. (the "GTZ Acquisition"). On July 26, 2021, Accord JV Corp II, a wholly-owned subsidiary of the Company, acquired all of the equity interest of the WWEX Acquisition and the GTZ Acquisition. The acquisitions combined two of the industry's leading non-asset technology-enabled transportation services and supply chain management solution providers in order to (i) leverage the combined companies' unique data assets and business intelligence capabilities to provide its customers with enhanced visibility and analytics; (ii) leverage the combined companies' scale in the SP, LTL and TL product lines to provide customers with improved pricing; and (iii) take advantage of cost synergy opportunities related to combining each company's technology infrastructure, back-office personnel, management personnel, and real estate operations.

Accord JV Corp, its subsidiaries and the entities acquired as part of the WWEX Acquisition and the GTZ Acquisition are collectively referred to as the "Company". The Company is based in Dallas, Texas, and markets and sells solutions through its direct sales force located in the United States and in Mexico as well as through its indirect network comprising of over 500 agents and 209 franchises. The Company provides services under a family of brands, including WWEX Group, Worldwide Express ®, GlobalTranz ®, and Unishippers ®.

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). All material intercompany balances and transactions have been eliminated in consolidation.

The Company has made certain reclassifications in the consolidated statements of cash flows for the year ended December 31, 2022 to conform to the year ended December 31, 2023 presentation. The provision for credit losses of \$22.2 million for the year ended 2022 has been reclassified from accounts receivable, net to provision for credit losses.

Revision of Previously Issued Financial Statements

During the preparation of the financial statements for the year ended December 31, 2023, an error was identified in the Company's accounting for income taxes related to the treatment of certain elections in its prior years' tax returns (see Note 12). As a result, the Company overstated its net deferred tax liability, understated its uncertain tax position long-term liability, understated its accumulated other comprehensive income and overstated the income tax benefit within its previously issued December 31, 2022 financial statements. The Company has revised the December 31, 2022 financial statements inclusive of the applicable footnote to correct these errors as follows:

Year ended December 31, 2022

	As Previously Reported	Revision	As Revised
Consolidated Balance Sheet			
Deferred tax assets	\$ -	\$ 2,489	\$ 2,489
Total assets	\$ 3,891,005	\$ 2,489	\$ 3,893,494
Deferred tax liabilities	\$ 18,899	\$ (18,899)	\$ -
Other long-term liabilities	\$ 3,205	\$ 32,200	\$ 35,405
Total liabilities	\$ 2,004,242	\$ 13,301	\$ 2,017,543
Accumulated other comprehensive income	\$ 50,915	\$ 17,078	\$ 67,993
Accumulated deficit	\$ (129,441)	\$ (27,890)	\$ (157,331)
Total stockholder's equity	\$ 1,886,763	\$ (10,812)	\$ 1,875,951
Total liabilities and stockholder's equity	\$ 3,891,005	\$ 2,489	\$ 3,893,494
Consolidated Statement of Operations and Comprehensive Loss			
Income tax provision (benefit)	\$ (16,100)	\$ 27,890	\$ 11,790
Net loss	\$ (72,885)	\$ (27,890)	\$ (100,775)
Other comprehensive income (loss)	\$ 50,915	\$ 17,078	\$ 67,993
Total comprehensive loss	\$ (21,970)	\$ (10,812)	\$ (32,782)
Consolidated Statement of Cash Flow			
Net loss	\$ (72,885)	\$ (27,890)	\$ (100,775)
Deferred taxes	\$ (26,083)	\$ (4,310)	\$ (30,393)
Other liabilities	\$ -	\$ 32,200	\$ 32,200
Net cash provided by operating activities	\$ 166,704	\$ -	\$ 166,704

The Company concluded that the effect of this revision is not material to any of our previously issued financial statements.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of bank deposits and payments in transit from customers and credit card processors.

Accounts Receivable, Net of Allowance for Credit Losses

Accounts receivable includes trade receivables from customers in the ordinary course of business and amounts that are due from franchisees related to royalties earned or carrier payments made on behalf of franchisees. Franchise receivable of \$44.4 million and \$28.5 million was recorded in accounts receivable on the Consolidated Balance Sheet as of December 31, 2023 and 2022, respectively. Accounts receivable is recorded at net realizable value, consisting of the carrying amount less an allowance for credit losses. The Company establishes an allowance for credit losses based on historical collection results, historical trends and customer credit conditions. Accounts are written-off as uncollectible after the Company has exhausted normal collection avenues. A roll-forward of the allowance for credit losses is presented below for the years ended December 31, 2022 and 2023:

	Amount
Balance, December 31, 2021	\$ 6,280
Provision	22,205
Write-offs	(2,429)
Balance, December 31, 2022	26,056
Provision	23,700
Write-offs	(27,061)
Balance, December 31, 2023	\$ 22,695

Concentration of Credit Risk

Financial instruments subject to concentrations of credit risk consist primarily of accounts receivable. There were no customers that accounted for more than 5% of the total balance of accounts receivable as of December 31, 2023 and December 31, 2022. The Company maintains cash balances in excess of FDIC insured limits of \$0.25 million at financial institutions.

The Company utilizes an extensive network of carriers to deliver on customer LTL and TL freight delivery needs. The Company's revenue related to parcel delivery is primarily fulfilled by one of the world's largest providers of package delivery services and global freight management solutions. In 2023 and 2022, this provider accounted for 13% and 12% of total carrier costs, respectively.

Property and Equipment and Capitalized Software, Net

Property and equipment are recorded at cost, less accumulated depreciation, except for assets acquired through a business combination which are initially recorded at fair value (see Note 3). Expenditures that extend an asset's useful life are capitalized, while repairs and maintenance are charged to earnings as incurred. When equipment is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company determined that no impairment charges were identified for the periods ended December 31, 2023 and December 31, 2022.

The Company capitalizes labor and certain other costs associated with purchasing or developing software for internal use. Software is considered for internal use if the software has been developed solely for internal use and there is no intent of selling, leasing, or marketing the software. Costs incurred during the application development stage are capitalized. Capitalization of costs ceases at the point at which the project is substantially complete and ready for its intended use. Capitalized software is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company determined that no impairment charges were identified for the periods ended December 31, 2023 and December 31, 2022.

Property and equipment and capitalized software are depreciated on a straight-line basis over the estimated useful lives of the respective asset. Leasehold improvements are depreciated on a straight-line basis over the shorter of the asset's estimated useful life or the lease term. Estimated useful lives of these assets are presented in the following table:

	Estimated Useful Life
Software and technology	1-5 years
Leasehold improvements	3-10 years
Furniture and fixtures	5 years

Goodwill and Other Intangible Assets

Goodwill represents the excess of the consideration transferred over the fair value of identifiable net assets acquired in a business combination. As a result of acquisitions, the Company recorded goodwill and certain other identifiable intangible assets at their acquisition date fair values. These include trade names, customer relationships, carrier relationships, franchise relationships and reacquired franchise rights.

Goodwill and indefinite-lived intangible assets are not amortized but are tested for impairment on an annual basis in the fourth quarter and more frequently if an event occurs or circumstances change that would more likely than not indicate that an impairment exists. The annual impairment test is completed at a level of reporting referred to as a reporting unit for goodwill and at the asset level for indefinite-lived intangible assets. For the purpose of goodwill impairment testing, the Company has two reporting units. In

performing the annual impairment test, the Company first performs an assessment of qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit or indefinite-lived asset is less than its carrying amount. If after performing the qualitative assessment, the Company determines that it is more likely than not that the fair value of a reporting unit or indefinite-lived asset is less than its carrying amount, the Company will perform a quantitative analysis by comparing the fair value of the reporting unit or indefinite-lived asset to its carrying value. If the carrying value of the reporting unit or indefinite-lived asset exceeds its fair value, an impairment charge is recognized for the amount by which the carrying value exceeds the fair value. The Company determined that no impairment charges were identified for the periods ended December 31, 2023 and December 31, 2022.

A qualitative impairment test was performed for the Company's outstanding indefinite-lived intangible assets for 2023 and 2022. The Company did not identify triggering events which would suggest that it was not more likely than not that the carrying value of indefinite lived intangible assets exceeded their fair value.

The Company performed quantitative goodwill impairment assessments in the fourth quarter of 2023 for both reporting units, which indicated that each reporting units' fair values exceeded their carrying values. The fair value estimate is management's estimate based on a combination of an income approach, which employs a discounted cash flow model, and market approaches, which considers earnings multiples of publicly traded businesses and comparable market transactions. The income approach utilized forecasted revenues and costs, discounted at an applicable discount rate. The market approach utilized multiples for both publicly traded company earnings and comparable company transactions. In the fourth quarter of 2022, the Company performed a qualitative impairment assessment on goodwill.

Definite-lived intangible assets include franchise relationships, carrier relationships, customer relationships and trade names. Definite-lived intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company determined that no impairment charges were identified for the periods ended December 31, 2023 and December 31, 2022.

Franchise relationships, trade names, carrier relationships and reacquired franchise rights are amortized on a straight-line basis over the estimated useful lives of the assets. Customer relationships are amortized utilizing an income approach over the estimated useful life of the asset. Estimated useful lives of these assets are presented in the following table:

	<u>Estimated Useful Life</u>
Trade name - GlobalTranz	5 years
Carrier relationships	5 - 10 years
Franchise relationships	7 years
Customer relationships	10 - 15 years
Reacquired franchise rights	1 - 5 years

Leases

The Company recognizes right-of-use assets and lease liabilities on the balance sheet for the entity's lease arrangements in accordance with Accounting Standards Codification ("ASC") 842 Leases. The Company determines if an arrangement is, or contains, a lease at inception of the arrangement. Lease liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. The related right-of-use asset is recognized based on the lease liability adjusted for lease incentives received, initial direct costs and lease payments made prior to the commencement of the arrangement. The Company made an accounting policy election to not apply the balance sheet recognition requirement to lease arrangements with a term of twelve months or less. Costs relating to these arrangements are expensed to earnings on a straight-line basis over the term of the lease arrangement.

When available, the Company utilizes the rate implicit in the lease contracts as the discount rate. The rate implicit in the lease is not typically available for these lease agreements. Alternatively, the Company utilizes their incremental borrowing rate ("IBR") at the time of the lease commencement to measure the lease liability. The IBR represents the estimated rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

The Company had to make judgments when applying the lease guidance regarding the determination of the IBR, whether arrangements are, or contain, a lease, and whether they are reasonably certain to exercise certain renewal and termination options included in the lease arrangements.

Derivative Instruments

Derivative instruments are recorded on the Consolidated Balance Sheet as assets or liabilities at fair value. The accounting treatment for changes in the fair value of derivative instruments depends on whether the instruments have been designated and qualify as part of a hedging relationship and on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, the Company designates the derivative based on the exposure being hedged and assesses, both at the hedge's inception and on an ongoing basis, and whether the designated derivative instruments are highly effective in offsetting changes in earnings and cash flows of the hedged items.

For derivative instruments that are designated and qualify as a cash flow hedge, the gain or loss on the derivative instrument is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings and is presented in the same income statement line item as the earnings effect of the hedged item. When a derivative instrument is determined not to be highly effective as a hedge or the underlying hedged transaction is no longer probable, hedge accounting is discontinued prospectively (see Note 7). All cash flows associated with the derivative instruments are classified as operating cash flows in the Consolidated Statement of Cash Flow.

Deferred Financing Costs

Certain costs incurred in connection with financings are capitalized and amortized over the respective financing terms and are reflected on the accompanying Consolidated Statements of Operations and Comprehensive Loss as a component of interest expense. The unamortized debt-issuance costs related to the First Lien Term Loan and Second Lien Term Loan are recorded as a reduction to the carrying value of long-term debt and current portion of long-term debt on the Consolidated Balance Sheets. The unamortized debt-issuance costs related to the Revolver are included within other long-term assets on the Consolidated Balance Sheets. The amortization of the debt issuance costs is included as part of interest expense, net on the Consolidated Statements of Operations and Comprehensive Loss.

Revenue Recognition

The Company's performance obligation with its customers is to transport customers' freight utilizing the Company's expansive carrier network. The primary modes of shipment in which the Company transacts are SP, LTL and TL. Other transportation modes include intermodal, domestic air, expedited and international. For the majority of its transactions, the Company is primarily responsible for fulfilling the performance obligation and has discretion in establishing the price for the services. Revenue is generated primarily through providing customers with freight brokerage and transportation services on a shipment-by-shipment basis ("transportation revenues") over the transit period, which can vary based on the mode but typically spans one to several days. Transportation revenue is recognized as the customers' shipment travels from origin to destination via a third-party carrier and may require some judgement of estimated transit times if the freight has not yet reached the agreed upon destination. Payment for services is typically due in a short period of time and does not contain financing elements. Costs to carriers are recognized as an expense within carrier cost of services on the Consolidated Statements of Operations and Comprehensive Loss as the Company is considered the principal in the transaction.

Certain customers may receive rebates based on the terms of their agreement with the Company, which are accounted for as variable consideration. There are varying benchmarks the customer must meet to earn the rebate and differ for each customer. Generally, they are calculated based on a percentage of revenue. Rebates are accounted for by the Company as a reduction of transportation revenues. Rebates were not material for the years ended December 31, 2023 or 2022.

The Company may extend certain vendor product offerings to its customers, including insurance or e-commerce products. Additionally, certain of its enterprise customers may seek freight billing support services under its managed transportation services. These offerings generally provide payment in the form of a revenue sharing arrangement or a flat fee. The Company determined that it is the agent within these transactions as it does not control the services or pricing in these arrangements. As the Company is the agent in these arrangements, the revenue will reflect the revenue sharing arrangements, net of any cost paid to the providers.

The Company earns revenue related to its franchises primarily in the form of royalties. Royalty revenues are calculated as a percentage of franchise transportation revenue less franchise cost of carrier services. The Company recognizes support service fees when the related services are substantially complete.

Costs to obtain a Contract with a Customer

The Company has determined that sales commissions costs incurred to obtain contracts are incremental and recoverable costs of obtaining a contract. The Company recognizes these commission costs as incurred, as the expected amortization period of these costs is one year or less. These amounts are included within selling, general and administrative expenses on the Consolidated Statements of Operations and Comprehensive Loss.

Equity-based Compensation

The Company issues equity-based awards containing certain vesting conditions, including service conditions and performance conditions. All of the awards granted by the Company have been classified as equity-based awards and are measured at their fair value at the date of grant in accordance with ASC 718 Compensation – Stock Compensation. Compensation expense related to the awards that contain service conditions is recognized into earnings over the requisite service period. Compensation expense related to the awards that contain performance conditions are recognized when the achievement of the performance criteria is considered probable and all other vesting conditions are met. The expense for equity-based awards granted is based on the estimated number of awards that are expected to vest. The Company accounts for forfeitures as they occur.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 specifies a three-tiered hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources. The lowest tier (Level 1) refers to fair values determined from utilizing inputs that are based on unadjusted quoted market prices for identical assets and liabilities in an active market.

The middle tier (Level 2) refers to fair values that are determined utilizing inputs that are observable either directly or indirectly. The highest tier (Level 3) refers to fair values that are determined utilizing inputs that are based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

The Company's financial instruments are cash, accounts receivable, interest rate swaps, accounts payable, accrued liabilities, debt and contingent liabilities. The recorded values of accounts receivable, accounts payable and accrued expenses approximate fair values due to the short-term nature of these financial instruments. The Company's long-term debt is carried at amortized cost.

Contingent consideration relates to payments to be made to the former owners of certain entities acquired by the Company if specific future events occur or conditions are met based on the acquisition agreements. The contingent consideration is initially recorded at its fair value as of the date of the acquisition and then subsequently remeasured to fair value at each reporting period. The fair value is based on Level 3 inputs which include profitability forecasts derived from historical experience with similar acquisitions. The fair value of contingent consideration was \$15.0 million and \$3.3 million for the years ended December 31, 2023, and 2022, respectively. Of the \$15.0 million and \$3.3 million, \$10.0 million and \$3.3 million is recorded within other current liabilities on the Consolidated Balance Sheets for the years ended December 31, 2023 and 2022, respectively, and \$5.0 million is recorded in other long-term liabilities for the year ended December 31, 2023.

In 2022, the Company entered into two interest rate contracts that are permitted to be designated as hedging instruments in qualifying hedging relationships. In 2023, the Company entered into a third interest rate contract. The Company has designated the swaps as cash flow hedges of a portion of its forecasted payments on its variable rate debt. The changes in fair value of the interest rate swaps are recorded in other comprehensive income (loss) and are reclassified into earnings in the same period or periods during which the hedged transaction affects earnings and is presented in the same income line item as the earnings of the hedged item. The Company's interest rate swaps are considered Level 2 instruments in the fair value hierarchy and are valued using an income approach. Expected future cash flows are converted to a present value amount based on market expectations of the yield curve on floating interest rates, which is readily available on public markets.

Income Taxes

The Company accounts for income taxes under the liability method, and deferred taxes and liabilities are recognized for the expected future tax consequences attributable to differences between the financial reporting basis of assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided if it is determined that it is more likely than not that a deferred tax asset will not be realized. The Company determined that a valuation allowance of \$75.7 million and \$11.5 million was needed as of December 31, 2023 and 2022, respectively.

The Company recognizes liabilities for uncertain tax positions based on a two-step process. The Company first determines whether it is more likely than not that the tax position will be sustained based on the technical merits of the position. For those positions that meet the more likely than not recognition threshold, the Company recognizes the largest amount of tax benefit that is more likely than 50 percent likely to be realized upon ultimate settlement with the related tax authorities. The Company has recognized \$54.7 million and \$31.9 million of uncertain tax positions for the years ended December 31, 2023 and 2022, respectively.

Foreign Currency Translation

The financial statements of the Company's foreign subsidiary are prepared to conform to U.S. GAAP and translated into U.S. Dollars by applying a current exchange rate. The local currency has been determined to be the functional currency. Items appearing in the Consolidated Statements of Operations and Comprehensive Loss are translated using average exchange rates during each period. Assets and liabilities of international operations are translated at period-end exchange rates. Translation gains and losses are reported in accumulated other comprehensive income as a component of shareholder's equity. The Company recorded \$0.3 million and \$0.1 million of foreign currency translation, net of tax, in the year ended December 31, 2023 and 2022, respectively. Foreign currency translation adjustments are driven by fluctuations in the Mexican Peso versus the US Dollar.

Recently Adopted Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the accounting for income taxes*. The update simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The update also improves consistent application of and simplifies GAAP for other areas of Topic 740 by clarifying and amending existing guidance. This update is effective for the Company's annual reporting periods beginning after December 15, 2021. The Company concluded that

the adoption of the new standard did not have a material impact to income taxes reported on the financial statements for the years ended December 31, 2023 and 2022.

In June 2017, the FASB issued ASU 2016-13, *Financial Instruments (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. The standard replaces the existing impairment loss model with an expected loss methodology, which will result in more timely recognition of credit losses. This new accounting standard was effective for the Company's annual reporting periods beginning after January 1, 2023. The Company concluded that the adoption of the new standard did not have a material impact to the financial statements.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (ASU 2020-04, as amended)*, which provides optional expedients, and allows for certain exceptions to existing GAAP, for contract modifications triggered by the expected market transition of certain benchmark interest rates to alternative reference rates. ASU 2020-04 applies to contracts, hedging relationships, certain derivatives and other arrangements that reference the London Interbank Offering Rate (LIBOR) or any other rates ending after December 31, 2022. ASU 2020-04, as amended, became effective immediately. The Company has elected to apply certain optional expedients under ASC 848 to allow for the amendment of critical terms without designation of the hedging relationship. The Company concluded that the election did not have a material impact to the financial statements.

Recently Issued Accounting Pronouncements

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805), Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires contract assets and contract liabilities such as deferred revenue acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, *Revenue from Contracts with Customers*. Generally, ASU 2021-08 will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically such amounts were recognized by the acquirer at fair value in acquisition accounting. ASU 2021-08 should be applied prospectively to acquisitions occurring on or after the effective date. ASU 2021-08 is effective for annual periods beginning after December 15, 2023. The Company is currently evaluating the impact of the new guidance.

In December 2023, the FASB issued ASU 2023-09, *"Income Taxes (Topic 740) - Improvements to Income Tax Disclosure."* The ASU seeks to enhance income tax information primarily through changes in the rate reconciliation and income taxes paid information. The amendments are effective for annual periods beginning after December 15, 2025 on a prospective basis. Early adoption is permitted. The Company is currently evaluating the impact of the new guidance.

3. Acquisitions

2023 Acquisitions

Franchise and Other Acquisitions

Within certain franchise agreements, the Company has the ability to acquire its franchises. During 2023, the Company executed purchase agreements to acquire certain assets of fifty franchise groups and one other group. The acquisitions were accounted for as businesses combinations and were acquired to expand the company's reach and operational synergies. The aggregate purchase price consisted of \$64.6 million in cash paid, \$25.3 million of contingent consideration, \$14.7 million of notes payable, and \$9.2 million in settlement of liabilities. Contingent consideration is typically short-term in nature and relates to post-closing financial performance and payment obligations. The range of potential contingent payments is not materially different than the amount recorded. The following table (in thousands) summarizes the consideration transferred and the provisional purchase price allocation of the fair value of the assets acquired and liabilities assumed as of the acquisition dates.

	<u>Amount</u>
Total consideration paid	\$ 113,774
Trade and other receivables	\$ 15,822
Intangible assets	58,563
Goodwill	54,919
Total assets acquired	129,304
Accounts payable, accrued expenses, lease obligations and deferred taxes	(15,530)
Total liabilities assumed	(15,530)
Total net assets acquired	<u>\$ 113,774</u>

Goodwill represents the excess of the purchase price over the fair values of the acquired net assets. The allocated value of goodwill primarily relates to the value of the anticipated synergies by combining the existing Company functions such as technology infrastructure, personnel, and real estate operations. The goodwill recognized is deductible for income tax purposes.

Intangible assets acquired in the acquisitions consisted of the following (in thousands):

	Assigned Fair Value	Weighted Average Life
Customer relationships	\$ 53,186	10.0
Reacquired franchise rights	5,377	2.9
Total intangible assets	\$ 58,563	

BLX, Inc. Acquisition

On January 20, 2023, the Company executed a purchase agreement to acquire certain assets of one of its agents, BLX, Inc (“BLX Acquisition”). The BLX Acquisition was accounted for as a business combination and was made for the purpose of expanding the Company’s expedited shipping capabilities. The total purchase price consisted of \$33.5 million in cash paid, \$12.0 million of equity interest in the Company’s parent, Accord Topco LP (the “Parent”), and up to an additional \$7.0 million of contingent consideration. A liability of \$5.0 million representing the total estimated fair value of the contingent consideration was recognized as of the acquisition date. The following table (in thousands) summarizes the consideration transferred and the provisional purchase price allocation of the fair value of the assets acquired and liabilities assumed at the acquisition date.

	Amount
Total consideration paid	<u>\$ 50,499</u>
Prepaid expenses and other current assets	\$ 58
Property, plant, and equipment	99
Right-of-use lease asset	871
Intangible assets	37,770
Goodwill	<u>12,833</u>
Total assets acquired	51,631
Accounts payable, accrued expenses, lease obligations and deferred taxes	<u>(1,132)</u>
Total liabilities assumed	(1,132)
Total net assets acquired	<u>\$ 50,499</u>

Goodwill represents the excess of the purchase price over the fair values of the acquired net assets. The allocated value of goodwill primarily relates to the value of the existing workforce and the anticipated synergies by combining the existing Company functions such as technology infrastructure, personnel, and real estate operations. The goodwill recognized is deductible for tax purposes.

Intangible assets acquired in the acquisition consisted of the following (in thousands):

	Assigned Fair Value	Weighted Average Life
Customer relationships	\$ 37,770	12.0

2022 Acquisitions

Franchise Acquisitions

During 2022, the Company acquired four franchisees. Total consideration paid for these acquisitions totaled \$7.6 million. In connection with these acquisitions, the Company recorded net working capital of \$0.1 million, intangible assets of \$3.0 million and goodwill of \$4.5 million.

Volition Logistics LLC Acquisition

On January 26, 2022, the Company completed a purchase agreement to acquire certain assets of one of its agents, Volition Logistics LLC. The total purchase price consisted of \$15.0 million in cash paid at the close of the transaction and contingent consideration of \$2.0 million paid in 2022. The transaction was accounted for as a business combination. The assets acquired include \$1.4 million in accounts receivable and \$10.8 million in customer relationships. The liabilities assumed included \$1.1 million in accounts payable and accrued expenses. Goodwill represents the excess of the purchase price over the fair values of the acquired net assets which was \$5.9 million.

4. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	December 31,	
	2023	2022
Software and technology	\$ 200,470	\$ 162,227
Leasehold improvements	16,767	14,346
Furniture and fixtures	18,557	15,884
	<u>235,794</u>	<u>192,457</u>
Less: accumulated depreciation and amortization	(88,538)	(50,925)
Total property and equipment, net	<u>\$ 147,256</u>	<u>\$ 141,532</u>

Depreciation and amortization expense relating to property and equipment for the years ended December 31, 2023 and 2022 was \$37.9 million and \$39.6 million, respectively.

5. Goodwill and Intangible Assets, Net

Goodwill

The following table summarizes the changes in the carrying value of goodwill (in thousands):

	Amount
Balance at December 31, 2021	\$ 1,672,872
Goodwill acquired - other business acquisitions	21,505
Foreign exchange adjustment	(15)
Balance at December 31, 2022	1,694,362
Goodwill acquired - other business acquisitions	67,752
Foreign exchange adjustment	53
Balance at December 31, 2023	<u>\$ 1,762,167</u>

Intangible Assets, Net

Indefinite-lived intangible assets consisted of trade names and was \$167.3 million for the years ended December 31, 2023 and December 31, 2022.

Definite-lived intangible assets, net consisted of the following at December 31, 2023 (in thousands):

Definite-lived	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life
Trade Name	\$ 39,600	\$ (19,265)	\$ 20,335	2.6
Carrier relationships	33,200	(8,499)	24,701	7.4
Franchise relationships	11,800	(4,144)	7,656	4.6
Customer relationships	1,429,769	(472,207)	957,562	12.4
Reacquired franchise rights	5,847	(1,116)	4,731	2.6
Total at December 31, 2023	<u>\$ 1,520,216</u>	<u>\$ (505,231)</u>	<u>\$ 1,014,985</u>	

Definite-lived intangible assets, net consisted of the following at December 31, 2022 (in thousands):

Definite-lived	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life
Trade Name	\$ 39,600	\$ (11,345)	\$ 28,255	3.6
Carrier relationships	33,200	(4,999)	28,201	8.4
Franchise relationships	11,800	(2,458)	9,342	5.6
Customer relationships	1,338,708	(302,708)	1,036,000	13.5
Reacquired franchise rights	469	(12)	457	3.8
Total at December 31, 2022	<u>\$ 1,423,777</u>	<u>\$ (321,522)</u>	<u>\$ 1,102,255</u>	

Amortization expense was \$183.7 million and \$215.6 million for the years ended December 31, 2023 and 2022, respectively.

The estimated aggregate amortization expense for each of the five succeeding years at December 31, 2023 is as follows (in thousands):

	Amount
2024	\$ 167,863
2025	145,195
2026	127,251
2027	106,999
2028	92,626
Thereafter	375,051
Total amortization expense	\$ 1,014,985

6. Long Term Debt and Other Notes Payable

On July 26, 2021 (the "Closing Date"), Accord Merger Sub I Corp (the "Original Borrower"), Accord Guarantor LLC (the "Holdings"), and certain wholly-owned subsidiaries of the Company, entered into (i) the First Lien Credit Agreement (the "First Lien Credit Agreement") with several banks and other financial institutions (collectively, the "First Lien Lenders") and (ii) the Second Lien Credit Agreement (the "Second Lien Credit Agreement") and, together with the First Lien Credit Agreement, collectively, the "Credit Agreements" and each, individually, a "Credit Agreement") with several banks and other financial institutions (collectively, the "Second Lien Lenders" and, together with the First Lien Lenders, collectively, the "Lenders"). The proceeds of the loans made under the Credit Agreements on the Closing Date were used, among other things, to finance the WWEX Acquisition and GTZ Acquisition and to pay fees and expenses incurred related to these transactions. Immediately upon consummation of the transactions, all rights and obligations of the borrower under each Credit Agreement were transferred from the Original Borrower to WWEX (the "Borrower"). On March 31, 2023, the Credit Agreements were amended to replace the interest rate benchmark from LIBOR to adjusted Term SOFR.

Under the First Lien Credit Agreement, the Lenders extended credit to the Borrower in the form of (i) a senior secured first lien term loan facility with an initial principal amount of \$1,275.0 million (the "First Lien Term Loan") and (ii) a senior secured first lien revolving credit facility with an initial commitment of \$200.0 million (the "Revolver"), which includes letter of credit commitments of \$50.0 million and a swing line commitment of \$20.0 million. Under the Second Lien Credit Agreement, the Lenders extended credit to the Borrower in the form of a senior secured second lien term loan facility with an initial principal amount of \$275.0 million (the "Second Lien Term Loan"). Substantially all assets of the Borrower and certain subsidiaries of the Borrower as guarantors and the equity interests of the Borrower owned by Holdings are pledged as collateral to secure the obligations under the Credit Facilities. As of December 31, 2023, this represents over 99% of the Company's net assets.

The First Lien Term Loan requires minimum quarterly payments of 0.25% of the initial principal amount and is scheduled to mature on July 26, 2028. All outstanding principal amounts and any accrued and unpaid interest thereon will be due and payable upon maturity. The First Lien Term Loan bears interest at the Borrower's election of either (1) the ABR rate which is defined as the rate per annum equal to, at the Company's election, the highest of (i) the federal funds rate plus 0.5%, (ii) the prime commercial lending rate published as of such day by the Wall Street Journal, (iii) adjusted Term SOFR plus 1.00% and (iv) 1.75%, in each case, plus an applicable rate which is based upon a first lien leverage ratio that ranges from 3.25% to 3.00% or (2) adjusted Term SOFR (with a floor of 0.75%), plus an applicable rate which is based upon a first lien leverage ratio that ranges from 4.25% to 4.00%.

The Second Lien Term Loan is scheduled to mature on July 26, 2029. All outstanding principal and any accrued and unpaid interest thereon will be due and payable upon maturity. The Second Lien Term Loan bears interest at the Borrower's election of either (1) the ABR rate, as defined above, plus 6.00% or (2) adjusted Term SOFR (with a floor of 0.75%) plus 7.00%.

The Revolver is scheduled to mature on July 26, 2026. All outstanding principal and any accrued and unpaid interest thereon will be due and payable upon maturity. Borrowings under the Revolver bear interest at the Borrower's election of either (1) the ABR rate, as defined above, plus an applicable rate which is based upon a first lien leverage ratio that ranges from 2.50% to 1.75% or (2) adjusted Term SOFR, plus an applicable rate which is based upon a first lien leverage ratio that ranges from 3.50% to 2.75%.

The Company incurred \$48.1 million in debt issuance costs associated with the Credit Agreements. These costs were capitalized and are being amortized over the respective terms of each Credit Facility.

The Credit Agreements contain a number of affirmative and negative covenants, providing for, among other things, maintenance of a first lien net leverage ratio (such leverage ratio only goes into effect when outstanding amounts under the Revolver exceed 40% of the \$200.0 million commitment), furnishing financial statements and other periodic reports, restrictions on making certain acquisitions restrictions on the payments of dividends and restrictions on the incurrence of certain indebtedness. The Company was in compliance with all affirmative and negative covenants as of December 31, 2023 and December 31, 2022.

Long-term debt and other notes payable obligations consisted of the following (in thousands):

	December 31,	
	2023	2022
Senior credit agreement:		
1st Lien	\$ 1,249,500	\$ 1,262,250
2nd Lien	275,000	275,000
Other notes payable	14,597	245
Total long-term debt, including current portion	1,539,097	1,537,495
Less: current portion	(14,693)	(12,890)
Total long-term debt, net current portion	1,524,403	1,524,605
Less: unamortized deferred financing fees	(39,970)	(46,278)
Total long-term debt, net	<u>\$ 1,484,433</u>	<u>\$ 1,478,327</u>

Aggregate maturities of long-term debt and other notes payable obligations, based on amounts currently outstanding at December 31, 2023 (in thousands):

	Amount
2024	\$ 14,693
2025	16,156
2026	21,998
2027	12,750
2028	1,198,500
Thereafter	275,000
	<u>\$ 1,539,097</u>

7. Other Comprehensive Loss

Derivatives

The Company enters into derivative instruments, including swaps and collars, to fix a portion of the variable interest rates on its Credit Agreements. The derivative instruments are designated as cash flow hedges for a portion of the Company's future interest rate payments under the Credit Agreements and these instruments have a combined notional amount of \$1,100 million at December 31, 2023 and December 31, 2022. The counterparties to the swaps are major financial institutions and the Company considered the institutions' credit risk to be at an acceptable level. Since these swap agreements qualify for cash flow hedge accounting, the changes in fair value are recorded in other comprehensive income. See Note 2 for additional information pertaining to interest rate swaps.

The following table provides an overview of the location of the interest rate swaps on the Consolidated Balance Sheet and the fair values as of December 31, 2023 and 2022 (in thousands):

Derivatives designated as hedging instruments under Subtopic 815-20	Location	December 31,	
		2023	2022
		Fair value	Fair value
Interest rate contracts	Prepaid expense and other current assets	\$ 30,499	\$ 38,962
Interest rate contracts	Other long-term assets	7,601	28,923
Total derivative assets		<u>\$ 38,100</u>	<u>\$ 67,885</u>
Interest rate contracts	Other long-term liabilities	(1,195)	-
Total derivative liabilities		<u>\$ (1,195)</u>	<u>\$ -</u>

The following table presents the components of and changes in accumulated other comprehensive income (loss), as of and for the years ended December 31, 2023 and 2022 (in thousands):

	Derivative Instruments	Cumulative Translation Adjustment	Total
Balance as of December 31, 2021	\$ -	\$ -	\$ -
Other comprehensive gain before reclassification	73,643	108	73,751
Amounts reclassified from AOCI	(5,758)	-	(5,758)
Balance as of December 31, 2022	67,885	108	67,993
Other comprehensive gain before reclassification	11,407	326	11,733
Amounts reclassified from AOCI	(42,386)	-	(42,386)
Balance as of December 31, 2023	\$ 36,906	\$ 434	\$ 37,340

The Company expects that approximately \$30.5 million of the gains reported in accumulated other comprehensive income in 2023 will be reclassified into earnings in the next twelve months.

The following table provides an overview of the effect of the interest rate contracts on the Consolidated Statement of Operations and Comprehensive Loss for the years ended December 31, 2023 and 2022 (in thousands):

	December 31,	
	2023	2022
	Interest expense, net	Interest expense, net
The amounts of income and expense line items presented in the Consolidated Statements of Operations and Comprehensive Loss in which the effects of cash flow hedges are recorded	\$ (118,735)	\$ (105,997)
Amount of gain or (loss) reclassified from accumulated other comprehensive income into income	\$ 42,386	\$ 5,758

8. Stockholder's Equity and Equity-based Compensation

Equity-based Compensation

The Company is a wholly owned subsidiary of Accord Intermediate LP and ultimately, Accord Topco LP. Accord Topco LP has an employee stock-based compensation plan for the purpose of providing incentives to officers, key employees, and non-employees of the Company. Upon the vesting of the incentive units granted as part of the stock-based compensation plan, the grantee becomes either a Class B or Class E unit holder. Accord Topco LP has three classes of units. Class A Unit holders have preferences in distribution and liquidation over Class B and Class E unit holders. Class A unit holders also have consent rights and appoint members of the management committee. Class B and Class E Units qualify as "profit interests" for tax purposes. As the employees receiving Accord Topco LP incentive units are ultimately providing services to the Company, the applicable equity-based compensation expense is recognized as selling, general and administrative expense on the Company's Consolidated Statements of Operations and Comprehensive Loss.

Class B units granted contain certain vesting conditions, including service conditions and performance conditions. Class B units containing service conditions ("Time-Vesting Units") vest over a 5-year term with 10% of the units vesting on a semi-annual basis throughout the vesting period, provided that on each applicable vesting date, the grantee is still employed by or performing services for the Company or its affiliates. The time-vesting units are subject to accelerated vesting in the event of a change of control event.

Class B units containing performance conditions ("Exit Event Units") only become vested upon the occurrence of Accord Topco LP achieving certain investment return ratios at the time of the Exit Event and the grantee is still employed by or performing services for the Company or its affiliates. An Exit Event is defined as the consummation of (i) a change of control, (ii) an Initial Public Offering ("IPO") in respect of which the Accord Topco LP is the IPO entity, or (iii) the liquidation, dissolution or winding-up of Accord Topco LP. Notwithstanding the foregoing, upon the occurrence of an Initial Public Offering in respect of which an affiliate of Accord Topco LP in which Accord Topco LP continues to own equity securities is the IPO entity, if the Exit Event Units are not or do not become fully vested at such time, then each subsequent distribution by Accord Topco LP to CVC Accord LP of the cash proceeds from the sale by the Accord Topco LP of the equity securities of the IPO entity shall also be considered an Exit Event.

Class E units granted include service and performance vesting conditions. Class E Unit performance conditions include the achievement of certain short-term financial targets. Class E units vest in pro rata equal installments over a period of less than one year, and while the employee remains employed with the Company. These units are subject to accelerated vesting in the event of a change of control event.

A summary of Class B and Class E units is as follows:

Class B Units	Number of Shares	Weighted Average
		Grant Date Fair Value
Unvested at December 31, 2022	123,024,155	\$ 0.29
Granted	18,017,500	0.30
Vested	(13,674,678)	0.35
Forfeited	(12,856,250)	0.28
Unvested at December 31, 2023	114,510,727	\$ 0.29

Class E Units	Number of Shares	Weighted Average
		Grant Date Fair Value
Unvested at December 31, 2022	-	\$ -
Granted	12,943,695	0.73
Vested	(6,301,589)	0.73
Forfeited	(1,079,976)	0.73
Unvested at December 31, 2023	5,562,130	\$ 0.73

During the year ended December 2022, Accord Topco granted 29,975,530 Class B units, of which 14,987,765 related to Time-Vesting Units and 14,987,765 related to Exit Event units. The weighted average grant date fair value of the Class B units was \$0.32 cents per unit.

The Company's equity was determined fundamentally utilizing a combination of methods under the income and market approaches to value the Class B units and Class E units.

The Company recognized \$12.5 million and \$5.0 million in equity-based compensation expense for the years ended December 31, 2023 and December 31, 2022, respectively. The unrecognized equity-based compensation expense related to the unvested portion of the Company's Class B and Class E incentive units was \$34.6 million and \$35.2 million for the year ended 2023 and 2022, respectively.

Capital Contributions

On January 20, 2023, the Company issued 518 shares of common stock to the Parent for \$7.0 million. The proceeds were raised through an employee stock sale of Class A units in Accord Topco LP, which was subsequently contributed to the Company in exchange for the common stock of the Parent.

Additionally, the Company issued 880 shares of common stock to the Parent in relation to Class A Unit equity issuance for the BLX Acquisition. See Note 3.

9. Related Party Transactions

CVC Accord LP holds approximately 51% of Class A units in the Parent. CVC Credit Partners is part of the syndicate of lenders under the Credit Agreements. CVC Accord LP and CVC Credit Partners are members of the CVC Network.

10. Leases

The Company is party to lease agreements that provide the Company with the right to use certain assets. The leased assets primarily consist of office space and office equipment and have a remaining life of 1-10 years. The lease agreements may contain options to extend or terminate the lease agreements. These options were not applied in determining the lease liabilities and right-of-use assets as the Company was not reasonably certain that they would exercise such options in the future. The Company's lease agreements do not contain any residual value guarantees or material restrictive covenants. The lease agreements as of December 31, 2023 and December 31, 2022 have been primarily classified and are accounted for as operating leases. The Company does not have material financing leases.

The following table provides components of lease cost related to operating leases (in thousands):

	December 31,	
	2023	2022
Operating lease cost	\$ 13,154	\$ 17,048
Short-term lease cost	776	1,157
Sublease income	(680)	(1,571)
Total operating lease cost	\$ 13,250	\$ 16,634

Total operating lease costs are presented within selling, general and administrative expenses on the Consolidated Statements of Operations and Comprehensive Loss.

The following table provides supplemental cash flow information related to leases (in thousands):

	December 31,	
	2023	2022
Cash flows from operating activities:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 11,473	\$ 12,679
Supplemental non cash lease cash flow disclosure:		
Right-of-use assets obtained in exchange for new lease obligations	\$ 10,451	\$ 21,938

The following table provides additional information related to leases:

	December 31,	
	2023	2022
Weighted-average remaining lease term - in years	8.3	7.7
Weighted-average discount rate	7.3%	5.3%

Maturities of lease obligations as of December 31, 2023 are as follows (in thousands):

	Amount
2024	\$ 13,415
2025	12,310
2026	11,442
2027	10,644
2028	8,195
Thereafter	25,260
Total undiscounted lease payments	81,266
Less: Imputed interest	(19,372)
Present value of lease liability	61,894
Less: Current portion of lease liability	(9,052)
Lease liabilities, net of current portion	\$ 52,842

11. Commitments and Contingencies

The Company is a party to certain legal proceedings and other matters arising from time to time in the normal course of business. Management believes that such legal proceedings will not have a material adverse effect on the Company's financial statements.

12. Income Taxes

The majority of the Company's operations are within a partnership that is 100% owned by the Company's two corporate subsidiaries. As a result, the activity flows through the partnership and is taxed at the corporate entity level of Accord JV Corp and its subsidiaries at the U.S. federal corporate income tax rate of 21%. The disclosures for the year ended December 31, 2022 have been revised for the impacts of the financial statement revision discussed in Note 1.

The U.S. and foreign components of loss before income taxes were as follows (in thousands):

	Year ended December 31,	
	2023	2022
U.S.	\$ (174,292)	\$ (89,603)
Foreign	955	618
Loss before income taxes	\$ (173,337)	\$ (88,985)

The provision for income taxes consisted of the following (in thousands):

	Year ended December 31,	
	2023	2022
Current income tax provision:		
Federal	\$ 12,852	\$ 34,138
State	4,321	7,663
Foreign	259	383
Total current income tax provision	17,432	42,184
Deferred income tax benefit:		
Federal	2,128	(26,919)
State	43	(3,268)
Foreign	38	(207)
Total deferred income tax provisions (benefit)	2,209	(30,394)
Total income tax provisions	\$ 19,641	\$ 11,790

The total income tax provision is allocated to income from continuing operations.

The Company's differences between income taxes expected at the U.S. federal statutory income tax rate of 21% and the reported income tax provision is summarized as follows:

	Year ended December 31,	
	2023	2022
Income tax at U.S. statutory rate	21.0%	21.0%
State income taxes, net of U.S. federal benefit	2.1%	1.6%
Nondeductible expenses	(1.9%)	(2.4%)
R&D Credits	2.6%	0.0%
Valuation allowance	(33.1%)	(32.3%)
Uncertain Tax Position	(1.9%)	0.0%
Other	(0.1%)	(1.2%)
Effective tax rate	(11.3%)	(13.3%)

Deferred income tax assets and liabilities are comprised of the following (in thousands):

	Year ended December 31,	
	2023	2022
Deferred tax assets:		
Outside basis difference	\$ 21,391	\$ -
Net operating losses	1,189	187
Deferred interest	51,717	23,131
Transaction costs	1,223	1,369
Accrued expenses	107	1,181
Allowance for doubtful accounts	54	1,608
Fixed assets	798	266
Tax credit	218	218
Other	94	205
Total deferred tax assets	76,791	28,165
Valuation allowance	(75,738)	(11,451)
Net deferred tax assets:	\$ 1,053	\$ 16,714
Deferred tax liabilities:		
Outside basis difference	-	(13,454)
Intangible asset	(773)	(771)
Total deferred tax liabilities	(773)	(14,225)
Total net deferred tax assets:	\$ 280	\$ 2,489

As of December 31, 2023 the Company had no federal net operating loss carryforwards and had state net operating loss carryforwards of \$23.7 million. As of December 31, 2022, the Company had no federal net operating loss carryforwards and had state net operating loss carryforwards of \$4.0 million.

The valuation allowance for deferred tax assets as of December 31, 2023 and December 31, 2022 was \$75.7 million and \$11.5 million, respectively. The net change in the total valuation allowance for the years ended December 31, 2023 and December 31, 2022 was an increase of \$64.3 million and \$11.5 million, respectively. The valuation allowance was primarily related to an outside basis difference in a partnership and a 163(j) disallowed interest carryforward that, in the judgement of management, are not more likely than not to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which those temporary differences are deductible.

The Company is in a three-year cumulative loss position and therefore does not rely on future projections of taxable income. Management considers the scheduled reversal of deferred tax liabilities in making the valuation allowance assessment. For the years ended December 31, 2023 and December 31, 2022, the Company did not have sufficient deferred tax liabilities to support its deferred tax assets. Therefore, management does not believe it is more likely than not that the Company will realize the benefits of \$75.7 million and \$11.5 million of its deferred tax assets at December 31, 2023 and December 31, 2022, respectively.

As of December 31, 2023 and 2022, the Company has unrecognized tax benefits of \$54.7 million and \$31.9 million, respectively, related to the impacts of certain tax elections and R&D tax credits. The Company believes it is reasonably possible that a decrease of \$52.9 million in unrecognized tax benefits related to certain tax elections may be necessary in the next 12 months, resulting in a balance sheet reclass with no material impact to income tax expense. The Company recognizes interest and penalties related to unrecognized tax benefits as income tax expense. The Company has recognized interest of \$1.9 million as of December 31, 2023 and \$0.1 million as of December 31, 2022. The Company has not recognized any penalties related to the unrecognized tax benefits. The Company currently files income tax returns in the U.S and Mexico. The Company remains subject to U.S. federal and state income tax examinations for the tax years 2019 through 2023 and in Mexico for the tax years 2018 through 2023.

A reconciliation of the Company's beginning and ending amount of total unrecognized tax benefits consisted of the following (in thousands):

	Year ended December 31,	
	2023	2022
Balance - Beginning of year	\$ (31,942)	\$ (244)
Increases related to prior year tax positions	(21,168)	-
Increases related to current year tax positions	(1,562)	(31,698)
Balance - End of year	<u>\$ (54,672)</u>	<u>\$ (31,942)</u>

13. Subsequent Events

Subsequent events have been evaluated through March 27, 2024, the date these consolidated financial statements were available to be issued.

There were no events that occurred that require recognition or additional disclosures.

Accord JV Corp
(Successor)

Consolidated Financial Statements
For the period from June 9, 2021 to December 31, 2021

WWEX UNI TopCo Holdings, LLC
(Predecessor)

Consolidated Financial Statements
For the period from January 1, 2021 to July 25, 2021

Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)

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Report of Independent Auditors

To the Management and Board of Directors of Accord JV Corp

Opinion

We have audited the accompanying consolidated financial statements of Accord JV Corp and its subsidiaries (Successor) (the "Company"), which comprise the consolidated balance sheet as of December 31, 2021 and the related consolidated statements of operations, of stockholder's equity and of cash flows for the period from June 9, 2021 to December 31, 2021, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and the results of its operations and its cash flows for the period from June 9, 2021 to December 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

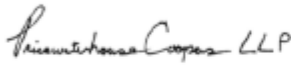
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

 PricewaterhouseCoopers LLP

Dallas, Texas
May 27, 2022



Report of Independent Auditors

To the Management and Board of Directors of Accord JV Corp

We have audited the accompanying consolidated financial statements of WWEX UNI TopCo Holdings, LLC and its subsidiaries (Predecessor) (the "Company"), which comprise the consolidated statements of operations, of member's equity and of cash flows for the period from January 1, 2021 to July 25, 2021.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

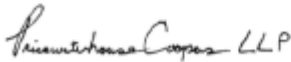
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations and cash flows of WWEX UNI TopCo Holdings, LLC and its subsidiaries for the period from January 1, 2021 to July 25, 2021 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for leases as of January 1, 2021. Our opinion is not modified with respect to this matter.



Dallas, Texas
May 27, 2022

Accord JV Corp (Successor)

Consolidated Balance Sheet

(In thousands, except for share amounts)

	<u>December 31, 2021</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 73,706
Accounts receivable, net	498,068
Prepaid expenses and other current assets	<u>13,657</u>
Total current assets	585,429
Long-term assets:	
Property and equipment, net	\$ 131,024
Operating lease right-of-use assets	47,200
Intangible assets, net	1,471,356
Goodwill	1,672,872
Other long-term assets	<u>18,109</u>
Total assets	<u>\$ 3,925,990</u>
Liabilities	
Current liabilities:	
Accounts payable	\$ 236,835
Accrued expenses	216,788
Current portion of operating lease liability	10,579
Current portion of long-term debt and other notes payable	12,890
Other current liabilities	<u>5,384</u>
Total current liabilities	482,476
Long-term liabilities:	
Operating lease liabilities, net of current portion	\$ 33,508
Deferred tax liabilities	16,840
Long-term debt and other notes payable, net of current portion	1,484,734
Other long-term liabilities	<u>4,380</u>
Total liabilities	<u>\$ 2,021,938</u>
Commitments and contingencies (see Note 11)	
Stockholder's Equity	
Common stock, \$0.0001 par value, 500,000 shares authorized, 195,992 shares issued and outstanding	0
Paid-in capital	1,960,808
Accumulated deficit	<u>(56,556)</u>
Total stockholder's equity	<u>\$ 1,904,052</u>
Total liabilities and stockholder's equity	<u>\$ 3,925,990</u>

The accompanying notes are an integral part of these consolidated financial statements.

Accord JV Corp (Successor) and
 WWEX UNI TopCo Holdings, LLC (Predecessor)

Consolidated Statements of Operations
 (In thousands)

	Successor Period from June 9, 2021 to December 31, 2021	Predecessor Period from January 1, 2021 to July 25, 2021
Revenues:		
Revenue	\$ 1,887,398	\$ 839,045
Operating expenses:		
Carrier cost of services	1,534,895	635,450
Selling, general and administrative	261,067	141,002
Depreciation and amortization	122,893	26,631
Total operating expenses	1,918,855	803,083
Operating (loss) income	(31,457)	35,962
Interest expense, net	(41,061)	(29,174)
Loss on extinguishment of debt	-	(8,977)
Loss before income taxes	(72,518)	(2,189)
Income tax benefit	15,962	254
Net loss	(56,556)	(1,935)

The accompanying notes are an integral part of these consolidated financial statements.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Consolidated Statement of Member's Equity
(In thousands, except for share amounts)

Predecessor	Member's Equity
Balance at January 1, 2021	\$ 438,310
Member distributions	(29)
Equity-based compensation	7,279
Net loss	(1,935)
Balance at July 25, 2021	<u>\$ 443,625</u>

Consolidated Statement of Stockholder's Equity
(In thousands, except for share amounts)

Successor	Common stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholder's Equity
	Shares	Amount			
Balance at June 9, 2021	-	\$ -	\$ -	\$ -	\$ -
Capital contribution	195,992	0	1,959,906	-	1,959,906
Distributions	-	-	(448)	-	(448)
Equity-based compensation	-	-	1,150	-	1,150
Net loss	-	-	-	(56,556)	(56,556)
Balance at December 31, 2021	<u>195,992</u>	<u>\$ 0</u>	<u>\$ 1,960,608</u>	<u>\$ (56,556)</u>	<u>\$ 1,904,052</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

**Consolidated Statements of Cash Flows
(In thousands)**

	Successor Period from June 9, 2021 to December 31, 2021	Predecessor Period from January 1, 2021 to July 25, 2021
Cash flows from operating activities:		
Net loss	\$ (56,556)	\$ (1,935)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	122,893	26,631
Amortization of deferred financing costs	3,564	1,825
Equity-based compensation expense	1,150	7,279
Change in fair value of contingent consideration	(120)	46
Deferred taxes	(17,459)	(1,137)
Loss on extinguishment of debt	-	8,977
Loss on disposal of assets	94	-
Changes in operating assets and liabilities:		
Accounts receivable, net	(16,705)	(34,003)
Prepaid expenses and other current assets	(611)	1,491
Other long-term assets	(4,922)	(48)
Accounts payable and accrued expenses	(7,120)	54,294
Operating lease liability	(2,936)	(156)
Other liabilities	142	82
Net cash provided by operating activities	21,414	73,346
Cash flows from investing activities:		
Acquisition of WWEX, net of cash acquired	(2,047,372)	-
Acquisition of GTZ, net of cash acquired	(394,318)	-
Acquisition of business, net of cash acquired	-	(40,968)
Payments for note receivable	-	(555)
Principal payments received for notes receivable	233	-
Purchases of property and equipment	(12,204)	(13,031)
Payment of contingent consideration	(35)	-
Net cash used in investing activities	(2,453,696)	(54,554)
Cash flows from financing activities:		
Proceeds from debt - term loans, net debt discount	1,533,375	-
Repayment of debt - term loans	-	(2,765)
Payment of notes payable - franchises	(11,314)	(530)
Payment of debt issuance cost	(48,122)	-
Payment of contingent consideration	(1,160)	(1,275)
Capital contributions	1,033,657	-
Distributions	(448)	(29)
Net cash (used in) provided by financing activities	2,505,988	(4,599)
Net increase in cash and cash equivalents	73,706	14,193
Cash and cash equivalents:		
Beginning of period	-	50,085
End of period	\$ 73,706	\$ 64,278
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 37,619	\$ 24,125
Cash paid for income taxes	\$ 10	\$ 779
Non-cash investing and financing activity:		
Issuance of equity for acquisition of business - WWEX	\$ 322,642	\$ -
Issuance of equity for acquisition of business - GTZ	\$ 603,607	\$ -
Non-cash consideration for acquisition of business	\$ 496	\$ 6,114
Acquisition of property and equipment through accrued liabilities	\$ 2,305	\$ 1,801

The accompanying notes are an integral part of these consolidated financial statements.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

1. Nature of Business and Basis of Presentation

Nature of business: WWEX UNI TopCo Holdings, LLC, a Delaware limited liability company formed in 2016, together with its subsidiaries (collectively, "WWEX"), provides technology-enabled transportation and supply chain management solutions. WWEX uses its proprietary technology platform to compile and analyze data from its multi-modal network of transportation providers to satisfy the transportation and logistics needs of its clients. WWEX provides these services directly through a large corporate sales team and indirectly through franchises and an extensive agent network. WWEX serves small to medium size businesses ("SMBs") as well as large enterprise customers by arranging freight transportation for small parcel ("SP"), less than truckload ("LTL") and truckload ("TL") which involves moving a shipment over different types of transportation modes, such as rail, truck or air. WWEX arranges both domestic and international delivery to its customers.

Accord JV Corp and its wholly owned subsidiaries were formed on June 9, 2021 for the purpose of acquiring the equity interest in WWEX, REP UNI I-B Blocker, Inc, WWEX II-B Blocker, Inc., REP Coinvest Blocker II-A, L.P (collectively, the "WWEX Acquisition") and Sedona Holdings Inc. (the "GTZ Acquisition"). GlobalTranz Enterprises, LLC, a wholly owned subsidiary of Sedona Holdings, Inc., utilizes a proprietary technology platform to compile and analyze data from its multi-modal network of transportation to arrange efficient and cost-effective transportation and logistics solutions for its clients, primarily in the LTL and TL categories. GlobalTranz primarily serves medium size businesses and large enterprises customers.

On July 26, 2021, Accord JV Corp II, a wholly owned subsidiary of Accord JV Corp, consummated the WWEX Acquisition and the GTZ Acquisition by acquiring 100% of the outstanding equity interest of the companies. See Note 3, *Acquisitions*.

Accord JV Corp, its subsidiaries and the entities acquired as part of the WWEX Acquisition and the GTZ Acquisition are collectively referred to as the "Company". The Company is a non-asset provider of technology-enabled transportation and supply chain management solutions. The Company arranges freight transportation for SP, LTL, and TL shipments over different types of transportation modes, such as rail, truck or air. The Company serves SMBs as well as large enterprise customers.

Basis of presentation: The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). The consolidated financial statements for the period January 1, 2021 to July 25, 2021 represents the standalone financial information of WWEX and are designated as "Predecessor" financial statements ("Predecessor period"). The consolidated financial statements for the period June 9, 2021 to December 31, 2021 represent the financial information of the Company and are designated as "Successor" financial statements ("Successor period"). Between June 9, 2021 and July 25, 2021, no operating activities occurred in the Successor financial statements. All material intercompany balances and transactions have been eliminated in consolidation.

The Predecessor and Successor periods have been separated by a vertical line on the face of the consolidated financial statements and in the notes to the consolidated financial statements, when applicable, to highlight the fact that the financial information for such periods is not comparable.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

2. Summary of Significant Accounting Policies

Other than those specifically noted below, there are no differences in WWEX's and the Company's (collectively, the "Companies") accounting policies.

Use of estimates: The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Cash and cash equivalents: The Company considers all highly liquid cash investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts receivable, net: Accounts receivable include trade receivables from customers in the ordinary course of business and royalty receivables from franchisees. Accounts receivable are recorded at net realizable value, consisting of the carrying amount less an allowance for doubtful accounts. The Company establishes an allowance for doubtful accounts based on historical trends and customer credit conditions. Accounts are written-off as uncollectible after the Company has exhausted normal collection avenues. As of December 31, 2021, the Company had established an allowance for doubtful accounts of \$6,280.

Concentrations of risks: Financial instruments subject to concentrations of credit risk consist primarily of accounts receivables. There were no customers that accounted for more than 5% of the total balance of accounts receivable as of December 31, 2021. The Company maintains cash balances in excess of FDIC insured limits of \$250 at financial institutions.

The Company utilizes an extensive network of carriers to deliver customer's LTL and TL freight needs. The Company's revenue related to parcel delivery is primarily fulfilled by one of the world's largest providers of package delivery services and global management solutions. This provider accounted for 35% and 11% of total carrier costs for the Predecessor and Successor periods, respectively.

Property and equipment and capitalized software: Property and equipment are recorded at cost, less accumulated depreciation, except for assets acquired through a business combination which are initially recorded at fair value (see Note 3). Expenditures for major renewals and betterments that extend an asset's useful life are capitalized, while repairs and maintenance are charged to earnings as incurred. When equipment is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Companies determined that no impairment charges existed during the Predecessor or Successor periods.

The Companies capitalize labor and certain other costs associated with obtaining or developing software for internal use. Software is considered for internal use if the software has been developed solely for internal use and there is no intent of selling, leasing, or marketing the software. Costs incurred during the application development stage are capitalized. Capitalization of costs ceases at the point at which the project is substantially complete and ready for its intended use. Capitalized software is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Companies determined that no impairment charges were identified during the Predecessor or Successor periods.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

Property and equipment and capitalized software are depreciated on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the asset estimated useful life or the lease term. Estimated useful lives of these assets are presented in the following table:

Software and technology	1-5 years
Leasehold improvements	3-10 years
Furniture and fixtures	5 years

Goodwill and other intangible assets: Goodwill represents the excess of the consideration transferred over the fair value of identifiable net assets acquired in a business combination. As a result of transactions identified in Note 3, the Company recognized goodwill and certain other identifiable intangible assets at their acquisition date fair values. These include trade names, customer relationships, carrier relationships and franchise relationships.

Goodwill and indefinite-lived intangible assets are not amortized but are tested for impairment on an annual basis and more frequently if an event occurs or circumstances change that would more likely than not indicate that an impairment exists. The annual impairment test is performed on December 31 and is completed at a level of reporting referred to as a reporting unit for goodwill and at the asset level for indefinite-lived intangible assets. In performing the annual impairment test, the Companies first perform an assessment of qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit or indefinite-lived asset is less than its carrying amount. If after performing the qualitative assessment, the Companies determine that it is more likely than not that the fair value of a reporting unit or indefinite-lived asset is less than its carrying amount, the Companies will perform a quantitative analysis by comparing the fair value of the reporting unit or indefinite-lived asset to its carrying value. If the carrying value of the reporting unit or indefinite-lived asset exceeds its fair value, an impairment charge is recognized for the amount by which the carrying value exceeds the fair value. The Companies determined that no impairment charges were identified during the Predecessor or Successor periods.

Definite-lived intangible assets include franchise relationships, carrier relationships, customer relationships and tradenames. Definite-lived intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Companies determined that no impairment charges were identified during the Predecessor or Successor periods.

Franchise relationships, trade names, and carrier relationships are amortized on a straight-line basis over the estimated useful lives of the assets. Customer relationships are amortized utilizing an income approach over the estimated useful life of the asset. Estimated useful lives of these assets are presented in the following table:

Trade name - GlobalTranz	5 years
Carrier relationships	5 - 10 years
Franchise relationships	7 years
Customer relationships	15 years

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

Leases: The Companies adopted Accounting Standards Codification ("ASC") 842 *Leases* ("ASC Topic 842"). The standard requires a reporting entity to recognize right-of-use assets and lease liabilities on the balance sheet for the entity's lease arrangements. See Note 2, *Recently Adopted Accounting Pronouncements*. The Companies determine if an arrangement is, or contains, a lease at inception of the arrangement. Lease liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. The related right-of-use asset is recognized based on the lease liability adjusted for lease incentives received, initial direct costs and lease payments made prior to the commencement of the arrangement. The Companies made an accounting policy election to not apply the balance sheet recognition requirement to lease arrangements with a term of twelve months or less. Costs relating to these arrangements are expensed to earnings on a straight-line basis over the term of the lease arrangement.

When available, the Companies utilize the rate implicit in the lease contracts as the discount rate. The rate implicit in the lease is not typically available for the Companies' lease agreements. Alternatively, the Companies utilize their incremental borrowing rate ("IBR") at the time of the lease commencement to measure the lease liability. The IBR represents the estimated rate of interest that the Companies would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

The Companies had to make significant judgments when applying the lease guidance regarding the determination of the IBR, whether arrangements are, or contain, a lease, and whether they are reasonably certain to exercise certain renewal and termination options included in the lease arrangements.

Revenue recognition: Revenue is generated primarily through providing customers brokerage and transportation services on a shipment-by-shipment basis ("transportation revenues"). Transportation revenue is recognized as the customers' shipment travels from origin to destination by a third-party carrier. The full amount billed to customers for shipment services is recognized as revenue and the related costs to carriers are recognized as an expense within carrier cost of services on the consolidated statements of operations as the Companies are considered the principal in the transaction. Rebates are estimated based on historical redemptions, generally as a percentage of total transportation revenues and are recorded as a reduction of transportation revenue.

Costs to obtain a contract with a customer: The Companies have determined that sales commissions costs incurred to obtain contracts are incremental and recoverable costs of obtaining a contract. The Companies recognize these commission costs as incurred, as the expected amortization period of these costs is one year or less. These amounts are included within selling, general and administrative expenses on the consolidated statements of operations.

Equity-based compensation: The Companies issued equity-based awards containing certain vesting conditions, including service conditions and performance conditions. All of the awards granted by the Companies have been classified as equity-based awards and are measured at their fair value at the date of grant. Compensation expense related to the awards that contain service conditions is recognized into earnings over the requisite service period once all conditions are met. Compensation expense related to the awards that contain performance conditions are recognized when the achievement of the performance criteria is considered probable, and all other vesting conditions are met. The expense for equity-based awards granted is based on the estimated number of awards that are expected to vest. The Companies account for forfeitures as they occur.

Fair value of financial instruments: Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 specifies a three-tiered hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

from independent sources. The lowest tier (Level 1) refers to fair values determined from utilizing inputs that are based on unadjusted quoted market prices for identical assets and liabilities in an active market that the

Company has the ability to access. The middle tier (Level 2) refers to fair values that are determined utilizing inputs that are observable either directly or indirectly. The highest tier (Level 3) refers to fair values that are determined utilizing inputs that are based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

The Company's financial instruments are cash, accounts receivable, accounts payable, accrued liabilities, debt and contingent liabilities. The recorded values of accounts receivable, accounts payable, accrued liabilities and current portion of long-term debt approximate fair values due to the short-term nature of these financial instruments. The Company's long-term debt is carried at amortized cost. The Company is not required to disclose the fair value of financial instruments measured at amortized costs pursuant to FASB ASU 2016-01, *Recognition and Measurement of Financial Assets and Liabilities*.

Contingent consideration relate to payments to be made to the former owners of certain entities acquired by the Company if specific future events occur or conditions are met based on the acquisition agreements. The contingent consideration is initially recorded at its fair value as of the date of the acquisition and then subsequently remeasured to fair value at each reporting period. As of December 31, 2021, the fair value of contingent consideration was \$2,875 and is recorded within other liabilities on the consolidated balance sheet.

Income taxes:

Successor: The Company accounts for income taxes under the liability method, and deferred taxes and liabilities are recognized for the expected future tax consequences attributable to differences between the financial reporting basis of assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided if it is determined that it is more likely than not that a deferred tax asset will not be realized. The Company determined that a valuation allowance was not needed as of December 31, 2021. The Company's income tax benefit for the period ending December 31, 2021 differs from the federal statutory rate of 21% as a result of state income taxes.

The Company recognizes liabilities for uncertain tax positions based on a two-step process. The Company first determines whether it is more likely than not that the tax position will be sustained based on the technical merits of the position. For those positions that meet the more likely than not recognition threshold, the Company recognizes the largest amount of tax benefit that is more likely than 50 percent likely to be realized upon ultimate settlement with the related tax authorities. There were no uncertain tax positions taken by the Company during the Successor period.

Predecessor: As a limited liability company, WWEX does not pay U.S. federal income taxes except for one subsidiary, WWEX Intermediate Blocker, Inc. ("WWEX Blocker"), which is organized as a C corporation and therefore, Federal and State income taxes are paid by this entity. Certain states require WWEX to file returns and pay tax at the entity level. For these states, WWEX records the applicable state taxes in its consolidated financial statements. Deferred income taxes are recognized for the tax consequences of temporary differences, at enacted statutory rates, between the financial statement carrying amounts and the tax basis of existing assets and liabilities. Income tax expense or benefit represents the current tax payable or refundable for the period plus or minus the tax effect of the net change in the deferred tax assets and liabilities.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

Recently adopted accounting pronouncements: In February 2016, the FASB issued ASU 2016-02, *Leases*, requiring a lessee to record, on the balance sheet, the assets and liabilities for the right-of-use assets and lease obligations created by lease agreements. This new accounting standard will be effective for the Companies' annual reporting periods beginning January 1, 2022. The Companies have elected to early adopt this standard, effective during 2021.

WWEX adopted ASC Topic 842 effective January 1, 2021. The standard requires a reporting entity to recognize right-of-use assets and lease liabilities on the balance sheet for the entity's lease arrangements. WWEX adopted the standard using the modified retrospective approach which permits for any cumulative adjustment resulting from the adoption being recorded to opening retained earnings as of January 1, 2021. The adoption of ASC 842 resulted in the recognition of an operating lease liability of \$41,270 and a relating operating right-of-use asset of \$34,907. The lease liability amount recognized was adjusted for prepaid rent, deferred rent and lease incentives existing as of January 1, 2021 to determine the right-of-use asset balance.

WWEX elected the practical expedients package permitted under the transition guidance which allows for the carryforward of historical conclusions relating to lease identification, lease classification and initial direct costs for leases that existed as of the adoption date.

The Company adopted ASC 842, *Leases*, as of the date of its incorporation. As the standard was applied upon incorporation, the accounting policy transition guidance was not applicable to the Company.

In August 2018, the FASB issued ASU 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's accounting for implementation costs incurred in a cloud computing arrangement that is a service contract*. Under this standard, companies will apply the same criteria for capitalizing implementation costs as they would for developing or obtaining internal-use software. The adoption of this new guidance prescribes the balance sheet, statement of operations and statement of cash flow classification of the capitalized implementation cost and related amortization expense. The Companies adopted this standard, effective during 2021. The adoption of this standard did not have a significant impact on the financial statements.

Recently issued accounting pronouncements: In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (ASU 2020-04, as amended)*, which provides optional expedients, and allows for certain exceptions to existing GAAP, for contract modifications triggered by the expected market transition of certain benchmark interest rates to alternative reference rates. ASU 2020-04 applies to contracts, hedging relationships, certain derivatives and other arrangements that reference the London Interbank Offering Rate (LIBOR) or any other rates ending after December 31, 2022. ASU 2020-04, as amended, became effective immediately. The Company is currently evaluating the impacts of adopting these practical expedients.

In June 2017, the FASB issued ASU 2016-13, *Financial Instruments (Topic 326) – Measurement of Credit Losses on Financial Instruments*, which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. The standard replaces the existing loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. This new accounting standard will be effective for the Companies' annual reporting periods beginning January 1, 2023. The Company is evaluating the impact of this update on the consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income taxes (Topic 740): Simplifying the accounting for income taxes*. The update simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The update also improves consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. The update will be effective for the Company's annual reporting periods beginning January 1, 2023. The Company is evaluating the impact of this update on the consolidated financial statements.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

3. Acquisitions

Successor: On July 26, 2021 (the "Acquisition Date"), Accord JV Corp II ("Buyer"), a wholly-owned subsidiary of the Company, acquired all of the equity interest of the WWEX Acquisition and the GTZ Acquisition. The purpose of the acquisition transactions was to combine two of the industry's leading technology-enabled transportation and supply chain management solutions providers in order to (i) leverage the combined companies' unique data assets and business intelligence capabilities to provide its customers with enhanced visibility and analytics; (ii) leverage the combined companies' scale in the SP, LTL and TL product lines to provide customers with improved pricing; and (iii) take advantage of cost synergy opportunities related to combining each company's technology infrastructure, back-office personnel, management personnel, and real estate operations. The acquisitions were financed by owner contributions and a credit agreement that was entered into on the Acquisition Date (see Note 6).

The Company paid acquisition-related costs of \$29,153 of which \$22,752 was expensed during the current period and \$6,401 was deferred as prepaid expenses as of December 31, 2021. WWEX incurred acquisition-related costs of \$32,952, which was expensed during the predecessor period. Costs expensed as acquisition-related costs are included within selling, general and administrative expenses on the consolidated statements of operations. The Company also incurred debt issuance costs of \$48,122 as part of the first and second lien term loans used to fund the acquisitions and revolving credit facility (see Note 6). These costs were deferred and are being amortized over the term of the instruments. Refer below for additional details on each acquisition.

WWEX Acquisition

The Company paid total consideration of \$2,434,292, consisting of \$2,111,650 in cash and \$322,642 of equity interest in the Company's Parent, Accord Topco LP. The following table summarizes the consideration transferred and the purchase price allocation of the fair values of the assets acquired and liabilities assumed at the Acquisition Date. The allocation of purchase price is preliminary and subject to change.

Total consideration paid	<u>\$ 2,434,292</u>
Cash	\$ 64,278
Trade and other receivables	153,213
Prepaid expenses and other current assets	4,490
Notes receivable	1,837
Property, plant, and equipment	63,517
Right-of-use lease asset	39,731
Intangible assets	1,069,000
Goodwill	1,309,667
Other assets	1,316
Total assets acquired	<u>2,707,049</u>
Accounts payable, accrued expenses, lease obligations and deferred taxes	<u>(272,757)</u>
Total liabilities assumed	<u>(272,757)</u>
Total net assets acquired	<u>\$ 2,434,292</u>

Goodwill represents the excess of the purchase price over the fair values of the acquired net assets. The allocated value of goodwill primarily relates to the value of the existing workforce and anticipated synergies by combining existing Company functions such as technology infrastructure, personnel, and real estate operations. The goodwill recognized is not deductible for income tax purposes.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

Intangible assets acquired in the acquisition transaction consisted of the following:

	Assigned Fair Value	Weighted Average Life
Trade Name - Wortwide Express	\$ 109,300	indefinite
Trade Name - Unishippers	58,000	indefinite
Customer relationships	858,100	15.0
Carrier relationships	31,800	10.0
Franchise relationships	11,800	7.0
Total intangible assets	<u>\$ 1,069,000</u>	12.4

GTZ Acquisition

The Company paid total consideration of \$1,010,531, consisting of \$408,924 in cash and \$603,607 of equity interest in the Company's Parent, Accord Topco LP. The following table summarizes the consideration transferred and the purchase price allocation of the fair values of the assets acquired and liabilities assumed at the Acquisition Date. The allocation of purchase price is preliminary and subject to change.

Total consideration paid	<u>\$ 1,010,531</u>
Cash	\$ 12,606
Trade and other receivables	328,147
Prepaid expenses and other current assets	7,830
Notes receivable	1,467
Property, plant, and equipment	71,864
Right-of-use lease asset	21,412
Intangible assets	508,200
Goodwill	362,786
Other assets	1,103
Total assets acquired	<u>1,315,415</u>
Accounts payable, accrued expenses, lease obligations and deferred taxes	<u>(304,884)</u>
Total liabilities assumed	<u>(304,884)</u>
Total net assets acquired	<u>\$ 1,010,531</u>

Goodwill represents the excess of the purchase price over the fair values of the acquired net assets. The allocated value of goodwill primarily relates to the value of the existing workforce and anticipated synergies by combining existing Company functions such as technology infrastructure, personnel, and real estate operations. The goodwill recognized is not deductible for income tax purposes.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

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**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

Intangible assets acquired in the acquisition transaction consisted of the following:

	Assigned Fair Value	Weighted Average Life
Customer relationships	\$ 467,200	15.0
Trade Name - GlobalTranz	39,600	5.0
Carrier relationships	1,400	5.0
Total intangible assets	<u>\$ 508,200</u>	14.2

Predecessor: On April 4, 2021, WWEX acquired 100% of the equity interest in Bear Franchising, LLC. Bear Franchising, LLC, through a subsidiary, operates the largest independent affiliate of WWEX. WWEX paid total consideration of \$42,890, consisting of \$37,378 in cash and \$5,512 in non-cash consideration. In connection with the acquisition, WWEX recorded net working capital of \$3,598, intangible assets of \$5,392, and goodwill of \$33,900.

WWEX consummated several other immaterial acquisitions throughout the Predecessor period. Total consideration paid for these acquisitions totaled \$4,192 and consisted of \$3,590 in cash and \$602 in non-cash consideration. In connection with these acquisition WWEX recorded net working capital of \$8, intangible assets of \$2,274, and goodwill of \$1,910.

4. Property and Equipment, net

Property and equipment, net consisted of the following at December 31, 2021:

	Amount
Software and technology	\$ 128,014
Leasehold improvements	11,722
Furniture and fixtures	8,247
	<u>147,983</u>
Less: accumulated depreciation and amortization	<u>(16,959)</u>
Total property and equipment, net	<u>\$ 131,024</u>

Depreciation and amortization expense relating to property and equipment was \$16,971 for the period ended December 31, 2021. Depreciation and amortization expense relating to the Predecessor period was \$3,600.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

5. Goodwill and Intangible Assets, net

The following table summarizes the changes in the carrying value of goodwill:

	<u>Amount</u>
Balance at June 9, 2021	\$ -
Goodwill acquired - WWEX Acquisition	1,309,667
Goodwill acquired - GTZ Acquisition	362,786
Goodwill acquired - other business acquisitions	419
Balance at December 31, 2021	<u>\$ 1,672,872</u>

Intangible assets, net consisted of the following at December 31, 2021:

	<u>Amount</u>
<u>Indefinite-lived</u>	
Trade Name - Worldwide Express	\$ 109,300
Trade Name - Unishippers	58,000
Total indefinite-lived intangible assets	<u>\$ 167,300</u>

Definite-lived

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Remaining Life
Trade Name - GlobalTranz	\$ 39,600	\$ (3,425)	\$ 36,175	4.6
Carrier relationships	33,200	(1,579)	31,621	9.4
Franchise relationships	11,800	(773)	11,027	6.6
Customer relationships	1,325,378	(100,145)	1,225,233	14.6
Total definite-lived intangible assets	<u>1,409,978</u>	<u>(105,922)</u>	<u>1,304,056</u>	14.1
Intangible assets, net	<u>\$ 1,577,278</u>	<u>\$ (105,922)</u>	<u>\$ 1,471,356</u>	

Amortization expense was \$105,922 for the Successor period ended December 31, 2021. Amortization expense relating to the Predecessor period was \$23,031.

The estimated aggregate amortization expense for each of the five succeeding years at December 31, 2021 is as follows:

2022	\$ 214,827
2023	177,049
2024	155,698
2025	133,886
2026	116,148
Thereafter	506,450
Total amortization expense	<u>\$ 1,304,056</u>

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

6. Long-term debt and other notes payable

On July 26, 2021 (the "Closing Date"), Accord Merger Sub I Corp (the "Original Borrower") and Accord Guarantor LLC (the "Holdings"), wholly owned subsidiaries of the Company, entered into (i) the First Lien Credit Agreement (the "First Lien Credit Agreement") with several banks and other financial institutions (collectively, the "First Lien Lenders") and (ii) the Second Lien Credit Agreement (the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, collectively, the "Credit Agreements" and each, individually, a "Credit Agreement") with several banks and other financial institutions (collectively, the "Second Lien Lenders" and, together with the First Lien Lenders, collectively, the "Lenders"). The proceeds of the loans made under the Credit Agreements on the Closing Date were used, among other things, to finance the WWEX Acquisition and GTZ Acquisition and to pay fees and expenses incurred related to these transactions (see Note 3). Immediately upon consummation of the transactions, all rights and obligations of the borrower under each Credit Agreement were transferred from the Original Borrower to WWEX (the "Borrower").

Under the First Lien Credit Agreement, the Lenders extended credit to the Company in the form of (i) a senior secured first lien term loan facility with an initial principal amount of \$1,275,000 (the "First Lien Term Loan") and (ii) a senior secured first lien revolving credit facility with an initial commitment of \$200,000 (the "Revolver"), which includes letter of credit commitments of \$50,000 and a swing line commitment of \$20,000. Under the Second Lien Credit Agreement, the Lenders extended credit to WWEX in the form of a senior secured second lien term loan facility with an initial principal amount of \$275,000 (the "Second Lien Term Loan"). Substantially all assets of the Borrower and certain subsidiaries of the Borrower as guarantors and the equity interests of the Borrower owned by Holdings are pledged as collateral to secure the obligations under the Credit Facilities.

The First Lien Term Loan requires minimum quarterly payments of 0.25% of the initial principal amount and is scheduled to mature on July 26, 2028. All outstanding principal amount and any accrued and unpaid interest thereon will be due and payable upon maturity. Borrowings under the First Lien Term Loan bears interest at either (1) the ABR rate which is defined as the rate per annum equal to, at the Company's election, the highest of (i) the federal funds rate plus 0.5%, (ii) the prime commercial lending rate published as of such day by the Wall Street Journal, (iii) LIBOR plus 1.00% and (iv) 1.75%, and in each case, plus an applicable rate which is based upon a first lien leverage ratio and may range from 3.25% to 3.00% or (2) adjusted LIBOR (with a floor of 0.75%), plus an applicable rate which is based upon a first lien leverage ratio and may range from 4.25% to 4.00%.

The Second Lien Term Loan is scheduled to mature on July 26, 2029. All outstanding principal and any accrued and unpaid interest thereon will be due and payable upon maturity. The Second Lien Term Loan bears interest at either (1) the ABR rate, as defined above, plus 6.00% or (2) adjusted LIBOR (with a floor of 0.75%) plus 7.00%.

The Revolver is scheduled to mature on July 26, 2026. All outstanding principal and any accrued and unpaid interest will be due and payable upon maturity. Borrowings under the Revolver bears interest at either (1) the ABR rate, as defined above, plus an applicable rate which is based upon a first lien leverage ratio and may range from 2.50% to 1.75% or (2) adjusted LIBOR, plus an applicable rate which is based upon a first lien leverage ratio and may range from 3.50% to 2.75%.

The Company incurred \$48,122 in debt issuance costs associated with the Credit Agreements. These costs were capitalized and are being amortized over the respective terms of each Credit Facility. The unamortized debt-issuance costs related to the First Lien Term Loan and Second Lien Term Loan are recorded as a reduction to the carrying value of long-term debt and current portion of long-term debt on the consolidated balance sheet. The unamortized debt-issuance costs related to the Revolver is included within other long-term assets on the consolidated balance sheet. The amortization of the debt issuance costs is included as part of interest expense on the consolidated statement of operations.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

The Credit Agreements contain various covenants providing for, among other things, maintenance of first lien net leverage ratio (which is a springing covenant applicable only with respect to the Revolver), furnishing of financial statements and reports of the Borrower, and restrictions on acquisitions, indebtedness, and payments of dividends. The Company was in compliance with all such covenants as of December 31, 2021.

Long-term debt and other notes payable obligations consisted of the following as of December 31, 2021:

	<u>Amount</u>
Senior credit agreement:	
1st Lien	\$ 1,275,000
2nd Lien	275,000
Revolver	-
Other notes payable	<u>384</u>
	1,550,384
Less: current portion	<u>(12,890)</u>
	1,537,494
Less: unamortized deferred financing fees	<u>(52,760)</u>
Total long term debt, less current portion	<u>\$ 1,484,734</u>

Aggregate maturities of long-term debt and other notes payable obligations, based on amounts currently outstanding at December 31, 2021 are as follows:

2022	\$ 12,890
2023	12,890
2024	12,854
2025	12,750
2026	12,750
Thereafter	<u>1,486,250</u>
	<u>\$ 1,550,384</u>

7. Revenue

Transportation revenues are recognized by the Companies as the client's shipment travels from origin to destination by a third-party carrier. As part of the transportation revenue contracts with customers, the Company provides certain ancillary services on a shipment-by-shipment basis that are integrated services that occur within the transportation performance obligation. The Company recognizes transportation revenues on the gross amount billed to customers for shipment services performed with the related cost to carriers recorded as an expense within carrier cost of services on the consolidated statements of operations as the Company has determined that they are the principal in the arrangement. The primary modes of shipment in which the Company transacts are SP, LTL and TL. Other transportation modes include intermodal, domestic air, expedited and international.

Certain customers may receive rebates based on the terms of their agreement with the Company, which are accounted for as variable consideration. There are varying benchmarks the customer must meet to earn the rebate and differ for each customer. Generally, they are calculated based on a percentage of revenue. Rebates are accounted for by the Company as a reduction of transportation revenues.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

The Companies earn revenue related to its franchises primarily in the form of royalties. Royalty revenues are calculated as a percentage of franchise transportation gross margin. The Company recognizes revenue from the sale of franchises on a straight-line basis over the term of the respective franchise agreement. The Companies recognize data processing fees when the related services are substantially complete.

8. Equity-based compensation

Successor: The Company is a wholly owned subsidiary of Accord Intermediate LP and ultimately, Accord Topco LP. During the current period, Accord Topco LP established an employee stock-based compensation plan for the purpose of providing incentives to officers, key employees, and non-employees of the Company. Upon the vesting of the incentive units granted as part of the stock-based compensation plan, the grantee becomes a Class B unit holder. Accord Topco LP has two classes of units. Class A Unit holders have preferences in distribution and liquidation over Class B unit holders. Class A unit holders also have voting rights and appoint members of the management committee. Class B Units qualify as "profit interest" for tax purposes. As the employees receiving Accord Topco LP incentive units are ultimately providing services to the Company, the applicable equity-based compensation expense is recognized as selling, general and administrative expense on the Company's consolidated statement of operations.

Class B units granted contain certain vesting conditions, including service conditions and performance conditions. Class B units containing service conditions ("Time-Vesting Units") vest over a 5-year term with 10% of the units vesting on a semi-annual basis throughout the vesting period, provided that on each applicable vesting date, the grantee is still employed by or performing services for the Company or its affiliates. The time-vesting units are subject to accelerated vesting in the event of a change of control event.

Class B units containing performance conditions ("Exit Event Units") only become vested upon the occurrence of Accord Topco LP achieving certain investment return ratios at the time of the Exit Event and the grantee is still employed by or performing services for the Company or its affiliates. An Exit Event is defined as the consummation of (i) a change of control, (ii) an Initial Public Offering ("IPO") in respect of which the Accord Topco LP is the IPO entity, or (iii) the liquidation, dissolution or winding-up of Accord Topco LP. Notwithstanding the foregoing, upon the occurrence of an Initial Public Offering in respect of which an affiliate of Accord Topco LP in which Accord Topco LP continues to own equity securities is the IPO entity, if the Exit Event Units are not or do not become fully vested at such time, then each subsequent distribution by Accord Topco LP to CVC Accord LP of the cash proceeds from the sale by the Accord Topco LP of the equity securities of the IPO entity shall also be considered an Exit Event.

During September 2021, Accord Topco granted 133,439,000 of class B units, of which 66,719,500 related to Time-Vesting Units and 66,719,500 related to Exit Event units. The weighted average grant date fair value of the Class B units was \$0.31 cents per unit. The Company utilized a "back-solve method" under the market approach as the primary method to value the Class B units.

The Company recognized \$1,150 in equity-based compensation expense for the Successor period ended December 31, 2021. As of December 31, 2021, the unrecognized equity-based compensation expense related to the unvested portion of the Company's Class B incentive units was \$37,912, of which \$22,022 related to Time Vesting Units and \$15,890 related to Exit Event Units.

Predecessor: WWEX had five classes of units. Class A Unit holders had preference in distribution and liquidation over all other classes. Class B, C, D and E Units represent incentive units issued to certain employees of the Company. Only Class A Unit members have voting rights and appoint members of the management committee. Class B, C, D and E Units qualify as "profit interest" for tax purposes.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

Due to the change in control transaction discussed in Note 3, WWEX incurred \$6,195 in equity-based compensation expense due to the accelerated vesting of incentive units that were granted but had not vested as of the Acquisition Date. WWEX also recognized equity-based compensation expense of \$1,084 due to the vesting of Class B and E units for the period ended July 25, 2021. Total equity-based compensation expense recognized in selling, general and administrative expenses in WWEX's consolidated statement of operations during the period ended July 25, 2021 was \$7,279. All vested units were settled as part of the acquisition transaction.

9. Related Party Transactions

Successor: CVC Accord LP is a holder of Class A units in the Company's parent company, Accord Topco LP. CVC Credit Partners is part of the syndicate of lenders under the Credit Agreements. CVC Accord LP and CVC Credit Partners are members of the CVC Network.

Predecessor: During the Predecessor period, WWEX held a management agreement with Ridgemont Equity Partners ("Manager"), pursuant to which the Manager provides general business consulting services; financial, managerial, and operational advice; advisory and consulting services with respect to selection of advisors; advice in different fields; and financial and strategic planning and analysis. WWEX incurred expenses related to this management agreement of \$1,703, for the period ended July 25, 2021.

Antares Capital 2 LP, ("Antares") is a holder of Class A units. In addition to being a holder of Class A Units, Antares is also part of the syndicate of issuers of WWEX's credit facility. As of July 25, 2021, outstanding debt balances due to Antares were \$529,443. WWEX incurred \$16,854 in interest expense of which \$1,928 was accrued for as of July 25, 2021. These balances were settled upon the completion of the WWEX Acquisition on July 26, 2021.

10. Leases

The Companies are party to lease agreements that provide the Companies with the right to use certain assets. The leased assets primarily consist of office space and office equipment and have a remaining life of 1-10 years. The lease agreements may contain options to extend or terminate the lease agreements. These options were not applied in determining the lease liabilities and right-of-use assets as the Companies were not reasonably certain that they will exercise such options in the future. The Companies' lease agreements do not contain any residual value guarantees or material restrictive covenants. The lease agreements as of December 31, 2021 have been classified and are accounted for as operating leases.

The following table provides components of lease cost related to operating leases:

	Successor period from June 9, 2021 to December 31, 2021	Predecessor period from January 1 to July 25, 2021
Operating lease cost	\$ 6,810	\$ 5,088
Short-term lease cost	153	289
Sublease income	(785)	(762)
Total operating lease cost	<u>\$ 6,178</u>	<u>\$ 4,595</u>

Total operating lease costs are presented within selling, general and administrative expenses on the consolidated statements of operations.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

The following table provides supplemental cash flows information related to operating leases:

	Successor period from June 9, 2021 to December 31, 2021	Predecessor period from January 1 to July 25, 2021
Cash flows from operating activities:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 9,598	\$ 4,483
Supplemental non cash lease cash flow disclosure:		
Right-of-use assets obtained in exchange for new operating	61,904	35,088

The following table provides additional information related to operating leases:

	Successor period as of December 31, 2021	Predecessor period as of July 25, 2021
Weighted-average remaining lease term - in years	6.9	6.0
Weighted-average discount rate	4.5%	7.1%

Maturities of lease obligations as of December 31, 2021 are as follows:

	<u>Operating Leases</u>
2022	\$ 13,094
2023	7,852
2024	6,744
2025	5,436
2026	4,645
Thereafter	<u>18,526</u>
Total undiscounted lease payments	56,297
Less: Imputed interest	<u>(12,210)</u>
Present value of operating lease liability	44,087
Less: Current portion of operating lease liability	<u>(10,579)</u>
Operating lease liabilities, net of current portion	<u>\$ 33,508</u>

11. Commitments and Contingencies

The Company is a party to certain legal proceedings and other matters arising from time to time in the normal course of business. Management believes that such legal proceedings will not have a material adverse effect on the Company's financial position or results of operations.

**Accord JV Corp (Successor) and
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Notes to Consolidated Financial Statements

(In thousands, except for unit amounts)

12. Income Taxes

Successor: Nearly 100% of the Company's income flows through to Accord JV Corp and its corporate subsidiary. As a result, the Company's activity is indirectly taxed at the corporate tax rate of 21%. Certain states require the operating companies to file returns and pay tax at the entity level. For these states, the Company records the applicable state taxes in its consolidated financial statements. The components of the provision (benefit) for income taxes, net, are as follows for the Successor period:

	Successor period from June 9, 2021 to <u>December 31, 2021</u>
Current income tax provision:	
Federal	\$ -
State	<u>1,497</u>
Current Income tax provision	\$ 1,497
Deferred income tax benefit:	
Federal	(15,175)
State	<u>(2,284)</u>
Deferred income tax benefit	<u>(17,459)</u>
Income tax benefit	<u>\$ (15,962)</u>

The Company's income tax benefit for the period ending December 31, 2021 differs from the federal statutory rate of 21% as a result of state income taxes.

Deferred income tax assets and liabilities are comprised of the following as of December 31, 2021:

	Successor period as of <u>December 31, 2021</u>
Deferred tax asset:	
Net operating losses	\$ 7,071
163(j) disallowed interest	<u>14,869</u>
Total deferred tax assets:	<u>21,940</u>
Deferred tax liabilities:	
Outside basis difference	<u>(38,780)</u>
Total deferred tax liabilities	<u>(38,780)</u>
Total net deferred tax liability	<u>\$ (16,840)</u>

At December 31, 2021, the Company had federal income tax net operating loss carryforwards of \$29,269, which are available to be carried forward indefinitely to offset future taxable income. A portion of the net operating loss carryforwards are subject to limitation under Section 382, and the Company expects to utilize these NOLs fully.

**Accord JV Corp (Successor) and
WWEX UNI TopCo Holdings, LLC (Predecessor)**

Notes to Consolidated Financial Statements
(In thousands, except for unit amounts)

No interest or penalties or unrecognized tax benefits were recognized in the consolidated statement of operations or consolidated balance sheets. The Company does not believe any unrecognized tax benefits will change over the next 12 months. The Company currently files income tax returns in the U.S and Mexico. The Company remains subject to U.S. federal and state income tax examinations for the tax years 2018 through 2021 and in Mexico for the tax years 2016 through 2021.

Predecessor: As a limited liability company, WWEX does not pay U.S. federal income taxes except for one subsidiary, WWEX Blocker, which is organized as a C corporation and therefore, Federal and State income taxes are paid by this entity. Certain states require WWEX to file returns and pay tax at the entity level. For these states, WWEX records the applicable state taxes in its consolidated financial statements. The Company considers projections of taxable income in evaluating its ability to utilize deferred tax assets. In projecting its taxable income (loss), the Company begins with historic results and incorporates assumptions of the amount of future pretax operating income. The assumptions about future taxable income (loss) require significant judgment and are consistent with the plans and estimates that WWEX Blocker uses to manage its business.

The provision for income taxes for Predecessor period is comprised of U.S. domestic income allocated to WWEX Blocker and state income taxes in certain jurisdictions. The components of the provision (benefit) for income taxes, net, are as follows for the Predecessor period:

	Predecessor period from January 1, 2021 to July 25, 2021
Current income tax provision:	
Federal	\$ -
State	883
Current Income tax provision	<u>\$ 883</u>
Deferred income tax benefit:	
Federal	(257)
State	(880)
Deferred income tax benefit	<u>(1,137)</u>
Income tax benefit	<u>\$ (254)</u>

**Accord JV Corp (Successor) and
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Notes to Consolidated Financial Statements
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13. Subsequent Events

Subsequent events have been evaluated through May 27, 2022, the date these consolidated financial statements were available to be issued.

On January 3, 2022, the Company entered into an interest rate swap agreement with Morgan Stanley to convert a portion of its interest rate exposure from variable rates to fixed rates. The agreement has a notional amount of \$550,000. The Company pays a fixed interest rate at 1.41% and receives an average variable rate of the three-month LIBOR plus 0.75% adjusted quarterly. The agreement terminates on December 31, 2024.

On January 3, 2022, the Company entered into an interest rate swap agreement with Goldman Sachs Bank to convert a portion of its interest rate exposure from variable rates to fixed rates. The agreement has a notional amount of \$550,000. The Company pays a fixed interest rate at 1.40% and receives an average variable rate of the three-month LIBOR plus 0.75% adjusted quarterly. The agreement terminates on December 31, 2024.

There were no other events that occurred that required recognition or additional disclosures.

EXHIBIT D

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

FRANCHISE AGREEMENT AND ATTACHMENTS

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Minimum Royalty Schedule

Franchise: **Unishippers - 9999**

Territory Size 1.00
 Royalty Percent 18.50%

Royalty Baseline
 4 Week Average \$ -
 5 Week Average \$ -

Wtd. Shipment Growth per Territory
 4 Week Month 17.50
 5 Week Month 21.88

Months used for Royalty Baseline:
 N/A

Previous Schedule Began: n/a
 This Schedule Effective: May-2024

Year 3

Month	Weeks	Royalty
May-2026	4	\$ 437.06
Jun-2026	5	\$ 457.30
Jul-2026	4	\$ 473.48
Aug-2026	5	\$ 493.72
Sep-2026	4	\$ 509.91
Oct-2026	4	\$ 526.09
Nov-2026	5	\$ 546.33
Dec-2026	4	\$ 562.52
Jan-2027	4	\$ 578.70
Feb-2027	4	\$ 594.89
Mar-2027	5	\$ 615.13
Apr-2027	4	\$ 631.31

Year 1

Month	Weeks	Royalty
May-2024	4	\$ 16.19
Jun-2024	4	\$ 32.38
Jul-2024	5	\$ 52.61
Aug-2024	4	\$ 68.80
Sep-2024	5	\$ 89.03
Oct-2024	4	\$ 105.22
Nov-2024	4	\$ 121.41
Dec-2024	5	\$ 141.64
Jan-2025	4	\$ 157.83
Feb-2025	4	\$ 174.02
Mar-2025	5	\$ 194.25
Apr-2025	4	\$ 210.44

Year 4

Month	Weeks	Royalty
May-2027	5	\$ 651.55
Jun-2027	4	\$ 667.73
Jul-2027	4	\$ 683.92
Aug-2027	5	\$ 704.16
Sep-2027	4	\$ 720.34
Oct-2027	4	\$ 736.53
Nov-2027	5	\$ 756.77
Dec-2027	4	\$ 772.95
Jan-2028	5	\$ 793.19
Feb-2028	4	\$ 809.38
Mar-2028	4	\$ 825.56
Apr-2028	4	\$ 841.75

Year 2

Month	Weeks	Royalty
May-2025	4	\$ 226.63
Jun-2025	5	\$ 246.86
Jul-2025	4	\$ 263.05
Aug-2025	4	\$ 279.23
Sep-2025	5	\$ 299.47
Oct-2025	4	\$ 315.66
Nov-2025	4	\$ 331.84
Dec-2025	5	\$ 352.08
Jan-2026	4	\$ 368.27
Feb-2026	4	\$ 384.45
Mar-2026	5	\$ 404.69
Apr-2026	4	\$ 420.88

Year 5

Month	Weeks	Royalty
May-2028	5	\$ 861.98
Jun-2028	4	\$ 878.17
Jul-2028	5	\$ 898.41
Aug-2028	4	\$ 914.59
Sep-2028	4	\$ 930.78
Oct-2028	5	\$ 951.02
Nov-2028	4	\$ 967.20
Dec-2028	4	\$ 983.39
Jan-2029	5	\$ 1,003.63
Feb-2029	4	\$ 1,019.81
Mar-2029	4	\$ 1,036.00
Apr-2029	5	\$ 1,056.23

Approved by Unishippers _____

Date _____

**OWNERS ACKNOWLEDGEMENT
FRANCHISEE’S OFFICERS, SHAREHOLDERS, PARTNERS, AND MEMBERS**

In accordance with Section 9.02, the undersigned personally join in this Franchise Agreement on behalf of the Franchisee listed on the Summary Page:

<u>NAME</u>	<u>POSITION</u>	<u>SIGNATURE</u>	<u>DATE</u>
[Owner 1 Name]	[Position 1]	_____	_____
[Owner 2 Name]	[Position 2]	_____	_____

The following is the current ownership structure of Franchisee:

<u>(Stockholder, Partner, etc.)</u>	<u>Ownership Percentage</u>
[Owner 1 Name]	[%]
[Owner 2 Name]	[%]

Unishippers Franchise Agreement FOR A NATIONAL FRANCHISE

This Unishippers Franchise Agreement for a National Franchise (the “Agreement”) is entered into by and between **Unishippers Global Logistics, LLC**, a Delaware limited liability company, having its principal office as listed on the Summary Page (the “Franchisor”); and the Franchisee listed on the Summary Page having its principal office listed on the Summary Page (the “Franchisee”).

RECITALS

Franchisor has developed and is sole owner of a business concept, methodology, format, brand name, intellectual property, and operation (the “Concept”) pursuant to which it contracts with companies that provide parcel transportation services and companies that provide freight transportation services (collectively, the “Carriers”) to provide discounts on these transportation services for shippers setting up customer accounts (“Customer Accounts” or “Customers”) with Franchisor or franchisees of Franchisor (the “Unishippers System” or the “System”). The current and future agreements formalizing the Carrier-Unishippers relationships are referred to as the “Carrier Contracts.”

Franchisor is owner of certain trademarks, service marks and/or trade names, commercial symbols, trade dress, and/or unregistered marks used in conjunction with the Unishippers Business which, in whole or in part, use or will in the future use the name “Unishippers Global Logistics”, “Unishippers” and/or other names or successors of these names for use in the business contemplated by this Agreement (“Marks”). The Marks have been registered, may be registered in the future or currently have their registrations pending in various states, before various state agencies and/or on the Principal and/or Supplemental Register of the United States Patent and Trademark Office.

Franchisor has the right to promote and use the Concept and Marks and the right to authorize others, including Franchisee, to promote and use the Concept and the Marks.

Franchisee has applied to Franchisor for one Unishippers National Franchise as described within this Agreement (the “Franchise”) in reliance on the Franchise Disclosure Document provided to the Franchisee by Franchisor. Franchisor has approved Franchisee’s application in reliance on Franchisee's representations that Franchisee has the capacity, organizational ability, marketing experience, facilities, capital and interest to promote the image and goodwill of Franchisor and the Marks. Franchisee also represents and Franchisor relies on the representation that Franchisee meets the standards of performance in areas such as sales, promotion, personnel, training, finances, payment of obligations and other areas, as are set forth in this Agreement.

Franchisee hereby acknowledges that it has read this Agreement and Franchisor's Franchise Disclosure Document and has been given an opportunity to clarify any provision that it did not understand. Franchisee further acknowledges that it understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Franchisor's high standards of quality and service and the uniformity of the System Standards. These standards may be modified from time to time by Franchisor. The Franchisee acknowledges that these standards are reasonable and necessary to protect and preserve Franchisor's goodwill and the goodwill of the Marks.

TERMS OF AGREEMENT

IN CONSIDERATION of the foregoing premises and for other good and valuable consideration, Franchisor and Franchisee agree as follows:

1. Grant, Term and Renewal of Franchise

1.01 Grant and Acceptance

Franchisor grants to Franchisee and Franchisee accepts one Unishippers National Franchise. The Franchise includes:

(a) a license to operate the Franchise, utilize the Marks and Intellectual Property, and promote and use the Concept in conjunction with the operation of the Unishippers Franchise listed on the Summary Page in the continental United States, subject to change as provided herein (“Marketing Area”).

(b) the right to promote and advertise the Franchise Business, and solicit, establish, maintain, service, and collect on Customer Accounts utilizing approved Carriers in accordance with the terms of the Carrier Contracts, subject to the Unishippers Account Protection Policy as it may be updated from time to time;

(c) the non-exclusive right to conduct business as a Unishippers National Franchisee subject to the following exceptions:

(i) the Franchisor’s right to sell Unishippers franchises to others at any location;

(ii) Franchisor’s right to establish, solicit, maintain, service, and collect from potential or actual Customers located anywhere, and to locate other Unishippers Businesses or other businesses of any type at any location;

(iii) Franchisor’s right to develop or become associated with dual branding or similar concepts;

(iv) Franchisor’s right to develop, purchase, merge, or partner with a competing business in the Marketing Area, including, but not limited to, the operations of Unishippers’ affiliates and licensees.

(v) Shipments involving national accounts, third-party billing to customers or similar circumstances, may be credited to another franchisee, licensee, Franchisor or someone Franchisor designates;

(vi) Shipments covered under the then-current form of Unishippers Account Protection Policy, as it may be changed from time to time, may be credited to another franchisee, affiliate, licensee, Franchisor or someone Franchisor designates. A copy of the current policy is located in the Manuals;

(vii) Franchisee’s use of the Internet and other electronic marketing or other methods of distribution of products or services can be restricted by Franchisor, and Franchisor, either directly or through affiliates, licensees, or independent contractors, may sell national accounts;

(viii) Any potential or existing customer of any type can be serviced by Franchisor or someone Franchisor designates if Franchisee is unable or unwilling to service them; and,

(ix) Franchisee agrees that it shall not use the Marks to operate, or otherwise expand its franchise outside of the continental United States without the prior written consent of Franchisor.

All rights accorded under subsections (a), (b), and (c) are subject to the terms and conditions prescribed by this Agreement. Without Franchisor's consent, Franchisee may not establish Customer Accounts for: (i) businesses that are active customer accounts of Carrier(s); or (ii) of another sales and marketing business contracting with Carrier(s); or (iii) any customer of Franchisor's licensees or affiliates including UMS, WWEX, and GTZ, listed in any Unishippers technology systems, from 90 days of the last customer activity, as communicated by Franchisor. Franchisor retains sole discretion and authority to periodically develop rules, policies, and procedures, and to reassign freight customers due to a "channel conflict" with a Carrier's current customer base.

As a National Franchisee, you will have the right to solicit, establish, maintain, service, and collect on customer accounts pursuant to the terms and restrictions of the Account Protection Policy. Specifically, you will be able to establish accounts in the United States pursuant to the terms and restrictions of the Account Protection Policy. You must comply with the Account Protection Policy and set up customer accounts according to its terms, restrictions, and limitations.

1.02 Term

This Agreement is effective when signed by both Franchisor and Franchisee and shall continue for an initial term of five (5) years ("**Initial Term**") or until terminated pursuant to Section 6, whichever occurs first. If Franchisor is required by law to give Franchisee notice prior to the expiration of the Initial Term, and Franchisor fails to do so, this Agreement shall remain in effect from month to month at the then-current Royalty Rates and other monetary obligations until Franchisor has given the required notice or cured the default.

1.03 Renewal

Franchisee shall have the right to renew this Agreement for one additional term of five (5) years ("**Renewal Term**"), provided that the following requirements are met:

(a) Franchisee may not be in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates, and must have complied with all of the terms and conditions of such agreements;

(b) Franchisee must have satisfied all monetary obligations owed by Franchisee to Franchisor, its affiliates, Carriers and other creditors;

(c) Franchisee must have given Franchisor written notice of an election to renew the Franchise and notice of any default by Franchisor not less than one hundred and eighty (180) days nor more than twelve (12) months prior to the end of the term;

(d) Franchisee must agree to adopt the form of Franchise Agreement described in Section 1.04 below;

(e) Franchisee must not have been repeatedly in breach, default or noncompliance (as defined in Subsection 6.04(a)(xv)) under this Agreement or the agreement then in effect between the parties;

(f) Franchisee must meet the Performance Standards of Section 3.03;

(g) Franchisee must be in Good Standing;

(h) Franchisee must be in full compliance with the specifications and standards required for a new Unishippers Franchise Business;

(i) Each year, Franchisee must present the Franchisor with a business plan that includes a basic description of Franchisee's strategy for growing and financing the franchise for the upcoming year, and such other information as may be identified in the Manuals. In addition, Franchisee must submit to Franchisor an updated business plan for the five-year renewal. Franchisor's review of your business plan does not constitute an approval or imply success;

(j) Franchisee and Franchisee's personnel must attend and successfully complete any training, certification, and other program(s) at such times and location(s) as Franchisor specifies. Such trainings will not exceed four (4) times per calendar year;

(k) Franchisee must sign the then-current form of General Release (the current form of General Release is set forth in Attachment "K"); and

(l) Franchisee must provide evidence, to Franchisor's satisfaction, that (i) it is qualified to conduct business in the state(s) where it is organized and in the states(s) in which its office(s) and employees are located, and (ii) it has authority to operate as a freight broker including, but not limited to, a Federal Motor Carrier Safety Administration broker's license, a Unified Carrier Registration permit, and liability insurance as required by the Federal Motor Carrier Safety Administration; and (iii) it has the required insurance as indicated herein.

(m) Franchisee must meet the qualifications to become a Franchisee, including but not limited to passing a background and credit check.

1.04 Terms of Renewal Agreement

Unless expressly stated otherwise by the parties in writing at the time of renewal, the terms and conditions of this Agreement shall continue with the exception that Franchisor may amend the terms and conditions to include different Marketing Fund Contributions, Performance Standards, and adjustments to reflect changes in the number of businesses in the Marketing Area.

1.05 End of Term

Franchisee may execute a new Franchise Agreement on the then-current form, to be effective at the end of the Renewal Term, provided that the following requirements are met:

(a) Franchisee must provide written notice to Franchisor of a desire to execute a new agreement not less than one hundred and eighty (180) days nor more than twelve (12) months prior to the end of the Renewal Term;

(b) Franchisee must comply with all of the requirements listed in Section 1.03, excluding Subsection 1.03(d) for which the requirements of this section are substituted;

(c) Franchisee must sign the then-current form of Franchise Agreement and agree to terminate the previous Franchise Agreement. The financial obligations contained in Section 2.02 and the Performance Standards contained in Section 3.03, including the UPS Revenue Requirements, will however, survive the termination and Franchisee will remain obligated to fulfill these requirements without interruption or reset. The then-current form of the Franchise Agreement may contain terms and conditions materially different from the previous franchise agreement, including, but not limited to, royalty fees, Marketing Fund Contributions, Performance Standards, Marketing Area requirements, and other financial obligations and payment terms to the Franchisor; and

(d) Franchisee must deposit with Franchisor a fee of \$5,000 (the “New Term Fee”) prior to the end of the Renewal Term. Franchisor will deposit the fee and it will be fully earned upon final of the new franchise agreement. If a new franchise agreement is never fully executed for any reason, Franchisor will refund the fee.

Nothing herein extends the Term and the corresponding effective date of the new franchise agreement. There will be no lapse in time between the expiring Franchise Agreement and the new franchise agreement. If Franchisee decides not to enter into a new Franchise Agreement, or if Franchisee does not meet the requirements for a new Franchise Agreement, as noted above, Franchisee may offer its franchise for sale under the provisions of Sections 5.02, 5.03, 5.04 and 5.05 of this Agreement. At the end of the Term, if Franchisee is unable to sell the franchise, the Franchisee will be subject to the provisions in this Agreement, including but not limited to Sections 7.01, for termination of the franchise.

2. Financial Obligations

2.01 Franchise and Other Fees

(a) Franchisee agrees to pay Franchisor the non-refundable Franchise Fee as shown on the Summary Page. The Franchise Fee must be paid by cash or wire transfer upon execution by Franchisee of the Franchise Agreement or by execution and delivery of a promissory note in the form attached hereto as Attachment “M” (“**Promissory Note**”) signed by Franchisee and submitted to Franchisor for approval along with the Franchise Agreement. Payment of the Promissory Note is subject to the Paid Gross Margin Credit (defined below). Interest-only payments are due monthly beginning about ninety (90) days after the Effective Date, and the outstanding principal balance and any accrued but unpaid interest is due and payable on the first to occur of: i) the termination or expiration of the Franchise Agreement if not renewed; ii) the effective date of the renewal of the Franchise Agreement, subject to the term of the Promissory Note being extended by Franchisor to the new expiration date of the Franchise Agreement; or iii) the Closing Date (defined below).

(b) If there is any change of ownership in Franchisee or if Franchisee attempts to transfer any interest in the Franchise within the first two (2) years from Effective Date, and the Franchise is no longer eligible for a discounted franchise fee, the remaining amount of the standard Initial Franchise Fee of \$30,000 is immediately due and payable to Franchisor.

2.02 Royalty Payments

In consideration of the rights granted to Franchisee under this Agreement, Franchisee agrees to pay and deliver to Franchisor, by the fifteenth (15th) day of each calendar month for the month before the preceding calendar month, a royalty fee equal to a percentage of the Gross Profit Margin on all shipments, services and products, whether those of Carrier, Franchisor, Franchisee or any other person or business entity (including but not limited to auditing, consulting, logistics, management and transportation services) sold to Customers and others (the “Royalty Gross Profit Margin”) for the month before the preceding calendar month (“Royalty Payment(s)”) equal to the greater of:

(a) 18.5% of the Gross Profit Margin on all shipments with a weight of 150 pounds or less, plus 15% of the Gross Profit Margin on all shipments with a weight over 150 pounds for services and products, whether those of Carrier, Franchisor, Franchisee or any other person or business entity (including but not limited to auditing, consulting, logistics, management and transportation services) sold to Customers and others for the month before the preceding calendar month;

or

(b) the minimum royalty amount shown on the Summary Page (the “Minimum Royalty Payment”), which includes a monthly Weighted Shipment growth rate of seventeen and one half (17.50) per 4-week month.

The Minimum Royalty Payment shall not apply in any month when the immediately preceding three-month average percentage of minimum monthly shipment count meets or exceeds 100% of the requirement set forth in Section 3.03. There will be no interruption in Minimum Royalty payments for New Term agreements.

2.03 Electronic Funds Transfer

Franchisor pulls Royalty, Marketing Fund contributions, and other amounts due to Franchisor (including, but not limited to, payments to UPS and other Carriers made by Franchisor or Franchisor’s affiliates on Franchisee’s behalf by Electronic Funds Transfer from Franchisee’s banking institution when due, unless Franchisor designates an alternate method of making such payments to Franchisee in writing. Franchisee will also provide reports required by Franchisor electronically, unless Franchisor designates an alternate method of making such reports to Franchisee in writing. All royalty payments will be pulled by Franchisor from Franchisee’s account by the 15th day of the second month following the month in which Gross Profit Margin was generated and/or transactions took place. For example, if a shipment generates gross margin in August, franchisee can access their reports in the CRM system prior to payment of royalties on October 15th.

2.04 Marketing Fund Contributions

Franchisee must contribute 1% of Franchisee’s Gross Profit Margin to the Marketing Fund (the “Marketing Fund Contribution”). Franchisor may increase the Marketing Fund Contribution percentage as outlined below:

Phase 2:	On reasonable written notice	2%
Phase 3:	No sooner than the 13 th month after Phase 2 begins	3%

Marketing Fund Contributions will be calculated and payable the same way and at the same time as Royalty Payments. Franchisee understands that some Unishippers Franchisees may have different Marketing Fund and/or other obligations than those described in this Agreement.

2.05 Late Fees and Interest

Except where prohibited by law, Franchisor charges a late fee of 10% on all carrier payments, Royalty Payments, Marketing Fund Contributions, Technology Fees, CRM Fees, administrative fees, past due invoices, and any other fees owed to us or our affiliates not paid on or before the date due, or returned, disputed or rejected after the due date. Unpaid sums due and owing to Franchisor or its affiliates, whether for carrier payments, Franchise Fees, Royalty Payments, Marketing Fund Contributions, Technology Fees, CRM fees, administrative fees, or other amounts, shall bear interest on the unpaid balance at the lower of 1.5% per month or the highest rate allowed by law in the state in which the Franchise is located from the date such sums became due.

2.06 Application of Payments, Set-Offs

Franchisor can apply any payments received, whether designated as payable to Franchisor, the Marketing Fund, Carriers or otherwise, to any past due amount. Franchisor can set-off against amounts it owes to Franchisee any amounts owed by Franchisee to Franchisor, Carriers, or the Marketing Fund. If Franchisor receives any amounts from any source for Franchisee's benefit, Franchisor can set-off from those amounts any amounts Franchisee owes to Franchisor or the Marketing Fund. Franchisor can retain any amounts received for Franchisee's benefit as a credit and payment against amounts Franchisee owes to Franchisor, Carriers or the Marketing Fund.

2.07 Technology Fees

Franchisor has implemented Customer Relationship Management ("CRM"), Central Billing, and Central Data programs ("CRM or Similar Programs"), and charges a Technology Fee and a User CRM Fee for their use on a per transaction or other appropriate basis. Such fees are intended to cover costs Franchisor incurs to maintain, license, operate and administer such programs, and is payable by Franchisee at the same time as Franchisee's monthly royalty payments. Franchisor may adjust these fees periodically to cover changes in Franchisor's program-related costs. Franchisor may use monthly management reports to determine the number of transactions each month on which the fee may be based.

If Franchisor chooses to deploy any new CRM or Similar Programs, Franchisor will be responsible for development costs, including customization and development of source code, unless otherwise agreed to by the majority vote of the MAC. If the MAC agrees to participate in all or a portion of development costs, the proration of these costs will be binding upon the Franchisee. Franchisee will be responsible for all recurring and licensing costs of the CRM or Similar Programs, as well as hosting costs and costs related to customer set up and maintenance.

2.08 Payment of Debts

Franchisee shall pay promptly when due all amounts billed or otherwise owing to Carriers. Franchisee shall also promptly pay when due, and be solely responsible for, all expenses, costs, taxes, accounts payable and indebtedness of any kind incurred by Franchisee or the Franchise in the conduct of the Franchise Business including, without limitation, the following expenses and costs: living, relocation, transportation, advertising, business cards, clothing and uniforms, telephone and internet, office supplies, utility, office rent, insurance, employee salaries and benefits, and all other obligations or indebtedness. Franchisee shall promptly pay when invoiced amounts owing to Franchisor for carrier payments paid by Franchisor or its affiliates on Franchisee's behalf.

2.09 Insurance

(a) You must maintain in full force and effect throughout the term of this Agreement that insurance which you determine is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of the Franchise and as required by law. In addition to the below, Franchisee shall also maintain Auto Liability insurance as statutorily required for its owned, non-owned, and/or hired autos. All insurance policies shall be issued by companies that are authorized to do business in the applicable jurisdiction and have an A.M. Best rating of not less than A-VII. Such insurance must include, at a minimum, the following:

(i) Commercial General Liability. Commercial General Liability insurance in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate, including coverage for bodily injury, property damage, products and completed operations, personal and advertising injury, and contractual liability. Commercial General

liability coverage must also include coverage for bodily injury or property damage caused by owned, non-owned, and hired vehicles operated by Franchisee, employees, or representatives of Franchisee.

(ii) Employee Insurance. Workers' Compensation insurance as statutorily required in all applicable jurisdictions, and Employer's Liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident, and One Million Dollars (\$1,000,000) per employee per disease. If Franchisee has more than fifty (50) employees, they may be required to provide a health insurance plan pursuant to federal law.

If you arrange truckload shipments, you must also have the following insurance:

(iii) Contingent Cargo Liability. Contingent Cargo Liability insurance in an amount not less than Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence, covering Franchisee's liability for loss or damage to goods in transit arising from its services as a transportation/freight broker. Franchisee's Contingent Cargo insurance policy shall not exclude coverage or limit insurer's liability for losses resulting from an unattended vehicle or from a trailer detached from the power unit, or breakdown or failure of mechanical refrigeration equipment; nor shall it exclude coverage for any commodity or cargo transported by a Freight Carrier or Express Carrier under this agreement.

(iv) Auto and Transportation Liability. Contingent Auto Liability insurance or Transportation Broker Liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident, covering Franchisee's non-owned auto liability for bodily injury, property damage and pollution damages arising from its services as a transportation / freight broker.

(v) Errors and Omissions. Errors & Omissions insurance in an amount not less than One Million Dollars (\$1,000,000) covering damages caused by an error, omission, or negligent acts of Franchisee, its employees, directors, officers, or agents. If coverage is on a claims made basis, Franchisee shall maintain either extended reporting tail coverage or continuous claims made coverage for not less than 24 months following the termination of this Agreement.

(b) Franchisor as Additional Insured. The Commercial General Liability and Contingent Auto Liability policies shall name Franchisor, its employees, directors, officers, and agents as additional insureds, and shall include a severability of interests (cross-liability) provision, for the mutual and joint protection and benefit of both Franchisee and Franchisor. Franchisee's insurance coverage shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Franchisor, its employees, directors, officers, and agents. Any insurance or self-insurance maintained by Franchisor, its employees, directors, or officers shall be excess of Franchisee's insurance and shall not contribute with it in any way.

(c) Beneficiaries. All policies shall contain a provision that Franchisor, although named as an additional insured, shall nevertheless be entitled to recovery in the event of a third party claim under the policies for any loss, injury or damage to Franchisor, its members, officers, directors, employees, agents, salespersons, account enrollment executives, other distributors, dealers and similar persons by reason of the negligence of Franchisee.

(d) Proof of Insurance. The required insurance coverage must commence as of the date the Franchise Agreement is signed. You must deliver to us at commencement and thereafter annually or at our request a proper certificate, endorsement, or other documentation as we require evidencing the existence of such insurance coverage and your compliance with the provisions of this subparagraph, which shall designate the name and address of the issuer, the policy number, amount, and provisions thereof. All policies shall contain a provision that the policy shall not be canceled, terminated, or materially and adversely modified without at least thirty (30) days prior notice from the insurance company to Franchisor. Franchisee

agrees that, at least ten (10) days before the expiration of any insurance policy, Franchisee shall deliver to Franchisor written evidence that the policy has been renewed or a certificate of coverage from another company. Franchisee's certificates of insurance shall be provided on an ACORD form. If you arrange truckload shipments, it shall include the following statement in the Description of Operations: "Contingent Auto Liability Insurance or Transportation Broker Liability Insurance and Errors and Omissions coverage evidenced above specifically applies to Franchisees operations and activities as a Transportation/Freight Broker."

(e) Subrogation and Claims. All policies required by this Agreement shall provide that the insurance companies waive subrogation or consent to waiver of right of recovery against Franchisor, and Franchisee does hereby agree that it shall not make any claim against Franchisor to recover any loss or damage covered by insurance. Franchisee shall notify Franchisor of any and all claims or demands against Franchisee, its officers, directors, members, employees, agents, sales persons or other persons and Franchisor within three (3) days of Franchisee receiving actual notice of any such claim or demand. Franchisee agrees to respond to all claims within the time required by law, rule, or regulation.

Franchisor, at its option, may make any necessary payments to keep any insurance required under this Agreement in force if Franchisee fails to do so, and Franchisee shall immediately reimburse Franchisor for such payments. Franchisee's obligation to carry insurance shall not be reduced because of any insurance Franchisor may carry, nor shall any insurance carried by Franchisee relieve Franchisee of liability under the indemnity provision in Section 2.10.

(f) Changes in Requirements. We may modify the required minimum limits from time to time and by written notice to you, as conditions require, to reflect changes in relevant circumstances, industry standards, experiences in the system, standards of liability and higher damage awards. You must participate in any future insurance plan we establish for the benefit of the System and pay all required premiums due unless we agree otherwise in writing.

You acknowledge that these minimum insurance requirements do not constitute advice or a representation that such coverages or minimum limits are necessary or adequate to protect you from losses in connection with the Franchise. Nothing in this Agreement prevents or restricts you from acquiring and maintaining insurance with higher policy limits or lower deductibles than we require. Franchisee agrees that the insurance limit amounts do not limit Franchisee's responsibilities and liabilities under the Franchise Agreement. We strongly encourage you to obtain cyber insurance in all cases, and contingent cargo liability insurance regardless of whether you arrange truckload shipments.

2.10 Indemnification

Except as provided below, Franchisee agrees to indemnify and hold Franchisor, its officers, directors, members, employees, parents affiliates and subsidiaries, harmless from all expenses, fines, suits, proceedings, claims, losses, damages, liabilities or actions of any kind or nature, including, but not limited to, costs and attorneys' fees (collectively, "Damages"), arising out of or in any way connected with the operation, conduct or business of Franchisee, including, but not limited to, any Damages arising out of or connected with Franchisee's breach of its obligations under this Agreement or to any Carrier. Franchisee further agrees that if Franchisor or its parents, affiliates or subsidiaries are made a party to a lawsuit or other legal action in connection with the activities of Franchisee or Franchisee's officers, directors, members, employees, agents or similar persons, then, at the option of Franchisor, Franchisor may tender the defense or prosecution of the case to Franchisee who shall be responsible for diligently pursuing the case or action at Franchisee's expense, or Franchisor may hire counsel directly to protect its respective interests and bill Franchisee for all costs and attorneys' fees incurred in connection therewith, in which case Franchisee shall reimburse promptly the billing party for all such costs and expenses incurred.

2.11 Administration Group

Franchisee must enter into an agreement with an approved Franchise Administration Group (“Admin Group”) to perform all billing and collections functions each month (“Administrative Services”) in accordance with Franchisor’s then-current requirements. With Franchisor’s prior written approval and after completing all required training to Franchisor’s satisfaction, Franchisee may perform its own Administrative Services in accordance with Franchisor’s then-current requirements. If an Admin Group manages Franchisee’s accounts receivable, then Franchisee agrees to sign a 3-Way Admin Group Agreement which will also be signed by Unishippers, and the Admin Group, wherein Franchisee grants authority to any officer of Unishippers to redirect, provide a new forwarding address, or otherwise take possession of all accounts receivable receipts.

Upon any uncured default of any of Franchisee’s payment obligations under this Franchise Agreement, including, but not limited to, any payment obligation to Carrier(s), vendors or Franchisor, Unishippers shall have the right to immediately take control and redirect all accounts receivable and apply all funds contained therein and that later flow into the accounts receivable to any such payment obligations. Any and all fees associated with using an Admin Group shall be borne exclusively by Franchisee.

2.12 Accounts Receivable

If Franchisor has given its written approval for Franchisee to perform its own Administrative Services, Franchisee agrees to establish and maintain a mechanism, as directed by the Franchisor, for Franchisor to take receipt of all payments from Franchisee’s customers. Upon any uncured default of any of Franchisee’s payment obligations under this Franchise Agreement, including, but not limited to, any payment obligation to Carrier(s), vendors, or Franchisor, Franchisor has the right to immediately take control of all accounts receivable. Any and all fees associated with such mechanism shall be borne exclusively by Franchisee.

2.13 Security Interest

Franchisee grants Franchisor a first priority security interest in Franchisee's billings to Customers and accounts receivable associated therewith and all products and proceeds thereof (“Customer Billings”), for the purpose of (i) satisfying Franchisee's obligations under this Franchise Agreement; and (ii) Franchisee’s obligation to pay Carrier(s), Franchisor and its affiliates; and (iii) all fees and costs incurred by Franchisor in pursuing any actions or activities to enforce Franchisee’s obligations under this Agreement and obligations to pay Carrier(s), Franchisor and its affiliates. Franchisee authorizes Franchisor to file a financing statement with regard to the Customer Billings, or amendments to such financing statement, without the necessity of obtaining an additional signature from Franchisee. If Franchisee does not pay Carrier(s), Franchisor or its affiliates within the terms of this Agreement and the terms of the Carrier Contract(s), Franchisee will send the Franchisor all associated Customer files so that the Franchisor may bill and collect on Customer Billings until the amount due from Franchisee to the Carrier(s), Franchisor and its affiliates are satisfied and any costs and fees of Franchisor in billing and collecting are satisfied, without the necessity of foreclosing on Franchisor’s security interest. Franchisor may request that Carrier(s) send all billings, invoices, correspondence and other documents that relate to the Franchise directly to Franchisor. Franchisee shall execute all documents necessary to perfect and renew Franchisor's first priority security interest in Franchisee’s unpaid Customer Billings including, but not limited to, the Uniform Commercial Code Financing Statement (“UCC-1”) and any and all documents reasonable and necessary to perfect Franchisor's senior secured interest in payments to Carrier(s).

3. Operations and Procedures

3.01 Compliance with Standards

Franchisee shall comply with the Manuals and any amendments thereto. Franchisee agrees to fully comply with all specifications, standards, operating procedures and rules from time to time prescribed by Franchisor for the Franchise, including without limitation, specifications, standards, operating procedures and rules

relating to: (a) specific requirements of a Carrier; (b) performance guidelines, goals, and training; (c) the safety, function, and operation of the Franchise; (d) representations, statements, warranties, and guarantees regarding services and products offered by the Franchise, Franchisor, Franchisee or Carriers; (e) qualifications of Franchise personnel that deal with the public; (f) hours of business; (g) advertising, promotion, use of sales literature, marketing techniques, collections, and other practices; (h) use of forms and reports; (i) the handling of Customer and Carrier complaints; (j) computer hardware and software requirements; and (k) the posting of signs identifying Franchisee as the owner of the Franchise. No such specification, standard, operating procedure or rule may alter Franchisee's fundamental status and rights under this Agreement.

All specifications, standards, operating procedures, and rules are designed to help the Franchisee in the development of the System as deemed prudent and appropriate by the Franchisor. Without limiting the foregoing, Franchisee agrees that, upon notice from Franchisor, Franchisee shall immediately take all steps necessary to correct any deviation from the specifications, standards, operating procedures, and rules for the Franchise.

In accordance with such standards and operating procedures, unless Franchisee has the written consent of Franchisor, Franchisee may not establish Customer accounts for businesses that are active customer accounts of Carrier(s) or of another Sales and Marketing business contracting with Carrier(s) as defined in the Carrier Contract(s), including our affiliates. Similarly, Franchisor may, in its sole discretion, direct Franchisee in an effort to maintain or restore good relationships with Carrier(s) to (i) stop pursuing or selling to any particular Customer or potential customer, and/or (ii) stop selling some or all Products or Services to any particular Customer.

Additionally, from time to time, Franchisor may offer certain programs or services that are optional, for example, telemarketing or factoring services. These services are operations and sales tools intended to assist Franchisee in running its Franchise. Certain fees apply to these optional services as set forth in the respective agreements and as may be established by Franchisor from time to time.

3.02 Operations Manual

Franchisor will prepare and make available to Franchisee one or more Manuals containing mandatory and suggested specifications, standards, operating procedures, and rules prescribed from time to time by Franchisor and information relative to other obligations of Franchisee hereunder and the operation of the Franchise. Some or all of the Manuals may be made available on the website that is for use by Unishippers franchisees. Franchisee agrees to operate the Franchise in compliance with the Manuals, as amended from time to time.

The entire contents of the Manuals shall remain confidential and the property of Franchisor. Franchisor shall have the right to add to and otherwise modify the Manuals from time to time if deemed necessary by Franchisor to improve the standards of service or product quality or the efficient operation of the Franchise, and to protect or maintain the goodwill associated with the Marks or to meet competition. Additions and modifications to the Manuals may be made available electronically or in any other format.

3.03 Performance Standards

Along with the other requirements of this Agreement, Franchisee must achieve and maintain the following Revenue Requirements (hereinafter referred to as the "Performance Standards"):

(a) UPS Revenue Requirements. The Franchise must meet or exceed the then-current UPS Revenue Requirements. The then-current UPS Revenue Requirements are posted on SupportNet (or its equivalent) and are updated annually.

(b) Adjustment of Performance Standards and Marketing Area. To respond to competitive challenges, Carrier requirements, and business opportunities, and appropriately position the Unishippers System, Franchisor has the right, according to reasonable business practice, to change Performance Standards at any time on notice, based on substantial and material changes in competitive circumstances, requirements of Carriers, or Franchisor's business model, , notwithstanding any provisions to the contrary in this Agreement.

(c) Under-Performing Franchises. If you fail to meet the Performance Standards set forth in this Section, you will be in material default of the Franchise Agreement.

3.04 Promotion

(a) Promotion by Franchisee. Franchisee agrees to conduct its business ethically, in good faith, and in a manner that will promote good relations with potential and existing Customers and with Carriers. Franchisee agrees to use its best efforts to promote, advertise, solicit, establish, maintain, service, and collect on existing and potential Customer Accounts and to promote the Concept in conjunction with the operation of the Franchise within the Marketing Area. Franchisee will accurately and truthfully characterize, promote, and market the services and products provided by Carriers, Franchisor and Franchisee as detailed in literature provided by Carriers or Franchisor. Franchisee will not make any representations, statements, warranties or guarantees in conflict therewith or in addition thereto. If Franchisee makes any representations, statements, warranties, or guarantees in conflict with or in addition to those provided in such literature, Franchisee shall be solely responsible for any resulting liability and shall reimburse, indemnify and hold Franchisor harmless for any losses, costs, expenses, attorneys' fees, or other liabilities incurred by Franchisor with respect thereto. Additionally, such representations, statements, warranties, or guarantees is a breach of this Agreement under Section 6.04(a)(iv), below.

Subject to Franchisor's discretion, Franchisee agrees to utilize, where possible, the promotional materials prepared and/or furnished by Franchisor, if any, as part of Franchisee's promotion program, and to make sales literature furnished by Franchisor available to potential Customers.

Franchisee agrees to provide maximum market coverage and service on a continuing basis on existing and potential Customer Accounts and to abide by professional and ethical standards as defined by the industry and Franchisor. Franchisee shall not engage in any action or conduct nor make any representations which misrepresent, defame, or belittle Franchisor or Carriers.

(b) Promotion by Franchisor. Franchisor agrees to do the following:

(i) Franchisor will organize and host a national or regional conference and sales meeting at least every other year that is designed for Franchisees and Franchisee's sales representatives that may include training, presentations from carriers and entertainment. These conferences will be scheduled as Franchisor, in its sole discretion, deems necessary and appropriate, including virtually.

(ii) Franchisor will provide various means of communication intended to facilitate communication of information and input. Such means of communication may include: (a) email and an intranet containing information and updates pertaining to products, services and general business information; (b) such other support by trained employees as Franchisor may find to be appropriate to assist Franchisee in capturing business, resolving billing issues, negotiating rates, facilitating sales and product training, etc.; (c) digital and printed marketing programs and materials produced and made available to franchisees.

3.05 Promotion of Other Services or Products

Franchisee agrees that unless otherwise authorized in writing by Franchisor, throughout the term of this Agreement, neither Franchisee, its officers, directors, members, employees, agents, salespersons, or similar persons shall directly or indirectly promote, market or sell to Customers other services or products, whether those of Carrier, Franchisor, Franchisee or any other person, business or entity, other than the services and products as provided in this Agreement.

3.06 Proper Authority

Franchisee covenants, promises, represents, and warrants that it has legal rights in the form of licenses, permits, certificates and other authority, permitting it to perform any and all activities, rights and privileges described or contemplated under this Agreement and that it is duly authorized to execute this Agreement.

3.07 Laws and Licenses

Franchisee shall comply with all applicable federal, state, and local laws, rules, ordinances and regulations, including, without limitation, obtaining and maintaining authority to transact business within a specified jurisdiction, including, but not limited to the jurisdiction of Franchisee's organization or residence, and all governmental regulations relating to interstate commerce, shipping, franchising, solicitations and sales, privacy, marketing, advertising, packaging, labeling, occupational hazards and health, consumer protection, unfair and deceptive practices, trade regulation, worker's compensation, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes, sales and use taxes, property taxes, and other taxes and obligations.

Franchisee specifically agrees to furnish Franchisor immediately with copies of all reports or warnings issued by any governmental agency or official which reflect or indicate Franchisee's noncompliance or less than full compliance with any applicable law, rule, or regulation. Franchisee agrees to indemnify and hold Franchisor harmless for any costs or liability that may result from a violation of this Section by Franchisee, including, but not limited to, reasonable attorneys' fees and disbursements incurred in defending any civil, criminal, or administrative action brought against Franchisor, its officers, directors, members, employees, or agents due to violation of this Section.

3.08 Time Devoted to Performance of Duties

During the term of this Agreement, Franchisee or the designated manager shall devote their full time, attention and energies to the performance of its duties under this Agreement. Franchisee understands and agrees that the Franchise has been granted based on such commitment by the Franchisee and that the possible success in the Unishippers Business is largely a function of the time, skill, and energy the Franchisee or designated manager devotes to such active and continuous direct sales solicitation and marketing activities.

3.09 Personnel

(a) Franchisee shall employ or contract with trained and competent sales personnel (which may include Franchisee) who are familiar with the features and advantages of the services and products offered by Franchisor, Franchisee, and the Carriers, and can effectively demonstrate and explain such features and advantages to potential Customers.

(b) Franchisee shall require that its sales personnel attend training sessions provided by Franchisor in accordance with training standards and procedures prescribed by Franchisor and training sessions provided by Franchisor (when and if the Franchisor requests their attendance). Currently, there is no additional fee for such training, although Franchisor has the right to charge a fee for such training in the future. Personnel attending training sessions provided by Franchisor must complete such training to the satisfaction of Franchisor.

(c) Franchisee shall be responsible for reasonable travel expenses, living expenses, compensation, and other expenses incurred by such personnel during such training. Franchisee agrees that all such personnel that deal with the public shall observe the highest standards of professionalism, prompt service and courtesy to existing and potential Customers and shall be attired as designated in the Manuals. Franchisee is solely responsible for all employment decisions with respect to its Personnel, including; hiring, firing, compensation, training (beyond that offered by Franchisor), supervision, and discipline.

(d) Except as otherwise authorized in writing by Franchisor, Franchisee shall enter into a written agreement with each of its officers, directors, members, employees, agents, salespersons, and similar persons which provides for termination of the business relationship relating to the Franchise upon termination of this Franchise Agreement. Franchisee shall also prohibit each of the persons stated above from selling or promoting the sale of services or products to Customers or potential Customers other than those services and products offered by Franchisee, Franchisor or Carriers as contemplated in this Agreement.

(e) Prior to Franchisor granting access to Unishippers.com, Unishippers software, Unishippers proprietary information, and/or Unishippers marketing information, Franchisee will require each of its officers, directors, members, managers, employees, agents, salespersons, and similar persons involved in the management or operation of the franchise to:

(i) execute the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement, copies of which are attached to this Agreement as Attachments “G”, “H” and “I” and incorporated by reference, or forms thereof that are appropriate in the jurisdiction of Franchisee’s Marketing Area.

(ii) execute the then-current Franchisee Terms and Conditions for Offering UPS Products attached to this Agreement as Attachment “F” and incorporated by reference, before performing any duties for or otherwise having access to, the Unishippers proprietary and marketing information.

Franchisee agrees to deliver to Franchisor a copy of these agreements within one week of execution, or upon the request of Franchisor. Persons performing enrollment of customers and similar functions for Franchisee shall be considered agents and salespersons of Franchisee for all purposes of this Agreement.

(f) Franchisee agrees to employ, or contract with and maintain, at least one salesperson. The salesperson must be trained and operate full-time within three (3) months of the date of the Franchise Agreement. The Franchisee may be considered the full-time salesperson if they function in that capacity. The salesperson must meet the criteria in the Manuals to qualify.

3.10 Management

If Franchisee is a partnership, corporation, or other business enterprise, Franchisee agrees that a specific individual shall be the designated manager of the Franchise. If Franchisee is an individual, Franchisee shall manage the Franchise themselves or appoint a designated manager. The manager shall be considered an officer of the Franchisee for purposes of this Agreement. The Franchise shall be under the direct supervision of Franchisee or a designated manager:

(a) who shall have completed, to the reasonable satisfaction of Franchisor, such training as Franchisor shall reasonably specify;

(b) whose identity has been disclosed in writing to, and approved by, Franchisor; and

(c) who has executed the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement (Attachments “G”, “H” and “I”), or a form thereof that is appropriate in the jurisdiction of Franchisee’s Marketing Area, and the Franchisee Terms and Conditions for Offering UPS Products (Attachment “F”).

Franchisee must carefully monitor and be responsible for the performance of any designated manager. The appointment or change of the designated manager is subject to the prior written approval of Franchisor. The Franchisee and manager (if the manager is directly supervising the Franchisee) shall attend and complete training programs where, when and for the duration the Franchisor shall reasonably require. Training must be completed to the reasonable satisfaction of the Franchisor. Currently, no additional fee is charged for this training, although Franchisor may charge such fees in the future. Franchisee shall be responsible for travel expenses, living expenses, compensation and other expenses of the Franchisee and/or manager incurred during the training programs.

3.11 Non-Disparagement

Franchisee and Owners agree that they will not, in any way, disparage, discredit, defame, or belittle UPS, any Carrier, Franchisor, GTZ, Worldwide Express or any of their respective parents, affiliates, subsidiaries, current or former executives, officers, directors, members, employees or agents, or any current or former franchisee in the Unishippers System, or their respective operations, practices, procedures, services, or personnel in communications, whether written or verbal, with any person or entity; provided however, that making reasonable observations regarding challenges in the Unishippers System and/or suggestions as to improvements to any operations, practices, procedures, or services for the benefit of Franchisee or the Unishippers System shall not be prohibited by the foregoing. Franchisee’s and each Owner’s obligations with regard to non-disparagement extend to, but are not limited to, disparaging (1) text messages, (2) email communications, and (3) comments or postings on blogs, comment boards, or any social media or networking website, including, but not limited to, Facebook, X (formerly, Twitter), Instagram, and/or LinkedIn.

3.12 Marketing Fund

(a) Creation, Contributions, and Budgets. Franchisor has established an advertising, publicity, and marketing fund (the “Marketing Fund”) to develop awareness of the Unishippers® brand and to promote the Unishippers Franchise Businesses. Franchisor will present consecutive 12-month (the “Annual Period”) budgets for Marketing Fund expenditures to the Marketing Advisory Council (the “MAC”) for its approval, which it cannot unreasonably withhold. Franchisee’s obligation to make contributions to the Marketing Fund will not be dependent on Franchisor receiving that approval.

The costs of Franchisor’s administrative staff, overhead, general and administrative expenses related to the Marketing Fund charged to the Marketing Fund by Franchisor will not exceed 20% of Marketing Fund income during each Annual Period. The MAC may approve higher limits at any time. In any case, there is no limit on costs for services and products provided by third-party Vendors.

The Marketing Fund will not be used to fund advertising for sale of Unishippers franchises (unless approved by a majority of the MAC), but a brief statement regarding availability of information on the purchase of Unishippers franchises may be included in advertising and other items produced and distributed using the Marketing Fund. General categories of proposed marketing expenditures will be discussed with the MAC for their review and input. In consultation with the MAC, Franchisor may change or eliminate the Marketing Fund in the future on written notice. If that occurs, any funds remaining in the Marketing Fund would be spent on marketing initiatives benefiting the Unishippers System.

(b) Expenditures and Administration. Franchisor accounts for the Marketing Fund separately from Franchisor’s other funds. Franchisor can spend in any fiscal year an amount greater or less than the

contributions to the Marketing Fund in that year, and the Marketing Fund can borrow from Franchisor or other lenders. The Marketing Fund can invest any surplus until used. Franchisor will prepare annual financial statements by May 1st of the following year for the Marketing Fund annually and furnish them to the MAC and the Franchisee if Franchisee requests a copy in writing. Franchisor may request an audit of the Marketing Fund, but the Marketing Fund will pay the costs of any such audit.

Franchisee will participate in all marketing programs instituted by the Marketing Fund or Franchisor. Franchisee can set its own prices, but Franchisor can, to the greatest degree permitted by law, specify maximum prices above which Franchisee will not provide any products or services. Franchisee will honor all coupons, price reduction, and other promotions/programs as directed by Franchisor. If the Marketing Fund provides Franchisee with marketing, advertising, and promotional materials for distribution by Franchisee, Franchisee will properly distribute them and pay costs of distribution.

Franchisor is not obligated to ensure that expenditures by the Marketing Fund are or will be proportionate or equivalent to contributions to the Marketing Fund by Franchisees operating in any geographic area, or that any Franchisee will benefit directly or in proportion to its contribution to the Marketing Fund. Franchisor's management of the Marketing Fund will not create a "trust", "fiduciary relationship" or similar special arrangement between Franchisor and Franchisee.

(c) Local Marketing. Prior to using them, Franchisee must submit samples of all advertising and promotional materials and programs to Franchisor, as Franchisor directs or as required by the Manuals, for Franchisor's review and consent.

All use of the Internet, or other electronic media by Franchisee in connection with the Franchise Business will be as specified by Franchisor, and Franchisor can condition or prohibit any use of the Internet, or other electronic media. Franchisor can require that all use of the Internet, or other electronic media be through Franchisor, using an Internet/Intranet Service Provider selected by Franchisor and that all pages be accessed only through Franchisor's "home" or other page and meet Franchisor's design and other specifications. The Franchisor owns and will control all URLs. Franchisee shall not use an email address or domain in conjunction with the Franchise Business other than Unishippers.com or as otherwise directed in writing by Franchisor. Any request for use by Franchisee of the Internet or any other electronic media, including social media, in Franchisee's Unishippers Business must be submitted in writing to Franchisor for Franchisor's prior review and consent.

(d) Marketing Advisory Council. Franchisor will periodically meet with the MAC to receive input and advice regarding the management of the Marketing Fund and related matters. Approval by a majority of the MAC will be binding on Franchisee, whether or not Franchisor was required to obtain MAC approval. With input from the Chairman of the MAC, Franchisor will appoint the members, who must be Franchisees in Good Standing, or persons designated by Franchisees in Good Standing. Franchisor will give due consideration to all input from the MAC, but such input will not be binding on Franchisor except as provided for in Section 3.12(a). Non-approval by the MAC on any particular matter will not result in any presumption that Franchisor's decision or action on any such matter was or would be inappropriate or inconsistent with this Agreement. Franchisor will have the right to approve the MAC bylaws and will be a non-voting member of MAC.

3.13 Technology/ Systems/ Programs

Franchisee will participate in any technological programs or systems that Franchisor chooses to implement, including, but not limited to, the designated CRM system, currently myUnishippers, and/or other central billing/central data programs and other programs and systems (for example Aljex, Triumph Pay, TMS, Salesforce) and Unishippers.com. Franchisee will cooperate fully with Franchisor to assist in the

implementation and maintenance of such programs or systems by complying with any standards or specifications established by Franchisor and by providing Customer information, transactional data, or any other assistance that Franchisor may reasonably request. Franchisor will operate these programs and systems with the goal of conducting them in an effective and efficient manner, but Franchisor will not be liable to Franchisee for any failure to receive or any delay in the receipt of, payments from Customers, or for any errors in billing, carrier invoicing delays, or carrier remittance issues (except that Franchisor will use reasonable efforts to correct any such errors, relays, and issues). Similarly, Franchisor will not be liable for any cyber-attacks, system outages, system unavailability or system errors, but will make reasonable efforts to correct, or cause to be corrected, such issues as soon as Franchisor becomes aware of them.

3.14 Supplies and Samples

Franchisee shall be solely responsible for obtaining and timely paying for all supplies, samples, inventory, products, materials, and other items needed for operation of the Franchise, and shall do so in accordance with written guidelines, if any, established by Franchisor and in conformance with all Carrier Contracts.

3.15 Reports, Records and Bookkeeping

Franchisee shall establish a bookkeeping and record system as prescribed in the Manuals. Franchisee shall accurately complete such reports and forms as shall be prescribed by Franchisor in the Manuals. Franchisee shall deliver all reports, forms, and records to Franchisor on or before the dates and to the places specified by Franchisor. Franchisee shall utilize the reporting periods and methods prescribed by Franchisor in reporting financial and other information to Franchisor. The Franchisee shall deliver to Franchisor such reports as may be required in the Manuals at the times specified therein.

3.16 Notices

All notices required or permitted to be given or made under this Agreement must be made in writing and delivered by e-mail with delivery receipt, by overnight carrier, or in person. Notices e-mailed or sent overnight shall be addressed to the parties as their addresses on the Summary Page, except that if written notice of a change of address is given by one party to the other, then such notices e-mailed or sent overnight shall be addressed to the party in question at such new address.

3.17 Inspections

To determine whether Franchisee is complying with this Agreement, Franchisor or its designated representative shall have the right at any time during reasonable business hours and without prior notice to Franchisee to inspect the Franchise, the offices, places of business and assets, and all business records, including, but not limited to, all computer drives and electronic storage devices of any kind, sales reports, billings, account records, Customer lists, potential Customer lists, shipping documents and information, financial statements, tax returns, purchase orders, invoices, payroll records, check stubs, tax records and other records and documents of all types of the Franchise and Franchisee, and to take a physical inventory of the assets of the Franchise. Such inspections shall be made at Franchisor's expense; provided that if Franchisor is required to make two (2) inspections in connection with Franchisee's failure to comply with this Agreement, Franchisor shall have the right to charge Franchisee for the costs of making all further inspections in connection with such failure to comply, including, without limitation, the travel expenses, room, board and compensation of Franchisor or employee or agent of Franchisor conducting such inspection.

3.18 Audits

Franchisor or Franchisor's designee shall have the right to audit and copy or cause to be audited or copied all business records in whatever form (whether electronic, paper or otherwise), including, but not limited to, sales reports, other reports, billings, account records, Customer lists, potential Customer lists, shipping documents and information, financial statements, tax returns, purchase orders, invoices, payroll records, check stubs, tax records, reports, statements and returns required under Section 3.15, and other records and documents of all types of the Franchise and Franchisee. For this purpose, all such business records shall be

made available to Franchisor or Franchisor's designee upon request. If Franchisee is a partnership, limited liability company, or corporation, all records and income tax returns of the partners, members, shareholders or corporate officers pertaining to the Franchise shall also be made available to Franchisor or Franchisor's designee upon request.

If any such audit discloses an understatement of the Gross Sales Volume of the Franchise for any period or periods, Franchisee shall pay to Franchisor within two (2) days after receipt of the audit report, the appropriate Royalty, Marketing Fund Contributions, and any other assessments, based on the items which are changed by the audit, including any interest or late payments which may apply. Furthermore, if such understatement for any period or periods shall be one percent (1%) or more of the Gross Sales Volume of Franchisee for such period or periods, Franchisee shall reimburse Franchisor for the cost of such audit, including without limitation the travel expenses, room, board, and compensation of Franchisor or agent of Franchisor conducting such audit.

3.19 Variances

Franchisor may approve exceptions or changes from the uniform standards that Franchisor, in its sole discretion, believes necessary or desirable under particular circumstances. Franchisee understands that it has no right to object to or obtain such variances, and that any exception or change from the uniform standards for Franchisee's activities must be approved in advance by Franchisor in writing.

3.20 Carrier Contracts

Franchisor will give its reasonable efforts in obtaining competitive business terms from all Carriers with whom it deals. Franchisor can designate new Carriers or change Carriers at any time. Franchisor may utilize its affiliates to provide Carrier services and contracting.

Franchisee will deal only with approved Carriers, and obtain, use, sell or deal with other services and products only from Vendors approved by the Franchisor. Evaluation of proposed Carriers or Vendors will be based on a cost, qualifications, and performance basis. Franchisee agrees that it will not use the products or services of a Carrier or Vendor if Franchisor determines that the products or services do not meet the required specifications and standards. The Carrier and Vendor qualification process and criteria are described in the Manuals.

Franchisee will act in accordance with the Carrier Contracts that the Franchisor or its Affiliates has or may sign in the future. Franchisee will also act in accordance with all requirements, procedures, rules, etc. promulgated by any Carrier. Franchisee shall also pay all billings and invoices from Carriers within the time required, and in the manner prescribed, by the Carrier Contract(s) or by Unishippers. Franchisee agrees not to take any legal or other action against or with respect to any Carriers or Vendors without Franchisor's prior written approval, which may be granted, denied, or conditioned as deemed appropriate.

3.21 Training for Franchisee

If Franchisee is a partnership, corporation or other business enterprise Franchisee agrees that at least one owner of Franchisee who has an ownership interest in said partnership, corporation, or other business entity of 5% or more, except limited partners in a limited partnership, will attend all training sessions at the request of the Franchisor where, when, and for the duration the Franchisor reasonably designates. Franchisee shall also be responsible for travel expenses, living expenses, compensation, fees to cover the cost of training (e.g., food, meeting space, etc.) and other expenses incurred by such persons during such training. Franchisor currently does not charge for any training program, but may do so in the future. Franchisees and their designated managers attending training sessions provided by Franchisor must complete all such training to the reasonable satisfaction of Franchisor.

If there is no ownership over 5% by any persons, the business enterprise will appoint a designated manager, as approved by Franchisor, who must meet this training requirement.

3.22 Conferences, Mandatory Attendance

Franchisor will present national or regional conferences and other meetings, at least every other year, for all Franchisees in locations selected by Franchisor. Franchisee's attendance at the Unishippers Conference and Sales Meeting is mandatory. If Franchisee is not active in managing the Franchise, the designated manager of the Franchise is required to attend on the Franchisee's behalf. Franchisee will be allowed one (1) unexcused absence from required meetings in each 36-month period. Franchisee will not be required to attend more than two (2) meetings in any 12-month period. If unforeseen events make it impossible or impractical to attend a required meeting, Franchisor may excuse Franchisee from attendance on a case-by-case basis as Franchisor determines to be appropriate. If Franchisee fails to attend mandatory meetings, Franchisor charges a \$1000 non-attendance fee unless the absence is excused by Franchisor in advance.

4. Protection of Rights and Information

4.01 Ownership of Marks

Except as otherwise provided in this Agreement, nothing in this Agreement shall be construed as an assignment or grant to Franchisee of any right, title or interest in or to the Marks, Franchisee agrees and understands that all rights relating thereto are reserved by Franchisor. Franchisee recognizes the great value of the goodwill associated with the Marks and acknowledges that the Marks and all rights therein and goodwill pertaining thereto belong exclusively to Franchisor, and that the Marks have a secondary meaning in the minds of the public.

Franchisee agrees to use each Mark in full compliance with rules prescribed from time to time by Franchisor. Franchisee agrees that its use of the Marks shall inure to the benefit of Franchisor and that Franchisee shall not at any time acquire rights in the Marks by virtue of any use of the Marks. Franchisee shall not use any Mark as part of any corporate or other name, while this Agreement is in effect and after its termination, except as Franchisor may consent in writing, whether with any prefix, suffix or other modifying words, terms, designs or symbols, nor may Franchisee use any Marks in connection with the sale of any unauthorized product or service or in any other manner not explicitly authorized in writing by Franchisor. Any consent or authorization given under the preceding sentence shall be deemed revoked upon termination of this Agreement. Franchisee agrees that it will not, while this Agreement is in effect and thereafter, attack the title or any rights of Franchisor in and to the Marks, or attack the validity of this license for the use of the Marks or do anything which would jeopardize or diminish Franchisor's rights to, or the value of, the Marks.

4.02 Protection of Marks

Franchisee shall immediately notify Franchisor of any infringement of or challenge to Franchisee's or Franchisor's use of any Mark or claim by any person of any rights in any Mark. Franchisor shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation or Patent and Trademark Office or other proceeding arising out of any such infringement, challenge, claim or otherwise relating to such Marks. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary or advisable to protect and maintain the interests of Franchisor in any such litigation or Patent and Trademark Office or other proceeding or to otherwise protect and maintain the interests of Franchisor in the Marks.

4.03 Use of Marks

(a) Franchisee agrees that during the term of this Agreement the Franchise shall be operated under the name used in the Marks and that all signs and advertising shall prominently display the Marks.

All printed materials used by Franchisee in the operation of the Franchise must be approved in writing by Franchisor prior to distribution or other use of these materials.

(b) Franchisee shall use the Marks only with the services offered in the Franchise Agreement. The nature and quality of all services rendered by Franchisee in connection with the Marks shall conform to standards set by and be under the control of Franchisor, with said standards being furnished to Franchisee by Franchisor, its representatives or agents, from time to time. Franchisor shall be the sole judge of whether or not Franchisee has met or is meeting the standards so established.

(c) Franchisee shall:

(i) cooperate with Franchisor in facilitating Franchisor's control of such nature and quality;

(ii) permit inspection of their operations by Franchisor, its representatives, agents, or designees at regular business hours;

(iii) supply Franchisor with specimens of all use of the Marks, including literature, brochures, signs, advertising, web sites, and internet advertising and other such materials or electronic representations without charge; and

(iv) obtain the approval of Franchisor with respect to all such specimens prior to use. Franchisee shall comply with all applicable laws and regulations, including notice and markings requirements, and obtain all appropriate government approvals pertaining to the sale, distribution and advertising of services bearing the Marks.

(d) Franchisee shall use the Marks only in the form, style, color, design, and manner and with appropriate legends and notices as prescribed from time to time by Franchisor, and shall not use any other service mark, trademark, trade name, logo, design, slogan or other mark in combination with any of the Marks without Franchisor's prior written approval.

(e) The Franchisee agrees not to use "Unishippers Global Logistics" or "Unishippers" or any part thereof as any part of its company or other name. All other fictitious names or additional geographical designations used in conjunction with "Unishippers" must be approved in writing by Franchisor prior to use. In conjunction with the Marks, Franchisee's own name must be displayed conspicuously on all licenses and permits required for the operation of the Franchise, on all tax returns, on all stationery and business cards and on all contractual agreements entered into by Franchisee. The format for the display of Franchisee's own name or company name in conjunction with the Marks must be approved in writing by Franchisor.

(f) All stationery, business cards and contractual agreements entered into by Franchisee must conspicuously state, "Each office is Independently Licensed and Operated".

(g) Any use of the Marks in conjunction with the trademarks, service marks or other identifying marks of the Carriers must be in accordance with this Agreement and must be approved in writing by Franchisor and in some instances by Carrier prior to use.

4.04 Change of Marks

Franchisee agrees that if it becomes advisable, in the sole discretion of Franchisor, for Franchisee to modify or discontinue the use of any or all of the Marks or use one or more additional or substitutes for any or all of the Marks, Franchisee agrees to do so. Franchisee will be responsible for the costs of modifying or discontinuing the use of any trademarks, service marks or trade names, but Franchisor will not make such a decision without input from the MAC. Franchisor will not be responsible for reimbursing Franchisee for any loss of goodwill in connection with the modification or discontinuation of any trademark, service mark, or trade name.

4.05 Protection of Information

(a) Franchisee acknowledges that Franchisor possesses and shall possess in the future certain proprietary information, consisting of the Manuals as well as all concepts, methods, techniques, formats, specifications, procedures, information, systems, marketing approaches, ideas, research, improvements and materials in any form or medium whatsoever, owned or developed by Franchisor and not otherwise publicly available, whether or not published or suitable for registration or copyright, and the goodwill associated with them, which is used in the operation of Unishippers franchises (the “Proprietary Information”). Franchisor will disclose the Proprietary Information to Franchisee in the Manuals, in training, and in providing guidance and assistance to Franchisee.

(b) Franchisee acknowledges that Franchisor possesses and that Franchisor and Franchisee shall possess in the future, certain marketing information, consisting of names, addresses, telephone numbers, contact persons, other identifying information relating to accounts. Also, Customers and Carriers’ information with respect to the needs, requirements, and Customers’, rate and price information, and financial information with respect to Franchisor’s and Franchisee’s businesses, personnel data relating to officers, directors, members, employees, agents, salespersons and similar persons of Franchisor and Franchisee, confidential information relating to Carriers, confidential information contained in files, interoffice documents, e-mail and other internal documents prepared by or for Franchisor, Franchisee or Carriers in any form or medium whatsoever, which marketing information is not otherwise publicly available and which is used or may be used in the operation of Franchisor’s, Carriers’ and/or Franchisee’s businesses (the “Marketing Information”). Franchisor may, in its discretion, disclose the Marketing Information to Franchisee in the Manuals, if and when published, in training and in providing guidance and assistance to Franchisee hereunder.

(c) Franchisee acknowledges and agrees that it will not acquire any interest in the Proprietary Information or Marketing Information during or after the term of this Agreement, other than the right to utilize it in the development and operation of the Franchise during the term of this Agreement, and that the use or duplication of the Proprietary Information and/or Marketing Information in any other business would constitute an unfair method of competition, that such information could be used to compete with and significantly injure the Franchisor and Franchisees, that such information has significant value to competitors of Franchisor, and that the relationship between such information, Franchisee and Franchisor involves elements of personal service and trust.

Franchisee acknowledges and agrees that the Proprietary Information is proprietary and confidential, that the Marketing Information is confidential, that the Proprietary Information and Marketing Information are trade secrets of Franchisor and are disclosed to Franchisee (and the Franchise is granted to Franchisee) solely on the condition that Franchisee agrees, and Franchisee does hereby agree, that it:

(i) will not use the Proprietary Information or Marketing Information in any other business or capacity during the term of this Agreement and for a period of two (2) years commencing on the effective date of termination of this Agreement;

(ii) will maintain the absolute confidentiality of the Proprietary Information and Marketing Information during the term of this Agreement and for a period of two (2) years commencing on the effective date of termination of this Agreement;

(iii) will not make copies of any portion of the Proprietary Information or Marketing Information disclosed or held in written or electronic form unless authorized by Franchisor in writing; and

(iv) will adopt and implement all procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure, as described in parts (i) through (iii) above, of the Proprietary Information and Marketing Information, including, without limitation, restrictions on disclosure thereof to and by officers, directors, members, employees, agents, salespersons and

similar persons of Franchisee, and requiring each of such persons who have access to the Proprietary Information and Marketing Information to execute Franchisor's then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement (Attachments "G", "H" and "I"), or forms thereof that are appropriate in the jurisdiction of Franchisee's Marketing Area, before performing any duties for, or otherwise having access to, the Proprietary and Marketing Information.

(d) Franchisee acknowledges and agrees any innovations, advancements, developments, refinements, enhancements, strategies, additions or changes to the Concept licensed pursuant to Section 1.01 of this Agreement, or any new methods of operation, doing business or otherwise, developed by Franchisee or its employees and/or representatives will be implemented only after approval (which may be conditional) by Franchisor, and in any event, Franchisee will transfer all rights therein to Franchisor and grant permission to Franchisor, and all Unishippers Franchisees, to use such without compensation to Franchisee or other restriction.

(e) Franchisee also acknowledges and agrees that any innovations, advancements, developments, refinements, enhancements, strategies, additions or changes to the Concept licensed pursuant to Section 1.01 of this Agreement, or any new methods of operation, doing business or otherwise, including, but not limited to, any patentable or copyrightable subject matter (collectively, "Derivative Works") that may be performed by a third party shall be done only pursuant to a work-made-for-hire contract wherein Unishippers is designated as the owner of all such Derivative Works.

(f) From and after the inception of this Agreement, the Franchisor owns the relationship with all past, current, and future Customers, as well as all lists of all past, current and prospective Customers and all transactional and other information relating to them. Franchisor grants a license to these relationships and customer accounts to the Franchisee for the term of this Agreement and subject to Franchisee remaining in Good Standing. At the conclusion of this Agreement and any successor Franchise Agreement, if not renewed, the Franchisor will receive back all Customer accounts, relationships, information, lists or rights.

Consistent with this section and necessary for the protection of Franchisor's Proprietary Information and goodwill, Franchisee agrees that for a period of two (2) years commencing on the effective date of termination of this Agreement, neither Franchisee nor any individual, corporation, partnership, business, or Business Entity shall directly or indirectly, (a) contact any person or entity who was a Customer for the purpose of soliciting any such Customer to purchase products or services or to otherwise enter into relationships competitive with those offered by the Franchisor or any of its various franchisees; or (b) contact any person or entity who was a Customer, vendor, carrier, or other franchisee of Franchisor for the purpose of soliciting such individual or entity to terminate or otherwise limit their business with the Company or Unishippers.

4.06 Covenant Not to Compete

Franchisee acknowledges and agrees that Franchisor would be unable to protect its Proprietary Information, its Marketing Information, and its other trade secrets and confidential information against unauthorized use or disclosure, would be unable to encourage a free exchange of ideas and information among Franchisees, and would be unable to protect Franchisor's goodwill with its customers, clients, carriers, vendors, business partners, and other franchisees, if Franchisees were permitted to hold interests in or perform services for any competitive businesses, as described below. Franchisee also acknowledges that Franchisor has granted the Franchise to Franchisee in consideration of, and in reliance upon, Franchisee's agreement to deal exclusively with Franchisor. Therefore, while this Agreement remains in effect and for a period of two (2) years after the effective date of termination of this Agreement for any reason, including termination with or without cause, neither Franchisee, nor any individual, corporation, partnership, limited liability company, business, or Business Entity shall directly or indirectly, as an officer, director, member, shareholder, partner, agent,

independent contractor, employee or otherwise, operate, manage, perform services for, control, own or control more than a 5% interest in, any business or entity, whether Franchisee's or others', which is the same as, similar to or competes, directly or indirectly, with the Franchise, Franchisor, with other franchisees, dealers, or with Carriers. This restriction shall apply in any geographic region, national or international, in which Franchisor operates or does business whether directly or indirectly, through a franchise or otherwise, as such geographic regions may from time to time change. This provision shall not prohibit Franchisee or any individual bound by this Agreement from operating, managing, performing services for, controlling, owning or controlling more than a 5% interest in, any Unishippers franchise or Unishippers affiliate.

Additionally, consistent with this restriction, Franchisee shall require all of its officers, directors, members, employees, agents, salespersons or similar persons who are not bound by this Agreement to execute the then-current Unishippers Non-Competition Agreement (where permitted by law), Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement included herewith as Attachments "G", "H" and "I", or forms thereof that are appropriate in the jurisdiction of Franchisee's Marketing Area

Franchisee acknowledges that the restrictions provided for in this Section and Section 4.05 are reasonable in their geographic scope and duration and are reasonably tailored to protect legitimate business interests of Franchisor. Franchisee further acknowledges that if this Agreement terminates for any reason, Franchisee will be able to earn a livelihood without violating the foregoing provisions or the provisions of Section 4.05, and that Franchisee's ability to earn a livelihood without violating such provisions is a material condition to the granting of the Franchise.

Notwithstanding the foregoing, if any provision of this Section or Section 4.05 shall be held invalid, illegal, or unenforceable, such provision(s) shall be curtailed, limited, construed or eliminated to the extent necessary to remove such invalidity, illegality or unenforceability, and the other provisions of this Agreement shall not be affected thereby. If the time or scope of any restrictive provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall reduce the time or scope to the maximum time or scope permitted by law.

If Franchisee violates this covenant not to compete or other confidentiality provisions of this Agreement, Franchisor's remedies will include, but shall not be limited to, the right to obtain immediate and permanent injunctive and other equitable relief along with any and all available damages and other remedies at law, notwithstanding any provisions of this Agreement to the contrary.

4.07 Unishippers Software

Franchisee agrees to use the Unishippers Software or other third-party software reasonably requested from time to time at Franchisee's expense in the operation of the Franchise and to purchase any hardware needed to use the Unishippers Software or third-party software as may be designated by Franchisor from time to time. Franchisee shall use the Unishippers Software only with the services found in this Franchise Agreement and the services of Franchisor. Franchisee shall use the Unishippers Software only in the form provided by Franchisor, as modified from time to time by the Franchisor, and shall not modify, or have modified, the Unishippers Software, without the prior written authorization of Franchisor. Any consent or authorization given under the preceding sentence shall be deemed revoked upon termination of this Agreement. Franchisee agrees to be trained on the Unishippers Software at the Franchisee's location, Franchisor's location, or such other location as directed by Franchisor, and with the use of Franchisee's computer equipment prior to use of the Unishippers Software.

4.08 Ownership of Unishippers Software

Except as otherwise provided in this Agreement, nothing in this Agreement shall be construed as an assignment or grant to Franchisee of any right, title, or interest in or to the Unishippers Software, it being

understood that all rights relating thereto are reserved by Franchisor. Franchisee recognizes the great value associated with the Unishippers Software and acknowledges that the Unishippers Software, and all rights therein, belong exclusively to Franchisor.

Franchisee agrees to use the Unishippers Software in full compliance with rules prescribed from time to time by Franchisor. Franchisee hereby agrees that its every use of the Unishippers Software shall inure to the benefit of Franchisor and that Franchisee shall not at any time acquire rights in the Unishippers Software by virtue of any use it may make of the Unishippers Software. Franchisee agrees that it will not, while this Agreement is in effect and thereafter, attack any rights of Franchisor in and to the Unishippers Software, or attack the validity of this license for the use of the Unishippers Software or do anything that would jeopardize or diminish Franchisor's rights in the Unishippers Software.

4.09 Protection of Unishippers Software

Franchisee shall immediately notify Franchisor of any infringement or challenge to Franchisee's or Franchisor's use of the Unishippers Software or claim by any person of any rights in the Unishippers Software. Franchisee acknowledges and agrees that the Unishippers Software is proprietary and confidential, that the Unishippers Software is a trade secret of Franchisor and is disclosed to the Franchisee (and the Franchise is granted to Franchisee) solely on the condition that Franchisee agrees, and Franchisee does hereby agree, during the term of this Agreement, and thereafter, 1) not to use the Unishippers Software in any other business or capacity; 2) to maintain the absolute confidentiality of the Unishippers Software; 3) not to make unauthorized copies of, or reverse engineer, any portion of the Unishippers Software; 4) to adopt and implement all procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Unishippers Software, as described above, including, without limitation, restrictions on disclosure thereof to and by officers, directors, members, employees, agents, sales persons and similar persons of Franchisee; and 5) to require each such person who has access to the Unishippers Software to execute the then-current Unishippers Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and Non-Solicitation Agreement (Attachments "G", "H" and "I"), or a form thereof that is appropriate in the jurisdiction of Franchisee's Marketing Area.

4.10 Change of Unishippers Software

Franchisee agrees that if it becomes advisable at any time, in the Franchisor's sole discretion, for Franchisee to modify or discontinue the use of any or all of the Unishippers Software and/or use one or more additional or substitutes for any or all of the Unishippers Software, Franchisee agrees to do so without any obligation of Franchisor thereto.

5. Sale or Transfer

5.01 Transfer by Franchisor

This Agreement is fully assignable by Franchisor and shall inure to the benefit of any assignee or other legal successor to the interests of Franchisor herein. Franchisor may sell, assign, transfer, convey, give away, pledge, hypothecate, mortgage or otherwise encumber all or any part of its rights, interests or obligations in this Agreement to any person or entity, including but not limited to selling its assets, the Marks, or any other elements of the System; may offer its securities privately or publicly; may merge with, spin off or acquire other companies or entities, or be acquired by another company or entity, including competitive companies or entities. Franchisor may undertake any refinancing, recapitalization, leveraged buyout or other economic or financial restructuring, and/or engage in other transactions of similar kinds, all without notice to or approval of Franchisee.

5.02 Transfer by Franchisee

This Agreement and the Franchise are personal to Franchisee and its owners, and neither Franchisee nor its owners may Transfer, assign or encumber the Agreement, the Franchise, or any part of the ownership of

Franchisee (which shall mean and include voting stock, securities convertible thereto, proprietorship interests, membership interests and partnership interests), or the other assets of the Franchise, voluntarily, involuntarily, directly or indirectly, (including without limitation by will, declaration of or transfer in trust or the laws of intestate succession or by operation of law) without the prior written consent of Franchisor, and any such assignment, transfer or encumbrance without such consent shall constitute a breach hereof. All transfers shall be combined with all prior transfers made during the term of this Agreement or any extension thereof for purposes of determining whether a cumulative change of more than 50% has occurred as contemplated by Section 5.04(e).

Transfer is defined as, but is not limited to, any voluntary, involuntary, partial, complete, direct or indirect, assignment, sale, gift, pledge, mortgage of, or any granting of any security or other interest (whether or not controlling) in: (1) this Agreement; (2) the Franchise; (3) the ownership of the Franchisee; (4) Franchisee's Unishippers Business; or (5) any assets associated with any of the foregoing. A Transfer also includes, but is not limited to, the following events: (1) any transfer of ownership of capital stock, member interest, any partnership or any similar interest; (2) any merger or consolidation or issuance of additional securities representing an ownership interest in the Franchisee; (3) any sale of voting stock of the Franchisee or any security convertible to voting stock of the Franchisee; (4) any transfer, whether voluntary or involuntary, in a divorce, insolvency, bankruptcy, corporate or partnership dissolution proceeding, receivership, or otherwise by operation of law; (5) any transfer of any interest in any revenues, profits, rights or assets of Franchisee's Unishippers Business; (6) the creation of any security or similar interest affecting any of the foregoing; (7) a change of ownership resulting from the death of an owner of Franchisee or the Franchise, (8) by will, devise, or transfer to a trust or other similar entity, or under the laws of intestate succession, or (9) transfers to any business entity.

This Agreement does not give Franchisee the right to grant a distributorship, franchise, sub-franchise or similar right.

5.03 Approval and Fees

(a) Franchisee agrees to request approval from Franchisor for any transfers, proposed change in ownership, stock ownership, partnership, or membership interests, or any other change in ownership or control of Franchisee and to provide appropriate documentation before taking any action to implement such a change. Franchisee's failure to provide prior written notice or appropriate documentation, or proceeding without the prior written consent of Franchisor, shall be a breach of this Agreement and any such purported transfer shall be void. Any such approved change shall constitute a transfer within the meaning of this Section 5.

(b) If more than 50% of the ownership is transferred to a buyer not currently in the System, cumulatively or in a single transaction, then a Transfer Fee equivalent to the then-current Initial Franchise Fee shall be paid to Franchisor, even if the franchise entity itself remains the same. If more than 50% of the ownership is transferred to a buyer already in the System, cumulatively or in a single transaction, then the Transfer Fee will be \$5,000, even if the franchise entity itself remains the same or the owners remain with different ownership percentages.

(c) For minority ownership changes that require an Amendment to the Franchise Agreement, the Amendment fee is \$1,000.

(d) Beginning with the third amendment of the Franchise Agreement (for any purpose) within a rolling twelve (12) month period, the amendment fee will be the greater of the above described fees or \$3,000 per amendment.

5.04 Conditions for Approval of Transfers

Franchisor has the right to reasonably disapprove any person or entity who would have actual, legal or effective control over the Franchise, including any designated manager. Franchisor will consider for approval a sale, exchange, Transfer or change of ownership if the following conditions are met:

(a) Prior Compliance. Franchisee must have substantially performed its obligations and duties under this Agreement.

(b) Payments. All sums owed by Franchisee to Franchisor, its affiliates and subsidiaries, Carriers, vendors, the Marketing Fund, and all other creditors of Franchisee and/or the Franchise related to or arising from the Franchise Business, under this and all other agreements, including obligations incurred but otherwise payable in the future, must be paid in full.

(c) Release. Franchisee must agree to remain liable for all obligations and events which occurred prior to the transfer and to continue to be bound by all of the provisions of this Agreement which apply after termination or transfer, and Franchisee and its owners must execute a General Release of any and all claims against Franchisor.

(d) Breach or Default. Franchisee may not be in breach or default under any provision of this Agreement. However, if the only basis for possible termination is Franchisee's failure to meet the Performance Standards of Section 3.03, Franchisee will still be allowed to sell the Franchise consistent with the requirements of this Section.

(e) New Agreement; Amendment. If the Transfer together with all prior Transfers constitutes a change of control of Franchisee of more than 50%, the new franchisee must execute the then-current form of Franchise Agreement (which may include, among other changes, a new Royalty rate), documents indicating the transfer of operation of the Franchise to a new entity, or to the same entity but with different owners and/or different ownership amounts, the form of the Consent to Transfer Agreement attached to this Agreement as Attachment "J" and incorporated by reference, and all other agreements and documents as required by Franchisor in granting franchises to other franchisees. The new franchisee must pay the Franchisor all fees required by the then-current Franchise Agreement. If the Transfer constitutes a change of ownership of the Franchisee of 50% or less, the Franchisee must execute an amendment to this Franchise Agreement (which may include a new Guaranty and Assumption of Obligations), and all other documents required by Franchisor to effectuate the Transfer, and pay the Franchisor all required fees.

(f) Assumption of Liabilities. The transferee must agree to assume all liabilities and obligations including, but not limited to, all amounts owed to Carriers by the Franchisee from the prior operation of the Franchise and must comply with such other requirements as Franchisor may impose.

(g) Governmental Compliance. Franchisee must comply with and conduct the Transfer in compliance with all applicable laws.

(h) General Requirements. Transferee or assignee must:

- (i) possess good moral character;
- (ii) have adequate financial resources and capital to operate the Franchise;
- (iii) meet Franchisor's then applicable standards for franchisees;
- (iv) not have an ownership interest in or be operating, franchising or licensing the operation of any other similar businesses; and
- (v) agree to and complete any training required by Franchisor.

(i) Documents. Franchisee must provide Franchisor with all documents to be executed by Franchisee and the proposed assignee or transferee at least thirty (30) days prior to execution.

(j) Consent. Franchisor may withhold or condition Franchisor's consent to any Transfer, as Franchisor deems appropriate, based on the circumstances of the Transfer or otherwise. If Franchisor believes that the terms and conditions of any Transfer would not be in the best interests of the Franchisor, the proposed transferee or the Unishippers System, the Franchisor may refuse to consent to such Transfer. For example, Franchisor might refuse to consent to a Transfer if the price to be charged and/or the terms of payment would be so burdensome as to adversely affect the future operations of the franchise. Franchisor may candidly discuss all matters related to any Transfer, the price to be charged and/or the terms of payment, etc., with Franchisee or any prospective franchisee. For example, Franchisor may have such discussions with a prospective franchisee who is considering making an offer to purchase the Franchise before such an offer is made, and Franchisor may disclose to the prospective franchisee any information or reports in Franchisor's possession regarding Franchisee's Unishippers Business. Franchisor will not be liable to Franchisee or anyone else regarding such views, discussions, disclosures, or otherwise.

(k) Performance Requirements on Transfer. If there is any common ownership remaining from the transferring entity to the new entity, Performance Standards will continue and will not be reset.

5.05 Franchisor's Right of First Refusal

Notwithstanding anything in Section 5 to the contrary, if Franchisee or its owners propose to sell the Franchise or a controlling ownership interest in Franchisee, Franchisee or its owners shall obtain and deliver a copy of a binding and bona fide executed written offer to purchase same, containing all material terms in compliance with the requirements set forth by Franchisor in the Operations Manual or elsewhere, to Franchisor, which shall, for a period of forty (40) days from the date of receipt of such offer and all accompanying information requested by Franchisor that is necessary to properly evaluate the offer, have the right, exercisable by Franchisor or its nominee, by written notice to Franchisee, to notify Franchisee of its election to purchase the entire Franchise for a price on comparable terms and conditions contained in such offer. Any material change in the terms of the offer before closing will constitute a new offer subject to a new forty (40) day review period and the same right of first refusal by Franchisor or its nominee as in the case of an initial offer. If Franchisor elects to exercise its right of first refusal, Franchisor or its nominee will use best efforts to close on the proposed purchase within thirty (30) days after the date of notice to Franchisee of its election to purchase or on the proposed closing date in the third party's offer, whichever is later. Franchisor's failure to exercise the right of first refusal will not be a waiver of any other term of this Agreement applicable to a proposed transfer. If the proposed transfer is not complete within two (2) months of the date that Franchisor notified Franchisee that it was not exercising its right of first refusal, Franchisor shall again have the right of first refusal herein described.

5.06 Death or Disability of Franchisee

Upon the death or permanent disability of Franchisee or of an owner of Franchisee or any guarantor, the executor, administrator, conservator or other personal representative of such person shall, with the written approval by the Franchisor, transfer his or her interest within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, to another owner of the Franchisee or to a third party approved by Franchisor. Such Transfers, including, without limitation, transfers by devise or inheritance, shall be subject to all of the terms and conditions for assignments and transfers contained in Section 5.04 of this Agreement. Failure to so dispose of such interest within said time shall constitute a breach of this Agreement. Franchisor's consent to an assignment of any interest, subject to the restrictions of this Section, shall not constitute a waiver of any claims it may have against the assignor, nor shall it be deemed a waiver of Franchisor's rights to demand exact compliance with any of the terms or conditions of the Franchise by the assignee.

Pending assignment or Transfer, the Franchise shall be operated by a competent and trained manager appointed by Franchisee or the executor, administrator, conservator or other personal representative of Franchisee or of the deceased or permanently disabled owner or guarantor and approved by Franchisor. If a competent and trained manager is not so appointed and approved within thirty (30) days after the death or permanent disability of the Franchisee or an owner or guarantor of Franchisee, then Franchisee shall be deemed in breach of this Agreement.

5.07 Franchisor Sale or Merger, System Transition or Purchase Option

(a) Sale or Merger. Franchisor can acquire, be acquired by, go public, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not). This could include arrangements in which Franchisee's Unishippers Business is converted to another format or brand maintained under the Unishippers System. Franchisee will fully and promptly cooperate with any proposed merger, transition or conversion at Franchisee's expense.

(b) System Transition or Purchase. If at any time while Franchisee is operating under a franchise agreement with Franchisor or its successors and Unishippers as a system generally moves away from a franchise business model and no longer maintains an updated and effective FDD, then Franchisor will have the option on at least ninety (90) days' notice to either: i) transition Franchisee onto a replacement agreement with similar economic terms under an alternate, non-franchise sales channel (such as, by way of example, an agency model) for the remainder of the then-applicable term and any renewal term that is granted; or ii) purchase the Franchise Business from Franchisee pursuant to the terms described in Section 8.

6. Breach, Default and Termination

6.01 Expiration

This Agreement may be terminated pursuant to this Section 6, and it shall terminate automatically at the end of its term as specified in Section 1.02 unless it is renewed pursuant to Section 1.03. If renewed, this Agreement shall terminate automatically at the end of its renewal term pursuant to Section 1.03.

6.02 Mutual Consent or Failure of Carrier Contract

(a) Mutual Consent. This Agreement may be terminated upon mutual written consent of Franchisor and Franchisee.

(b) Failure of Principal Carrier Contract. This Agreement may be terminated unilaterally by Franchisor in its discretion with or without prior notice if a principal Carrier Contract is terminated for any reason and Franchisor is unable, after a good-faith effort, to negotiate a new or modified discount carrier contract with substantially similar or better terms with another principal Carrier. If the Agreement is terminated under this Section 6.02(b), the Covenant Not to Compete under Section 4.06 will not be enforced.

6.03 Breach by Franchisor

If Franchisee is in compliance with this Agreement, Franchisee may terminate this Agreement for a material breach or a material default of this Agreement by Franchisor thirty (30) days after giving Franchisor written notice of such intent, specifying the breach or default, if the breach or default remains uncured at the end of the 30-day period; provided, however, that if the nature of Franchisor's breach or default is such that more than thirty (30) days are reasonably required for performance or cure, then Franchisor shall not be in breach or default if it commences performance within the thirty (30) day period and thereafter diligently continues and cures the breach or default. Except as otherwise provided in this Agreement, a termination of this Agreement by Franchisee without complying with the foregoing requirements, or for any reason other than Franchisor's breach of this Agreement and failure to cure within thirty (30) days after receipt of written notice thereof, shall be deemed a termination by Franchisee without cause and not in accordance with the provisions of this Agreement.

Additionally, Franchisee's failure to provide Franchisor with the thirty (30) days written notice and an opportunity to cure of any material breach or material default of this Agreement, as required by this Section, shall preclude Franchisee from asserting a claim for any such default or breach.

6.04 Breach by Franchisee

If Franchisee breaches or defaults under this Agreement under the following circumstances, Franchisor shall have all rights and remedies permitted by law or equity, including, but not limited, to the right of termination:

(a) **Immediately On Notice.** Except as may be prohibited by applicable law, Franchisee will be in default and Franchisor may, in its discretion, terminate this Agreement without giving Franchisee an opportunity to cure the default, for any of the following breaches or defaults immediately on giving written notice of termination to Franchisee:

(i) **Criminal Acts.** The conviction or entry of a plea of guilty or no contest to felony or misdemeanor charges involving fraudulent conduct or moral turpitude, or another crime or offense that is likely to adversely affect your reputation or the reputation of the System, by either Franchisee or a principal of Franchisee; or being named as a specially designated national or blocked person as designated by the United States Department of the Treasury's Office of Foreign Assets Control.

(ii) **Unauthorized Transfer.** The transfer or attempted transfer by Franchisee of the Franchise, an interest in or assets of the Franchise, including, but not limited to, customer accounts, or any part of the ownership of the Franchisee in violation of Section 5 of this Agreement or the failure to provide notice and required documentation under Section 5 of this Agreement regarding such transfer.

(iii) **Liens.** Levy of a writ of attachment or execution or the placement of other liens against the Franchise, Franchisee or any guarantor or any of their assets which is not released or bonded against within thirty (30) days.

(iv) **Misrepresentation or Fraud.** Any misrepresentation, material omission, false representation, statement, warranty, guaranty, report or claim, or fraudulent, unethical or dishonest conduct, distortion, act of concealment, or attempt at any of the foregoing, made by Franchisee, in connection with obtaining the Franchise or this Agreement, or with respect to this Agreement, performance hereunder, Franchisor, other distributors or franchisees of Franchisor, sales persons of Franchisor or Carriers, or the services or products provided by Franchisee or any of the foregoing, whether or not injury or loss results.

(v) **Violation of Laws.** The violation by Franchisee of any fair-trade practice or consumer protection, trade regulation or similar laws, ordinances, or regulations.

(vi) **Understated Gross Sales Volumes.** Submission within any two (2) year period of two (2) or more monthly or annual financial statements, other information, reports, sales, or income tax returns or supporting records to Franchisor that understate by 5% or more the Gross Sales Volume of Franchisee or materially distort any other material information.

(vii) **Disclosure of Trade Secrets, Proprietary Information or Marketing Information.** Violation by the Franchisee of the non-competition and non-disclosure provisions of this Agreement or improper use or disclosure to unauthorized parties of marks, Proprietary Information, Marketing Information, or any other Trade Secret that causes harm to the goodwill of Unishippers, Unishippers Franchisees, or Carrier Contracts.

(viii) **Non-Participation.** Franchisee or any of Franchisee's owners fail, in the time provided in this Agreement to: (a) obtain lawful possession of Franchisee's Unishippers Business; (b) develop and open Franchisee's Unishippers Business; or (c) attend required training sessions.

(ix) **Abandonment.** Franchisee abandons or fails to operate Franchisee's Unishippers Business for more than seven (7) calendar days (other than due to an Act of God), or surrender or

transfer control without Franchisor's prior written approval, fail to meaningfully respond to a communication from the Franchisor within thirty (30) days, or fails on three or more occasions in any twelve (12) month period to pay any amounts due Carriers and other Vendors according to terms.

(x) **Loss of Rights.** Franchisee or any of Franchisee's owners lose the right to operate this or any other Unishippers Business.

(xi) **Breach of Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and/or Non-Solicitation Agreement.** Franchisee or any of Franchisee's Owners breaches the provisions of this Agreement concerning non-competition and non-disclosure or the Non-Competition Agreement, Non-Disclosure and Proprietary Information Agreement, and/or Non-Solicitation Agreement, attached hereto as Attachments "G", "H" and "I", or a form thereof that is appropriate in the jurisdiction of Franchisee's Marketing Area.

(xii) **Misconduct.** Any misuse of the Marks, Proprietary Information or Marketing Information, or conduct which is in violation of any Carrier contracts or which reflects unfavorably upon the operation or reputation of the Franchise, Franchisee, Franchisor, Carriers, or the brand.

(xiii) **Missing Licenses.** Failure of Franchisee or Franchisee's directors, officers, employees, agents, salespersons or similar persons to have any permit, license or authorization necessary for the operation of the Franchise as contemplated herein or for performance under this Agreement including but not limited to certificates of authority to operate in any jurisdiction where the Franchisee resides, where it is organized, where it is physically located or where Franchisee's Marketing Area is located.

(xiv) **Action Against a Carrier.** Any legal action or formal legal demand or claim against UPS (including any UPS affiliate or authorized representative of UPS) or any other approved Carrier.

(xv) **Repeated Breaches.** Breach, default, or failure to comply with this Agreement (including but not limited to requirements relating to timely delivery of reports, financial statements, Royalty Payments, Marketing Fund contributions and any other payments to Franchisor, Franchisor's Affiliates or designees, Carriers, Vendors or governmental authorities) by Franchisee on three (3) or more occasions within any twelve (12) month period, written notice of which in each case has been given to Franchisee, whether or not any of such breaches, defaults or failures to comply are corrected after notice thereof is delivered to Franchisee and whether or not they are the same, similar or different.

(b) **With 10 Days Notice.** Except as may be extended by applicable law, Franchisor will provide written notice and a ten (10) day opportunity to cure the following default; if Franchisee fails to cure the default, Franchisor may terminate the Agreement without further notice or opportunity to cure:

(i) **Nonpayment.** Failure to pay when due any sum owing to Franchisor, its Affiliates, and/or designees, including but not limited to amounts owing for Marketing Fund Contributions, royalties, carrier payments, promissory notes, BOL fees, or other sums due under this Agreement, or sums owed to Franchisee's suppliers or creditors, including any Carriers and/or Vendors, taxing authorities, landlords, equipment lessors, or the like.

(c) **With 30 Days Notice.** Except for those defaults provided for in Section 6.04(a) and (b), Franchisee will be in default of this Agreement for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures, or requirements imposed by this Agreement or any other agreement Franchisee or any of its affiliates have with Franchisor or with any of its affiliates, or in any Manual, policy, or procedure or other written document provided by Franchisor, or to carry out the term of this Agreement in good faith. Before Franchisor terminates this Agreement because of such default, Franchisor will provide written notice and a thirty (30) day opportunity to cure the default. If the defaults

are not cured within the thirty (30) day period, Franchisor may terminate this Agreement without further notice or opportunity to cure. Such defaults include, without limitation, the following:

(i) **Bankruptcy or Insolvency.** If Franchisee makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, proceedings are commenced to have Franchisee involuntarily adjudicated a bankrupt or insolvent, Franchisee files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents to or acquiesces in the appointment of a trustee or receiver for Franchisee or the operation of the Franchise. If Franchisor is precluded by the bankruptcy court from terminating this Agreement, Franchisor and Franchisee agree that forty-five (45) days following the occurrence of any of the foregoing events shall be ample time to determine whether this Agreement will be assumed or rejected. If no such decision has been made after forty-five (45) days, Franchisee agrees that this Agreement shall immediately and automatically be deemed rejected and/or terminated without further notice.

(ii) **Bankruptcy of Partner or Guarantor.** The occurrence of any event described in (i) above involving any general partner if Franchisee is a partnership, or any guarantor regardless of the type of entity, but only if such partner or guarantor has an ownership interest of 5% or more, in the franchise, and if a new partnership or guarantor, approved in writing by Franchisor, is not substituted within thirty (30) days.

(iii) **Performance Standards.** Failure to adhere to Performance Standard requirements.

(iv) **Action Against the Franchisor.** Any legal action (including arbitration, but not mediation) by Franchisee or any of Franchisee's owners or affiliates, either in Franchisee's behalf or in connection with any action taken by one or more other Unishippers franchisees or any associate(s) of Unishippers franchisees against Franchisor that does not result in a final judgment or award in Franchisee's favor on the merits.

(v) **Unsatisfied Judgment.** The entry of a judgment of One Thousand Dollars (\$1,000) or more against Franchisee which remains unsatisfied for a period of more than thirty (30) days after all rights of appeal have been exhausted.

(vi) **Operating Procedures.** Failure to adhere to any standard, requirement, operating procedure or rule prescribed by Franchisor in the Manuals, Terms and Conditions for Offering UPS Products and Services, Rules of Engagement or elsewhere, including the Account Protection Policy.

(vii) **Reports.** Failure to submit reports when and as required by this Agreement.

(viii) **Incompatibility.** Substantial failure to cooperate, repeated unprofessional behavior causing an adverse effect on Unishippers, its Affiliates, or employees, the presence of substantial discord or disruption on the part of Franchisee, or incompatibility of character or personality that interferes with or diminishes or is likely to interfere with or diminish the Concept, the System or the Franchisor's brand, as determined by Franchisor in the exercise of its discretion.

(ix) **Others.** Default, breach or failure to comply with or perform any of Franchisee's obligations, agreements, covenants, promises, representations, warranties or requirements under this Agreement or any other agreement between Franchisor and Franchisee.

7. Rights and Duties upon Transfer or Termination

Immediately upon termination or expiration of this Agreement or upon the sale, transfer, assignment, sublease or encumbrance of the Franchise or this Agreement by Franchisee, the following shall occur:

(a) **Ownership of Concept.** All rights to the business concept, methodology, format, brand name, intellectual property and operations, whether developed by Franchisor or by Franchisee during the period that Franchisee operates the Franchise, shall become the exclusive property of Franchisor.

(b) Acceleration of Payments to Franchisor and Others. All money owed by Franchisee to Franchisor or its affiliates, the Marketing Fund, Carriers, and any other creditors of the Franchise and/or the Franchisee arising from or related to the Franchise Business, shall be immediately due and payable.

(c) Franchise Revoked. All rights and licenses granted to Franchisee under this Agreement shall terminate and be deemed revoked.

(d) Use of Marks. Franchisee shall cease using the Marks, including use of any Marks as part of any corporate or other name, and all confidential information relating to the Franchise, and shall cease doing business, identifying itself or any business and advertising as a franchise or franchisee of Franchisor.

(e) Products and Supplies. Franchisee shall cease using and shall, upon Franchisor's instructions, destroy or deliver to Franchisor or an approved transferee all copyrighted materials, Manuals, and all other items which are the property of Franchisor.

(f) Carrier Contracts. Franchisee shall cease using all Carrier Contracts.

(g) Signs. Franchisee shall immediately remove or obliterate any and all signs, posters, sheets, placards, cards, nameplates, names or similar items which designate Franchisee as an authorized franchisee or which include any Mark.

(h) Telephone. Franchisee shall cease using all telephone numbers and listings used in connection with the Franchise, transfer all such numbers and listings to Franchisor, an approved transferee or any entity designated by Franchisor, and promptly direct and authorize the telephone company to make such transfers or, if Franchisor so directs, to disconnect the numbers completely.

(i) Publications. Franchisee shall notify and instruct publications and persons who may publish Franchisee's name or the names of any of Franchisee's officers, directors, employees, agents, salespersons or similar persons as an authorized franchise or franchisee of Franchisor, to discontinue such listings.

(j) Registrations. Franchisee shall cancel all of Franchisee's assumed name, business name, corporate name, trade name, trademark, service mark or equivalent registrations which use the Marks, in part or in whole.

(k) Unishippers Software. Franchisee shall immediately cease using all Unishippers Software. Franchisee shall delete all Unishippers Software programs including the data and information installed on any computer of Franchisee, its officers, directors, members, employees, agents, salespersons, and similar persons.

(l) Modify Property. If Franchisee retains possession of any business properties, make such modifications thereto so as to prevent identification as a franchise of Franchisor.

(m) Power of Attorney. Franchisee hereby irrevocably appoints Franchisor as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Marks.

(n) Non-Disclosure, Non-Competition. Franchisee shall continue to be bound by all of the provisions of Sections 4.05, 4.06 and 4.09.

(o) Execution of Documents. Franchisee shall comply with all applicable laws and shall execute and deliver all documents necessary to vest title and ownership in Franchisor or its nominee free and clear of all liens and encumbrances, except those assumed by Franchisor.

(p) Delivery of Documents. Franchisee shall deliver promptly to Franchisor or Franchisor's designee all Customer Billings incurred prior to termination or expiration, Customer lists, accounts receivable reports, files, memoranda, research, forms, Marketing Information and other documents and information supplied to or developed or created by Franchisee in connection with the Franchise (including all copies of the foregoing) in Franchisee's possession or control, with all such documents and information being acknowledged by Franchisee to be and remain the sole and exclusive property of Franchisor.

(q) Discontinuance of Payments. Franchisor, rather than Franchisee, shall be entitled to all payments and compensation on Customer Billings made after the termination date and on those Customer Billings made prior to the termination date but not yet collected.

(r) Purchase of Assets. Franchisor shall have the right, exercisable on or within ninety (90) days of termination or expiration, to purchase from Franchisee any or all of the assets used in Franchisee's Unishippers Business, including all equipment, furniture, fixtures, signs, and inventory. Franchisor will have the right to assign any such option Franchisee may have. The purchase price will be negotiated based on sales prices for comparable used furniture and equipment and is payable in negotiated terms not to exceed three (3) years.

(s) General Release. Franchisee agrees to sign a general release, in form prescribed by the Franchisor, of any and all claims, liabilities and/or obligations, of any nature including all those arising before the date of any such release whether against the Franchisor or any of the Franchisor and whether by Franchisee or any Affiliate. A copy of the current General Release is attached as Attachment "K".

8. Purchase Option

8.01 Purchase Option

Franchisor has the right (but not the obligation), directly or through an affiliate or designated third-party, to purchase certain assets, business, and operations of Franchisee attributable to the operation of the franchise on at least sixty (60) days' prior written notice ("**Purchase Option**") as follows:

(a) if Franchisee is not in Good Standing, beginning one hundred and eighty (180) days prior to the end of Initial Term and continuing until expiration or termination of the Franchise Agreement; or

(b) if Franchisee is in Good Standing and the Franchise Agreement is renewed, beginning seven (7) years from the Effective Date and continuing to the end of the Renewal Term.

If Franchisor has given written notice of its intent to exercise the Purchase Option and the parties are working diligently and in good faith toward the execution of a purchase agreement, then the term of the Franchise Agreement may be extended to the earlier of a closing date for the purchase agreement or for an additional six (6) months. The Franchise Agreement will be terminated at the close of the transaction.

8.02 Option Price

If Franchisor exercises the Purchase Option and the Paid Gross Margin ("PGM") for UPS and Freight sales is within the Total PGM ranges on the Summary Page during the trailing thirteen (13) periods before the exercise of the Purchase Option, then the Multiples used to determine the Option Price will be as described on the Summary Page.

(a) the Paid Gross Margin for UPS and Freight during the most recent trailing thirteen (13) periods multiplied by the respective Multiple on the Summary Page; MINUS

(b) Any amounts owed by Franchisee or Owners to Franchisor, its affiliates, subsidiaries, the Carriers or any other vendors or creditors under the Franchise Agreement, Promissory Note or any other agreement between the parties as of the date of closing of the Purchase Option, including the Holdback Amount defined below.

(c) For new accounts added ninety (90) days or more before Franchisor notifying Franchisee of its intent to exercise the Purchase Option (“New Accounts”), Franchisor will calculate the annualized gross margin for the account. The annualized gross margin will be based on the entire business and not on individual lines of business. The gross margin will be measured monthly to determine the annualized gross margin. A New Account is a Customer who activated in the previous 11 months, excluding child locations for an existing account, new lines on business activating on existing accounts, and any Customers who were active any time in the previous 12 months.

(d) Accounts that have not shipped in the ninety (90) days prior to the Franchisor notifying Franchisee of its intent to exercise the Purchase Option will not be included in the gross margin calculation.

(e) After the notification but before the closing date, Franchisor will adjust the Purchase Price to remove any accounts that have not shipped in the previous ninety (90) days, including New Accounts.

8.03 Valuation

Franchisor will have the right to adjust the Option Price paid to Franchisee based on certain factors at the time of the calculation of the Option Price and again fourteen (14) days before the Closing Date, including but not limited to the quality of margin, seasonality, the percentage of customer credit card payments, auto-pay customers, use of preferred credit card processors, customer concentration, house accounts, outstanding accounts receivable and/or claims, bad debt, and self-service freight. Franchisor’s good faith determination of the adjustments described above will be binding on the parties.

8.04 Paid Gross Margin Credit (Promissory Note)

If Franchisor exercises the Purchase Option and Franchisee has signed a Promissory Note with Franchisor for the initial franchise fee, Franchisee will receive a credit equal to Five Hundredths (.05) times the UPS Paid Gross Margin for UPS sales during the trailing thirteen (13) periods at the time of the calculation of the Option Price (the “**Paid Gross Margin Credit**”), subject to the following:

(a) If the Purchase Option is exercised during or at the expiration of the initial term of the Franchise Agreement, the Paid Gross Margin Credit will not exceed the lesser of the principal outstanding under the franchise fee Promissory Note or the Initial Franchise Fee.

(b) If the Purchase Option is exercised during the renewal term of the Franchise Agreement, the Paid Gross Margin Credit will not exceed Seventy-Five Thousand and no/100s Dollars (\$75,000).

(c) On the Closing Date:

ii. If the Paid Gross Margin Credit is paid under Paragraph 8.04.a above, it will be applied only to the principal due under the Promissory Note, and any remaining balance due under the Promissory Note (whether principal or accrued but unpaid interest) will be deducted from the Option Price payable to Franchisee.

iii. If the Paid Gross Margin Credit is paid under Paragraph 8.04.b above, it will be applied first to the total amount due under the Promissory Note, and any remaining Paid Gross Margin Credit will be added to the Option Price and paid to Franchisee at closing.

8.05 Closing

The closing of the Purchase Option will be a date not later than one hundred eighty (180) days after the later of the date the Option Price is determined or the date that Unishippers receives all information needed from Franchisee to prepare the closing documents, unless the parties mutually agree to designate another closing date (“**Closing Date**”). Franchisee and Owners will sign all documents reasonably required by Unishippers, including but not limited to, a general release, and all representations, warranties, and pre- and post-closing indemnifications as are necessary in Unishippers’ sole discretion, to fully document the transaction.

8.06 Payment

The Option Price will be paid to Franchisee as follows:

- (a) Seventy-Five Percent (75%) of the Option Price will be paid in cash on the Closing Date;
- (b) Franchisor will hold back Twenty-Five Percent (25%) of the remaining Option Price (“**Holdback Amount**”) for ninety (90) days after the Closing Date (“**Holdback Date**”) for any adjustments as described in (c) below, with any remaining amounts owed to Franchisor, its affiliates, or other vendors or creditors under the Franchise Agreement or other agreements, paid in cash thereafter, as more fully described in the purchase agreement; and
- (c) Franchisor will determine in good faith the amount owed to Franchisee as a result of adjustments to the Holdback Amount as of the Holdback Date based on: a) customer attrition, whether the Owners have fully cooperated with Unishippers or its designated representative in customer transitions as described below; and b) the usual and customary factors then used by Franchisor to determine the amount paid to purchase similar assets from other Unishippers franchisees. Franchisor’s good faith determination of the adjustments to the Holdback Amount will be binding on the parties.

8.07 Customer Transitions

If Franchisor exercises the Purchase Option described above, Franchisee will make each Owner available for at least ninety (90) days before and ninety (90) days following the Closing Date. Owners shall take all reasonable steps and fully cooperate with Franchisor or Franchisor’s designated representative to assist with due diligence and continued customer retention and support, and the smooth transition of Franchisee’s business to Franchisor or Franchisor’s designated representative. Reasonable steps include but are not limited to, disclosure of customer contacts, billing and shipping history (including seasonality), training customers to use the self-serve freight portal, working collaboratively with Accounting regarding customer payments and outstanding claims, implementation and pass-through of credit card surcharges where permitted by law, applying outstanding customer credits, handling writing offs of uncollected amounts over ninety (90) days from the date of the earliest unpaid invoice, forwarding customer communications, meeting or otherwise communicating with existing and prospective customers as necessary, enforcing and assisting in the enforcement of any restrictive covenants against former employees, agents or independent contractors, and generally using best efforts to assist in all ways reasonably requested by Franchisor or its designated representative to ensure a smooth transition and to retain customer business

8.08 Direct Customer Activation Only

All customer accounts of the Franchise Business must be activated solely through the direct efforts of Franchisee, Owners, and their employees and agents. Franchisee is prohibited from activating or obtaining customer accounts in any other way, including, but not limited to partnering with or purchasing customer accounts from another Unishippers franchisee, whether as part of a proposed transfer, partnership, joint venture or otherwise. Any violation of this provision will be a default under Sections 6.04(c)(iii), (vi) and (ix) of the Franchise Agreement and also will result in Franchisee forfeiting all revenue earned from such customer without a deduction for royalties or other fees paid to Unishippers or its affiliates on such revenue.

9. Relationships

9.01 Relationship of Parties

Franchisee acknowledges and agrees that the relationship created under this Agreement is that of independent contractor with entire control and direction of the Franchise Business, subject only to the terms of this Agreement and its attachments. This Agreement is not intended to and does not in any way create a fiduciary or other special relationship between the parties, or make any party a principal, agent, legal representative, parent, affiliate, subsidiary, joint venturer, partner, employer, joint employer, employee or servant of any other party for any purpose. In that regard:

(a) Franchisor has no right or duty to operate the Franchised Business, and disclaims any liability under this Agreement for any damages arising out of the operation of the Franchise Business.

(b) Franchisee is solely responsible for recruiting, interviewing, hiring, timekeeping, scheduling, payroll processing, supervising, disciplining and firing Franchisee's personnel, and Franchisee's personnel are not Franchisor's employees, independent contractors or agents. Franchisor has no right or duty to supervise, or to exercise control over, Franchisee's personnel in the operation of the Franchised Business, and disclaims any rights or responsibilities as to Franchisee's personnel. Franchisee is solely responsible for consulting with its own third-party HR service provider and/or legal counsel concerning compliance with personnel laws and regulations that are applicable within the Marketing Area, and for complying with those laws and regulations.

(c) Except as provided in this Agreement, Franchisee is solely responsible for training its personnel. To the extent that Franchisor provides Franchisee with guidelines, recommendations and materials related to training Franchisee's non-management personnel, Franchisee may use those resources, or may choose to use alternate resources, so long as its non-management personnel are trained to operate the Franchise Business in a System-compliant, legal and safe manner.

(d) Franchisee is solely responsible for establishing and enforcing its own policies related to personnel practices and labor relations policies. To the extent that Franchisor provides Franchisee with guidelines, recommendations and materials related to personnel practices and labor relations, Franchisee may use those resources, or may choose to use alternate resources. Franchisee is solely responsible for consulting with its own third-party HR service provider and/or legal counsel concerning compliance with personnel and labor relations laws and regulations that are applicable within the Marketing Area, and for complying with those laws and regulations.

(e) Except as otherwise provided in this Agreement, neither Franchisor nor Franchisee shall guarantee the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed in writing. Neither Franchisor nor Franchisee shall be entitled to share in any of the profits of the other, except to the extent provided under this Agreement. Except as otherwise provided in this Agreement, Franchisee shall be responsible for the management and control of Franchisee's business, including, without limitation, directing the daily operations of the Franchise, determining the specific means of achieving performance requirements, directing and managing employees and salespersons, paying all costs and expenses associated with the business, purchasing all necessary supplies, samples, inventory, products, materials and other items, obtaining necessary financing and other matters.

(f) During the term of the Franchise, Franchisee shall hold itself out to its prospective employees, and to its employees, as an independent contractor operating the Franchise Business pursuant to rights granted by Franchisor, but not jointly with Franchisor. Franchisee shall take any reasonable action that Franchisor considers necessary to that end, including: (i) stating conspicuously on each employment application that the prospective employee is applying to be Franchisee's employee and not an employee of Unishippers; (ii) stating Franchisee's entire business name, rather than just using Franchisor's brand name

and/or logo, on Franchisee's payroll checks and/or payroll-related communications to employees; and (iii) requiring employees to sign acknowledgements that they are not employees of Franchisor, even though they are selling services and products identified by Franchisor's brand name and/or logo, are receiving payroll checks and other communications that contain Franchisor's brand name and/or logo, may have applied for jobs through Franchisor's website, or may communicate with or receive non-mandatory feedback, coaching or recommendations from representatives of Franchisor in emails or other electronic or written communications, or during telephone calls, meetings or inspections. Franchisor reserves the right to specify and change the content and form of these statements and acknowledgements.

(g) Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Franchisor's behalf; to incur any obligation, debt or expense in Franchisor's name; or to make any representation to any third party tending to indicate a business relationship with Franchisor beyond that created under this Agreement. Franchisor disclaims any liability for, and shall not be liable under this Agreement for, any claim or judgment arising as a result of any such action by Franchisee. Nor shall Franchisor be liable by reason of any of Franchisee's acts or omissions in the operation of the Franchise Business, or for any claim or judgment arising therefrom against Franchisee or Franchisor. Under this Agreement, no party is responsible for any obligations, debts or expenses of any other party.

9.02 Franchisee Corporation/Partnership

If Franchisee is a "**Business Entity**" (meaning a corporation, partnership, limited partnership, joint venture or limited liability company (LLC) or other form of business recognized in any jurisdiction), or if this Agreement or the Franchise is assigned to a Business Entity, then it shall only conduct the business of the Franchise or Franchises of Franchisor. Franchisee shall not, in any form of ownership, engage in any public offering of its securities unless Franchisor, in its sole discretion, consents in writing to such offering.

All persons or entities ("**Guarantors**"): (a) owning directly or indirectly, through any chain of ownership, 5% or more of the Business Entity, or if no person or entity owns 5% or more, then all owners who have managerial control, or have active involvement in the operations of the business; and (b) operating the Franchise, the general partners, all owners of the general partner of a limited partnership, all shareholders of a corporation, all members of a limited liability company or the partners of a joint venture shall:

- (i) execute this Agreement and be bound jointly and severally by all provisions hereof;
- (ii) thereby also represent and warrant their percentage ownership interest and that they are all of the persons required to sign this Agreement pursuant to this Section;
- (iii) agree to furnish the financial information required by Franchisor;
- (iv) upon Franchisee's signing this Agreement, execute a separate written Guarantee and Assumption of Obligations on a form identical to that shown in Attachment "A" attached hereto;
- (v) agree to the rights, duties, obligations and restrictions placed on them by this Agreement;
- (vi) execute a separate written Risk Disclosure Statement and Agreement on a form identical to that shown in Attachment "C" attached (unless prohibited by state law); and
- (vii) execute a Franchisee Terms and Conditions for Offering UPS Products, attached hereto as Attachment "F".

For purposes of applying the 5% ownership interest tests, all ownership interests of related individuals or businesses and entities, whether related by birth, descent, marriage, parent-subsidary business or entity relationships, shall be considered as owned by the individual or entity being considered.

The organizational documents of such parties shall recite that the issuance and transfer of any interest therein is subject to the restrictions contained in this Agreement.

10. Dispute Avoidance and Resolution

10.01 Process, Waiver of Jury Trial, Etc.

(a) All claims, disputes, suits, actions, controversies, proceedings, or otherwise, of every kind (hereinafter “claim” or “claims”) arising between or involving the Franchisor and the Franchisee or arising from or related to this Agreement, will be resolved as described below. This resolution process will apply to all such claims, whether arising out of or relating to this or any other agreement or document, any alleged breach of duty (including the offer and/or sale of any franchise, any action for rescission or other action to set aside such sale or any other agreement), and on whatever theory or basis in fact. The resolution process will be as follows:

(1) First, the claim(s) will be discussed in a face-to-face meeting between the parties with individuals who are authorized to make binding commitments on their behalf. This meeting will be held at Franchisor’s then-current principal office and within thirty (30) days after written notice is given proposing such a meeting.

(2) Second, if, in the opinion of either party, the meeting has not successfully resolved such matters, they will be submitted to non-binding and confidential mediation for a minimum of eight hours before a mediation organization or individual approved by all persons or entities involved in the claim. In the mediation, each party will be represented by one or more individuals authorized to make binding commitments on each party’s respective behalf and may be represented by counsel. In addition, the parties may, with permission of the mediator, bring such additional persons as are needed to respond to questions, contribute information and/or participate in the negotiations. The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters.

(3) Third, if mediation is not desired (or if such mediation is not successful in resolving such claim), Franchisee shall file any suit against Franchisor only in the federal or state court of general jurisdiction located closest to franchisor’s then current principal office. Franchisor may file suit in the federal or state court of general jurisdiction located closest to Franchisor’s then current principal office or in the jurisdiction where Franchisee resides or where its principal office is located.

(b) Mediation will be conducted at the location of Franchisor’s then-current principal office, to facilitate participation of important individuals and availability of documents, etc. to the resolution of the matter, and by a mediator experienced in franchising. Except as expressly provided below, the parties to any mediation will bear their own costs, including attorney’s fees. The parties to the dispute will share the fees and expenses of the mediator(s), mediation organization equally, unless expressly provided otherwise in this Agreement.

(c) Franchisor and Franchisee agree that this Agreement does not obligate them to mediate claims or issues relating primarily (i) the validity of the Marks, or any trademarks, service marks or other Intellectual Property licensed to Franchisee, (ii) the right to obtain possession of any real and/or personal property (including Franchisor’s rights and remedies pursuant to any security agreements, financing

statements, and the applicable Uniform Commercial Code provisions), (iii) the right to obtain a pre-judgment writ of attachment, and/or (iv) the right to obtain and enforce a temporary restraining order and/or preliminary injunction for specific performance of the terms of this Agreement.

(d) In any litigation, Franchisor and Franchisee each waive any right to claim or recover punitive or exemplary damages, treble or other multiple damages, damages for pain-and-suffering or mental distress, and consequential and/or similar damages. **THE PARTIES AGREE IRREVOCABLY TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM.** Franchisor may recover the then-current value of any initial franchise fees, royalties, Marketing Fund Contributions and/or other payments that are, or would be made, in the absence of a breach or termination, to the Franchisor. However, if any provision in this Agreement sets forth a higher limitation on damages the Franchisor may recover, that provision will control. Franchisor's maximum liability will be (collectively) limited to economic losses directly caused by breach of any obligation. Franchisee's maximum liability will be limited to the present value of the royalties, advertising contributions, and other amounts which would normally have been paid if the Franchise had continued in existence for its full term, together with any past due payments owed. Notwithstanding the foregoing, there will be no limitation on the Franchisee's indemnity, non-competition, confidentiality, and/or similar obligations. Franchisee agrees that neither Franchisee nor Franchisor will be liable for any act or omission consistent with this Agreement or other information provided to the Franchisee or which is done in subjective good faith. Franchisee and Franchisor have agreed on this limitation in recognition of the fact that the calculation of any actual damages would be exceedingly difficult and subject to speculation and possible abuse and that the foregoing compromises benefit both equally. Franchisee agrees that its only remedy if an injunction or other equitable relief is entered against it will be to obtain dissolution of such injunction, etc.

10.02 Attorneys' Fees

Franchisor, Franchisee and Franchisee's owners will each bear their own costs and attorneys' fees for enforcement or defense of any claims made by one party against the other and will make no claim with regard thereto, in any claim or dispute related to any obligations under this Agreement, unless otherwise expressly provided in this Agreement.

10.03 Warranties and Waiver

Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee by granting any waiver, approval or consent to Franchisee or by reason of any neglect, delay or denial of any request therefore. No waiver of any breach of any agreement, condition, covenant, promise, representation, warranty or term in this Agreement shall constitute a continuing waiver or a waiver of any subsequent breach of the same or any other agreement, condition, covenant, promise, representation, warranty or term. Any waiver of any provision of this Agreement to be enforceable must be in writing and signed by the waiving party.

10.04 Certain Acts Not Constituting Waiver

Failure of either party to enforce any of the provisions of this Agreement or any rights with respect hereto or failure to exercise any election provided for herein shall in no way be considered to be a waiver of such provisions, rights or elections, or in any way affect the validity of this Agreement. The failure of either party to exercise any of said provisions, rights, or elections shall not preclude or prejudice such party from later enforcing or exercising the right or any other provisions, rights, or elections which it may have under this Agreement.

10.05 No Right of Offset

Franchisee may not offset or withhold payments owed for amounts purportedly due Franchisee from the Franchisor. If Franchisee believes that the Franchisor has violated any legal duty to Franchisee, Franchisee

will, notwithstanding such belief, pay all sums when due as specified under this Agreement. Thereafter, reimbursement may be sought in accordance with this Agreement, and Franchisee may only withhold payment after such dispute has been finally determined in Franchisee's favor.

10.06 Action Against the Franchisor

If Franchisee or any of Franchisee's owners or affiliates engage in any legal action, either in Franchisee's behalf or in connection with any action taken by one or more other Unishippers franchisees or any association of Unishippers Franchisees (including arbitration, but not including mediation) against the Franchisor and do not receive a final judgment or award in Franchisee's favor on the merits, Franchisor at its option has the right to terminate the franchise. If Franchisor exercises its right to terminate the Franchise, as provided for in this Agreement, then Franchisee will have ninety (90) days after entry of a final award or order by any arbitrator or court to sell Franchisee's Unishippers Business to a qualified buyer under the terms and conditions of this Agreement. Franchisor will have the opportunity but not the obligation to purchase the Franchise based on the Purchase Option, with adjustment for Customer attrition within ninety (90) days after the acquisition, before the termination becomes effective.

11. Interpretation, Modification, and Substitution

11.01 Construction of Language and Survival

The language of this Agreement shall be construed according to its fair meaning and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Franchisee, their obligations and liabilities shall be joint and several. Headings are for reference purposes and do not control interpretation.

The provisions of Section 10 and all non-competition and confidentiality obligations and indemnity/hold harmless obligations as set forth in this Agreement or elsewhere will survive the expiration and/or termination of this Agreement.

11.02 Governing Law

This Agreement shall be deemed made and entered into in the state of Texas, and shall be governed and construed under and in accordance with the laws of that state without regard to its laws relating to conflicts of laws and choice of law. If Franchisee brings suit against Franchisor, the litigation will be conducted exclusively before a court in the most immediate judicial district encompassing Franchisor's then-current principal office, or in the United States District Court encompassing Franchisor's then-current principal office at the time of the filing of the lawsuit. Franchisor may file suit in the federal or state court of general jurisdiction located closest to Franchisor's then current principal office or in the where Franchisee resides or where its principle office is located. Where a basis for federal jurisdiction exists, all filings, proceedings and otherwise, other than proceedings to remove or transfer a matter to such court will be exclusively in such Federal court, in preference to state court. Both Franchisee and Franchisor consent to the exclusive jurisdiction of such court. The laws of the state of Franchisor's then-current principal office regarding franchises (including, without limitation, registration, disclosure, and/or relationship, and the regulations thereunder) will not apply unless that state's jurisdictional, definitional and other requirements are met independently of and without reference to this Section. Notwithstanding the foregoing provisions, the United States Trademark Act and other applicable federal laws shall apply to this Agreement and the relationship of the parties.

11.03 Severability

Franchisor and Franchisee agree that if any provision of this Agreement is capable of two constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. If any provision of this Agreement is deemed to be invalid, inoperative or contrary

to law for any reason, that provision shall be deemed modified to the extent necessary to make it valid, operative and consistent with the law, or if it cannot be so modified, then severed, and the remainder of the Agreement shall continue in full force and effect as if the Agreement had been signed with the invalid portion so modified or eliminated; provided, however, that if any part of this Agreement relating to payments to Franchisor or protection of the Marks, Proprietary Information or Marketing Information is declared invalid, unenforceable or contrary to law, then Franchisor, at its option, may terminate this Agreement upon written notice to Franchisee.

11.04 Entire Agreement

The recitals hereto are a part of this Agreement (together with its attachments, all of which will be deemed to be part of this Agreement). This Agreement contains the final, complete and exclusive expression of the terms of Franchisor's agreement and entirely supersedes and replaces any and all prior and/or concurrent promises, agreements, representations or otherwise (whether oral or written) between Franchisee and Franchisor (or anyone else.) No prior and/or concurrent promises, agreements, representations or otherwise (whether oral or written) of any kind or nature whatsoever have been made by Franchisor or anyone else, nor have been relied upon by Franchisee nor will have any force or effect. Nothing in this Agreement or any related agreement is intended to disclaim Franchisor's representations made in the Franchise Disclosure Document.

11.05 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one agreement.

11.06 Modification

Except as otherwise provided in this Agreement, this Agreement may not be altered, modified, amended or changed, in whole or in part, except by a writing executed by Franchisor and Franchisee. Notwithstanding the foregoing or anything in this Agreement to the contrary, this Agreement shall be deemed modified to the extent necessary to make it consistent with the terms of all Carrier Contracts covering the Marketing Area entered into between Franchisor and Carrier(s) whether now or in the future.

11.07 Successors

Except as otherwise provided in this Agreement, this Agreement shall be binding upon the respective parties hereto, their heirs, successors, assigns, transferees, grantees, executors and administrators.

11.08 Cumulative Rights

Except as expressly stated otherwise, the rights and remedies of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder or which Franchisor or Franchisee is entitled by law or equity to enforce.

11.09 Execution of Documents

Franchisee and Franchisor agree to execute and deliver all documents necessary or appropriate to carry out the purposes and intent of this Agreement. Franchisor may require Franchisee and all related parties to execute this agreement and/or any other document(s) at the location of their principal office.

11.10 Risk Disclosure, Acknowledgment of Receipt, Verification of Non-Reliance

Franchisee acknowledges that Franchisee knowingly and truthfully executed Attachments "C", "D", and "E" (unless prohibited by state law) (all of which are attached and incorporated by reference) wherein Franchisee acknowledges various risks, agrees to certain provisions, and acknowledges receipt of this Agreement together with all attachments and other documents as noted therein.

12. Definitions

When various words or phrases are used in this Agreement, here's what they mean:

“Account Protection Policy” – A policy in the Manuals designed to address situations in which an existing or potential customer may be associated with two or more franchisees, as such policy may be changed from time to time.

“Actual Shipments” – The number of unique airbill and/or bill of lading transactions billed for the Franchise for the relevant month.

“Business Entity” – A corporation, partnership, limited partnership, joint venture, or limited liability company (LLC) or other form of business recognized in any jurisdiction.

“Carrier” – Companies that are authorized by Unishippers to provide parcel or freight transportation or transportation-related services to Unishippers Franchisees.

“Carrier Contracts” – Agreements negotiated with Carriers and formalizing the relationships between Unishippers or its Affiliates and the Carrier.

“Concept” – The business practices and strategies, methodologies, format, brand name, intellectual property and operations licensed to Franchisee in this Agreement.

“Customer” – Any person or entity who has agreed to purchase, or has purchased, Unishippers services from Unishippers or any Unishippers Franchisee.

“Customer Accounts” – Accounts set up for the delivery of shipping or other services with Unishippers Franchisees by Customers.

“Customer Billings” – All billings to Customers for shipping or other services and accounts receivable associated therewith, presently existing or hereafter acquired, and regardless of where located.

“Fair Market Value” – The value assigned to comparable Unishippers franchises sold in the past twelve (12) months using a multiple that can be commonly applied. This is a multiple of Gross Profit Margin or of EBITDA (earnings before interest, taxes, depreciation and amortization) and may also be adjusted for the type and location of buyer, maturity of franchise, size of the franchise and other appropriate factors.

“Franchise” – The licensed right to operate a single Unishippers Business, providing shipping services to customers designated by Unishippers and shipping from sites located within the continental United States under the terms of this Agreement.

“Franchise Business” – The right to promote and advertise the business under the Marks, and solicit, establish, maintain, service, and collect on Customer Accounts utilizing authorized Carriers in accordance with the terms of the Carrier Contracts, subject to the Unishippers Account Protection Policy as it may be updated from time to time.

“Franchisee” – The individual(s) signing this Agreement as Franchisee. (If there is more than one Franchisee, each is jointly and severally obligated under this Agreement and all other agreements.) The term “Franchisee” as used herein is applicable to one or more persons or a business entity as the case may be.

“Franchisor” – Unishippers Global Logistics, LLC.

“General Release” – A general release, in form prescribed by Franchisor, of all claims, liabilities and/or obligations including all those arising before the date of any such release. A copy of the general releasing language as currently used by us is attached as Attachment “K” and is approved by Franchisee.

“Good Standing” – Good Standing means the Franchisee and each of its Owners: (1) are not in default of this Agreement, and (2) are in compliance with all specifications, requirements Performance Standards, and similar standards (including but not limited to those in Section 3.03) under this Agreement.

“Gross Profit Margin” – means Gross Sales Volume less the cost of Carrier service that is billed to and paid by Franchisee to a Carrier (but not less any related bad debt or other expenses paid by Franchisee, such as royalties, sales commissions, marketing expenses, processing fees, etc.).

“Gross Sales Volume” – includes all revenues (except sales tax collected and actual customer refunds, adjustments and credits) which are, or could be, received or earned by Franchisee (1) by Franchisee’s Unishippers Business, including the total amount billed or charged to Customers by Franchisee or others arising from Customer Shipments, inbound collect Customer Shipments, or sales of other services or products to Customers directly (2) which relate to the type of products or services which are sold as a Unishippers Business, (3) with respect to any products or services which are, distributed in association with the Marks or the Unishippers System, or the operation of any Similar Business and (4) with respect to any co-branding activities.

“Initial Franchise Fee” – Fee paid by a new Franchisee upon execution of a Franchise Agreement.

“Intellectual Property” – Includes (i) all Unishippers Software, including the data and information processed or stored thereby; (ii) the Manuals and all other directives, policies or information the Franchisor issues from time to time; (iii) all Customer relationships and information; (iv) the Marks, and all trade names, or other commercial symbols; (v) all Confidential Information and Franchisor’s trade secrets; and (vi) all other proprietary, copyrightable and/or trade secret information and materials developed, acquired, licensed or used by Franchisor, Franchisee or Franchisor’s Affiliates in Franchisor’s operation of the System. The foregoing shall apply regardless of the form or medium involved (e.g., paper, electronic, tape, tangible or intangible).

“Manuals” – Written, video, audio and/or software media (including materials distributed electronically), regardless of title, containing specifications, standards, policies and procedures prescribed by us and to be followed by Franchisee in the operation of Franchise Business and governing Franchisee’s performance under this Agreement, including (but not limited to) all services and products to be sold and/or provided at or from Franchise Business and/or in association with the Marks.

“Marketing Area” – The geographic area described in Section 1.01.

“Marketing Advisory Council” or **“MAC”** – As defined in Section 3.12(d).

“Marketing Fund Contribution” – A percentage of Franchisee’s Gross Profit Margin paid by the Franchisee to the Franchisor.

“Marks” – The trademarks, service marks and other commercial symbols now and/or in the future owned by (or licensed to) Franchisor and which the Franchisor designate to be used to identify the services and/or

products offered by Unishippers Businesses, including (but not limited to) the mark “Unishippers®”, the uniforms required and certain associated logos as designated by us from time-to-time.

“Minimum Royalty” – The Minimum Royalty Payment is included on the Summary Page and is calculated according to a schedule tailored to each franchise and includes a Weighted Shipment growth rate of 17.5 per month (months with 5 weeks are 25% higher).

“National Franchise” –A National Franchise grants the franchisee the non-exclusive right to develop and manage a transportation services promotion and sales business for all transportation services offered under the Carrier Contracts within the continental United States subject to the Account Protection Policy.

“Paid Gross Margin” - All cash receipts (for revenue actually collected by Franchisee) from franchisee’s customers transitioned to Franchisor (or its affiliate or third-party designee) for shipping services provided by the Carriers (excluding sales tax, refunds, adjustments and credits) minus the cost of carrier service for such shipping services.

“Performance Standards” –Revenue Requirements that each Franchisee must meet, as set out in Section 3.03 of this Agreement.

“Products” and “Services” – Products and services designated by Franchisor for use and/or sale by Franchisee’s Unishippers Business and/or in association with the Marks and/or System; also, products and services designated by Franchisor that are used at, from, or by Franchisee’s Unishippers Business and/or in association with the Marks and/or System.

“Royalty Payment(s)” – Payment by Franchisee to Franchisor due on the twentieth (20th) day of each calendar month for the month before the preceding calendar month described in Section 2.02.

“Similar Business” – Any enterprise (including not-for-profit operations) that offers or is otherwise involved in or deals with transportation services, and/or any products and/or services which are now, or in the future, authorized by Franchisor to be offered from, and in connection with, Unishippers Businesses, including any business awarding franchises or licenses to others to operate or be involved with any such businesses.

“System” – The distinctive format, operations and method of doing business developed, used and modified by us, from time-to-time, in Franchisor’s discretion, for the operation of a Unishippers Business, and subject to change by Franchisor at any time and in Franchisor’s discretion.

“System Standards” – Standards prescribed by Franchisor from time-to-time in the Manuals or elsewhere for the operation, marketing and otherwise of Unishippers Businesses.

“Transfer” – includes (but is not limited to) any voluntary, involuntary, partial, complete, direct or indirect, assignment, sale, gift, pledge, mortgage of, or any granting of any security or other interest (whether or not controlling) in: (1) this Agreement; (2) the Franchise; (3) the ownership of the Franchisee; (4) Franchisee’s Unishippers Business; or (5) any assets associated with any of the foregoing. A Transfer also includes (but is not limited to) the following events: (1) any transfer of ownership of capital stock or any partnership or similar interest; (2) any merger or consolidation or issuance of additional securities representing an ownership interest in the Franchisee; (3) any sale of voting stock of the Franchisee or any security convertible to voting stock of the Franchisee; (4) any transfer, whether voluntary or involuntary, in a divorce, insolvency, bankruptcy, corporate or partnership dissolution proceeding, receivership, or otherwise by operation of law;

(5) any transfer of any interest in any revenues, profits, rights or assets of Franchisee's Unishippers Business; (6) the creation or otherwise of any security or similar interest affecting any of the foregoing; (7) change of ownership resulting from Franchisee's death or the death of an owner of the Franchise or the Franchisee, (8) by will, declaration of or transfer in trust or to a trust or other similar entity, or under the laws of intestate succession, or (9) transfers to any business entity.

"UCC-1" – Uniform Commercial Code Financing Statement.

"Unishippers Business" – A business providing overnight express, airfreight, express truck and other transportation services, or other related or unrelated services, using the Marks and System, and otherwise, as authorized under this Agreement and by Franchisor from time to time.

"Unishippers Software" – means 1) any and all computer software, programs, source codes, object codes, executable codes and related items, created by Franchisor, acquired by us by assignment, license or other means, or otherwise designated as "Unishippers Software" by us, and 2) all data and information stored in electronic, digital or other forms associated with the foregoing or the Franchise, for use in or relating to the operation of the Franchise, including, but not limited to, the computer software, programs, data and information referred to as SpeedShip, Salesforce, Aljex, USADT, UCMS, PPS, UONE, myUnishippers, etc.

"UPS" – means United Parcel Service, Inc., and its affiliates.

"Parcel-Only Franchise" – A Parcel-Only Franchise grants a franchise for the non-exclusive right to develop and manage a transportation services promotion and sales business for parcel services, offered under a parcel Carrier Contract within the National Marketing Area, pursuant to an amendment to the Franchise Agreement (see Attachment "N"). Parcel only franchises do not sell freight.

"UPS Revenue Requirement" – means the requirement to sell a minimum level of parcel products and services, as determined by Franchisor's Carrier contract with UPS. The UPS Revenue Requirements will adjust each year at a revenue growth rate determined by the then-current UPS Carrier contract.

"Vendor" – Any person or entity (including Carriers) providing products and/or services to Unishippers Franchisees, whether for use, resale and/or otherwise.

"Weighted Shipments" – Franchisee's Gross Profit Margin for all shipments of 150 pounds or less, for the applicable period, divided by the average per shipment Gross Profit Margin achieved by the middle 80% of all Franchises. The middle 80% of all Franchises shall be determined by ranking the Franchises, located in the 48 contiguous United States, in descending order based upon each Franchise's Gross Profit Margin for all shipments of 150 pounds or less for the immediately preceding calendar year. Franchisor will calculate and adjust the divisor annually by January 15th and notify Franchisee of any change. The divisor will not be less than \$5.

FRANCHISEE REPRESENTS THAT NEITHER FRANCHISEE NOR ANY OF FRANCHISEE'S OWNERS HAVE BEEN DESIGNATED AS SUSPECTED TERRORISTS ON THE LIST OF SPECIALLY DESIGNATED NATIONALS AS PROMULGATED BY THE OFFICE FOR ASSET CONTROL UNDER THE U.S. DEPARTMENT OF TREASURY.

NO PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE FRANCHISOR EXCEPT AN AUTHORIZED OFFICER OF FRANCHISOR BY A WRITTEN DOCUMENT.

FRANCHISEE UNDERSTANDS AND AGREES THAT FRANCHISOR HAS NO OBLIGATION TO APPROVE ANY TRANSFER AND MAY REFUSE TO APPROVE THE TRANSFER FOR ANY

REASON, OR NO REASON, WITHOUT DISCLOSING THE BASIS FOR ITS DECISION. FRANCHISEE ACKNOWLEDGES THAT UNLESS AND UNTIL FRANCHISOR NOTIFIES FRANCHISEE IN WRITING THAT THE TRANSFER HAS BEEN APPROVED, TRANSFEREE IS NOT A FRANCHISEE AND MAY NOT RELY UPON BECOMING A FRANCHISEE.

IN AGREEMENT WHEREOF, the parties sign this Unishippers Franchise Agreement.

FRANCHISEE

[FRANCHISEE ENTITY NAME]
[a/an type of entity]

By: _____
[Owner 1 Name]
Its: [Position 1]

Dated: _____

FRANCHISOR

UNISHIPPERS GLOBAL LOGISTICS, LLC
a Delaware limited liability company

By: _____
Dustin Wesley
Its: Senior Vice President

Dated: _____

ATTACHMENT “A”
GUARANTEE AND ASSUMPTION OF OBLIGATIONS

#[XXXX]

GUARANTEE AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTEE AND ASSUMPTION OF OBLIGATIONS IS GIVEN this date _____, by **[List Owners, individually]**, and as [Owner Position] of [Franchisee Entity Name].

In consideration of and as an inducement to the execution of the attached **Unishippers #[XXXX] National Franchise Agreement** (the “Agreement”) by Unishippers Global Logistics, LLC, a Delaware limited liability company (“Franchisor”), each of the undersigned personally and unconditionally:

(a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement or until an assignment or transfer pursuant to Section 5.02 and 5.04 of the Agreement and thereafter as provided in the Agreement, that **[Franchisee Entity Name]** (“Franchisee”) shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and

(b) agrees to be personally bound by, and personally liable for the breach of each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the provisions of Sections 2.08 and Section 4 of the Agreement.

Each of the undersigned further consents and agrees that:

(c) his or her direct and immediate liability under this guarantee shall be joint and several;

(d) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(e) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and

(f) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guarantee, which shall be continuing and irrevocable during and after the term of the Agreement.

Individual Ownership. The owners in the Franchisee have the following ownership percentage:

[Franchisee Entity Name]:

<u>OWNER(S)</u>	<u>OWNERSHIP PERCENTAGE</u>
-----------------	-----------------------------

[Owner 1 Name]	[%]
[Owner 2 Name]	[%]

Each of the undersigned has affixed his or her signature to this Guarantee and Assumption of Obligations on the same day and year as listed above.

GUARANTOR

<u>NAME</u>	<u>POSITION</u>	<u>SIGNATURE</u>	<u>DATE</u>
[Owner 1 Name]	[Position 1]		
[Owner 2 Name]	[Position 2]		

INDIVIDUALLY

<u>NAME</u>	<u>SIGNATURE</u>	<u>DATE</u>
[Owner 1 Name]	Individually	
[Owner 2 Name]	Individually	

ATTACHMENT “B”
SECURITY AGREEMENT

#[XXXX]

SECURITY AGREEMENT

This Security Agreement is made as of _____, between [Franchisee Entity Name], [a/an type of entity], having its principal office at [Entity Address], (“Debtor”) and **Unishippers Global Logistics, LLC**, a Delaware limited liability company, having its principal office at 2700 Commerce Street, Suite 1500, Dallas, Texas 75226, (“Unishippers” or “Secured Party”).

RECITALS

- A. Pursuant to an agreement with Unishippers Global Logistics, LLC (“Franchise Agreement”), Debtor operates a Unishippers Franchise pursuant to **Unishippers #[XXXX] National Franchise Agreement**.
- B. Debtor has agreed to grant Secured Party a security interest in all of Debtor’s accounts and payment intangibles (as defined in Article 9 of the Uniform Commercial Code), presently existing or hereafter acquired, including any future advances (whether obligatory or otherwise), regardless of where located, and all books and records of Debtor, including without limitation, all computer-stored or computer-retrievable records of the same, and all products and proceeds thereof (“Collateral”) as security for the prompt performance of its obligations pursuant to this Agreement and the Franchise Agreement (“Obligations”).
- C. The parties wish to effect such pledge pursuant to the terms and conditions of this Agreement.

AGREEMENTS

The Debtor and the Secured Party agree as follows:

1. Grant of Security Interest. For value received, the Debtor hereby grants the Secured Party a continuing security interest in all of the Debtor’s right, title and interest in and to the Collateral. The Collateral also includes all products and proceeds thereof. The security interest in the Collateral herein granted secures the prompt performance by Debtor of all of all Obligations.
2. Debtor Assurances. Debtor warrants, covenants, and agrees that:
 - A. The Debtor has full title to the Collateral, free and clear of any adverse liens, security interests or encumbrances other than that granted to Secured Party hereby, and Debtor will defend the Collateral against all claims and demands of all third parties at any time claiming the same or any interest therein;
 - B. No financing statement covering any Collateral or any proceeds thereof is on file in any public office with the exception of the financing statement required by Unishippers Global Logistics, LLC in §2.13 of the Franchise Agreement. At the request of Secured Party, Debtor will join with Secured Party in executing one or more Financing Statements pursuant to the applicable Uniform Commercial Code in form satisfactory to Secured Party and will pay the cost of filing the same or filing or recording this Agreement in all public offices wherever filing or recording is deemed by Secured Party to be necessary or desirable;
 - C. Debtor will not sell or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of Secured Party;
 - D. Debtor will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof, will not use the Collateral in violation of any statute or ordinance, or the Unishippers Franchise Agreement, and agrees that Secured Party may examine and inspect Collateral at any time, wherever located; and

E. Debtor will pay promptly when due all taxes and assessments upon the Collateral or their use or operation or upon this Agreement.

Until default, Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this Agreement and the Unishippers Franchise Agreement and not inconsistent with any policy of insurance thereon.

3. Authorization for Future Filings. Debtor hereby authorizes Franchisor to file a financing statement with regard to the Collateral, or amendments to such financing statement, without the necessity of obtaining an additional signature from Debtor.

4. Events of Default. Debtor shall be in default under this Agreement upon the happening of any of the following events or conditions:

A. Default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in the Franchise Agreement or Promissory Note;

B. If any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor proves to have been false in any material respect when made or furnished;

C. Sale or encumbrance to or of any of the Collateral without the consent of Secured Party, or the making of any levy, seizure or attachment thereof or thereon which is not discharged within sixty (60) days;

D. Dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor or surety for Debtor and any such petition is not dismissed within sixty (60) days; or

E. Termination or non-renewal of the Franchise by Unishippers Global Logistics, LLC.

Upon such default and at any time thereafter Secured Party may, at its option, declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the applicable Uniform Commercial Code. Secured Party may require Debtor to deliver all of Debtor's books and records relating to the Collateral and make it available to Secured Party at a place to be designated by Secured Party that is reasonably convenient to both parties. Secured Party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of the Agreement for at least five (5) days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling and the like shall include Secured Party's reasonable attorneys' fees and legal expenses.

The Secured Party shall not be obligated to make any sale or other disposition of Collateral regardless of notice of sale or notice of collection having been given. The commencement of any action, legal or equitable, or the rendering of any judgment or decree of any deficiency shall not affect the Secured Party's security interest in the Collateral until all of the obligations secured hereby are fully paid.

All proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in the following order:

1. first, to the payment of all fees and expenses incurred by Secured Party in connection with any such sales, including, but not limited to, the expenses of taking, advertising, processing,

preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for Secured Party in connection therewith; and then

2. second, the balance, if any, to payment of all sums owed by Debtor to the Secured Party, vendors and/or Unishippers carriers; and then

3. third, the balance, if any, to the Debtor.

The rights and remedies of the Secured Party hereunder are cumulative and non-exclusive and the exercise of any one or more of the remedies provided for herein or under applicable commercial law shall not be construed as a waiver of any of the other remedies of the Secured Party so long as any part of the obligations secured hereby remain unsatisfied. No failure on the part of the Secured Party to exercise, and no delay in exercising, any rights, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy by the Secured Party preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

5. Monthly Update of ACH/Credit Card Information. All ACH and credit card information for customer invoice payment, including but not limited to, credit card authorization forms, will be updated by Debtor monthly on or before the 10th of each month.

6. Indemnity and Expenses.

A. Debtor agrees to indemnify and hold Secured Party harmless from against any and all claims, losses and liabilities growing out of or resulting from this Security Agreement (including enforcement of this Security Agreement), except claims, losses or liabilities resulting from the Secured Party's willful misconduct. Debtor shall defend and hold Secured Party harmless from and against all persons whomsoever claiming all or any part of the Collateral, and against any and all liabilities, obligations, losses, damages, penalties, claims, action suits, judgments, costs and expenses (including reasonable attorneys' fees and expenses and costs of investigation), or any kind and nature whatsoever related to or arising from claims by any such persons.

B. The Debtor will upon demand pay to the Secured Party the amount of any and all reasonable expenses, including reasonable fees of attorneys, expert's and agent's fees, which the Secured Party may incur in connection with (i) the administration of this Security Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of the Secured Party hereunder, or (iv) the failure of the Debtor to perform or observe any of the provisions hereof.

7. Amendment and Waiver. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by the Debtor therefrom, shall in any event be effective, unless the same shall be in writing and signed by the Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No course of dealing between the Debtor and the Secured Party, nor any delay or failure by the Secured Party to exercise any right hereunder, shall operate as a waiver. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All rights of the Secured Party hereunder shall inure to the benefit of its successors and assigns, and all obligations of Debtor shall bind its successors or assigns.

8. Notices. Except as provided in Section 3 hereof, the Debtor waives, to the fullest extent permitted by law, any and all notices, demands, hearings or process of law in connection with the exercise by the Secured

Party of any of its rights and remedies upon any default hereunder. Any notices, requests, demands, and other communications to be given by any party hereunder shall be in writing and shall be deemed to be duly given if delivered, or if mailed registered or certified mail, postage prepaid, return receipt requested, or by overnight mail.

9. Termination. This Security Agreement shall terminate upon performance in full of all the Debtor's obligations and liabilities secured hereby and the Secured Party shall thereupon execute such termination statements or other documents as shall be necessary to terminate the security interest granted herein.

10. Governing Law. This Security Agreement shall be governed by and construed in accordance with the internal laws of the state of the Secured Party's principal office. Whenever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, however, if any such provision shall be prohibited by or be invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision of the remaining provisions hereof.

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be executed as of the date first shown above.

DEBTOR

SECURED PARTY

[FRANCHISEE ENTITY NAME]

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____

[Owner 1 Name]

Its: [Position 1]

By: _____

Dustin Wesley

Its: Senior Vice President

Dated: _____

Dated: _____

ATTACHMENT “C”

RISK DISCLOSURE STATEMENT AND AGREEMENT

#[XXXX]

RISK DISCLOSURE STATEMENT AND AGREEMENT

EACH PERSON SIGNING BELOW (REFERRED TO AS “FRANCHISEE”) ACKNOWLEDGES THAT THEY HAVE READ COMPLETELY THE DISCLOSURES BELOW AND THAT THEY HAVE AN ADEQUATE UNDERSTANDING PERTAINING THERETO. FRANCHISEE FURTHER ACKNOWLEDGES THAT FRANCHISOR HAS PROVIDED SUFFICIENT TIME AND OPPORTUNITY TO CONSULT WITH ATTORNEYS, ACCOUNTANTS, APPRAISERS, FRANCHISEES, AND OTHER PROFESSIONALS AND ADVISORS IN THE TRANSPORTATION INDUSTRY AND ELSEWHERE TO PROPERLY EVALUATE THE LEVEL OF RISK THAT THIS INVESTMENT ENTAILS.

If you are a resident of California, Virginia, or Maryland or your franchise is located in California, Virginia, or Maryland you are not required to sign this Statement. Void in states which prohibit this Risk Disclosure. The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in **California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:**

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

A. Carrier Contracts

The basis of Unishippers Global Logistics, LLC’s (“Unishippers” or “Franchisor”) program is the national discounted carrier contracts and pricing agreements (collectively, “Carrier Contracts”). These Carrier Contracts may be terminated for a number of reasons. Carriers and/or their successors, assigns or transferees may fail to honor the Carrier Contracts or the Carrier Contracts may be altered to the detriment of the Unishippers program. There is no guarantee or assurance that the current Carrier Contracts will remain in effect or that substitute discount Carrier Contracts can be negotiated. Carrier Contracts in effect as of the date of the Disclosure Document will be renegotiated from time to time, subject to general market trends and conditions. In discussions regarding renegotiation of contract rates with Carriers, Carriers have indicated future rates will reflect changes to market conditions and may go up or go down. There is no guarantee that Unishippers will be able to renegotiate the same rates or favorable rates in order for a franchise to be profitable.

Franchisee acknowledges, understands and agrees that Unishippers will act in good faith in attempting to maintain the Carrier Contracts, or in its discretion, in attempting to negotiate a new or modified discount carrier contract with existing Carriers or with another carrier, and that in no event will Franchisee hold Unishippers, its parents, affiliates, subsidiaries, officers, directors, members, agents, employees or partners liable if the current contracts are terminated or modified and/or a new discount carrier contract cannot be negotiated. Unishippers does not have exclusive territorial or other rights with the present Carriers or other carriers under the Carrier Contracts. These Carriers have entered into similar agreements with other parties, including our affiliates, which operate under the Worldwide Express and GlobalTranz brands.

The Carrier Contracts also pose other risks. The Carriers maintain that under the Carrier Contract all invoices are generally due and payable within thirty (30) days or less, of presentation to the Franchisee. This payment period may be difficult to meet absent a sufficient reserve. Even though one or more of the Carrier Contracts state that a default by any one Franchisee will not affect any other one; it also states that the Franchisor is ultimately responsible for payment of invoices. Should the Franchisor not be able to pay unpaid invoices, it may create credit problems and risks.

B. Carrier's Service Levels

The success of Unishippers' program is solely dependent upon the Carriers' service and the pickup and delivery terms and conditions according to their Service Guides. It is likely that through the growth of Unishippers and the shipping industry in general, the Carriers will need to add additional personnel and equipment to their existing capacity and that the service level of pickup and delivery service may decline substantially. This could, in turn, affect the overall reliability and confidence level of the Franchisee's Customers. The success of the Unishippers program is thus heavily dependent upon the Carriers' commitment to growth and an adequate level of service with or without the growth as a factor.

C. Unishippers' Track Record

The Unishippers concept, through its predecessor, was started in 1987. Although the concept has been in use since 1987, it still entails a high degree of risk. No numbers, estimates or projections of income and expenses relating to Unishippers' program other than those provided in the Unishippers FDD can or will be provided by Unishippers. Each Franchisee should make his or her own determination as to the economic feasibility of the Unishippers' concept and its franchises.

D. Competition

It is very likely that other companies will negotiate discounts for transportation services based on anticipated sales volumes and revenues and will reserve a portion of that discount much like the current Unishippers program. Programs similar to Unishippers' are already in effect in most areas of the country, including through our affiliate, Worldwide Express. The National Market is open to competition from other Unishippers franchises. Discounts are currently available to members of associations not based on volume. These discounts are, in some cases, as low or lower than the prices that Unishippers is able to offer Customers and still maintain a reasonable profit. Other transportation service companies as well as carriers currently offer the same or similar transportation services at the same or lower prices than Unishippers is able to offer through these or other carriers. The infrequent shipper portion of the transportation industry is becoming increasingly competitive with transportation service companies offering discounts to shippers not based on volume. Discount rates for transportation services for Unishippers, its franchisees and their customers, whether through Carriers or other transportation service companies, may not always be available in the future. This risk should be weighed heavily in considering the purchase of a franchise.

E. Account Enrollment

The sales ability of the Franchisee to sell discount transportation services will have a significant impact upon a franchisee's success in most markets. There is no guarantee that even an experienced salesperson will be successful at marketing these services. Some Unishippers Franchisees' salespersons, even those who have had extensive marketing experience, have not been successful in selling transportation services. There is also a risk that franchisees or others associated therewith could misrepresent transit times, the level of service that carriers provide or other matters. Such misrepresentations or other misrepresentations could result in franchisee liability, substantial costs and penalties or possibly the termination of the current contracts.

F. Training

Unishippers provides training for the Franchisee and manager (if the manager is directly supervising the franchise) and for all sales personnel required by Unishippers to attend. However, no guarantee is made that completion of such training will enable anyone to successfully market transportation services. In the past, some individuals who were experienced in marketing and sales failed to grasp the necessary concepts through the training program, which substantially impaired their success.

G. Financial Obligations

The purchase of a license to operate a Unishippers franchise requires substantial payments and obligations up front and over time. There is no guarantee or representation that a market area will yield a profit or enough cash flow to pay back any or all of the anticipated financial obligations. Similarly, incurring debt against your Unishippers Business, including any debts to the Franchisor, poses additional risks that your franchise will not produce enough profit or cash flow to pay back such debts.

H. Collections

The success of a franchise is dependent, in part, on the timely collection of receivables for shipments billed to customers. Each franchisee needs to consider the risks of late payments and nonpayment by customers. Successful collection of receivables is, in part, dependent upon the skills and abilities of the Franchisee or persons hired by the Franchisee to oversee the collection of accounts. Markets which are experiencing economic downturns may be more difficult to collect in than others. A general economic downturn nationally also could cause significant bad debt and other losses for franchisees.

The success of the business venture contemplated to be undertaken is speculative. There is no guaranty against possible loss. No assurance of success has been or can be given and the most important factors in the success of any Unishippers Franchise are the skills and efforts of the franchisee. The Franchisee agrees to lend its best efforts on a full-time basis to achieve success and to faithfully follow all of the marketing, business and other elements of the Unishippers System. The Franchisee represents that it has entered into this Agreement and made an investment only after: (1) making an independent investigation of the opportunity, including having received a list of (and spoken with) other franchisees currently operating Unishippers franchised outlets and (2) having had an opportunity to have this transaction and all related documents reviewed by attorneys, accountants, appraisers, and other professionals and advisors in the transportation industry and elsewhere, of Franchisee’s own choosing, such review having been recommended to the Undersigned by Franchisor.

The undersigned understands that Unishippers is relying on him/her/them to bring forward in writing at this time any matters inconsistent with any of the foregoing, and agrees that if any of the foregoing is not true, correct and complete, a written statement will be made regarding such next to the undersigned’s signature(s) so that Franchisor may address and resolve any such issue(s) at this time.

THE UNDERSIGNED HAS READ AND THOROUGHLY UNDERSTANDS THE RISKS EXPLAINED IN THE PRECEDING PARAGRAPHS AND HAS ANTICIPATED AND CONTEMPLATED ADDITIONAL RISKS AND FINANCIAL COMMITMENTS WHICH ARE ASSOCIATED WITH THE PURCHASE OF A UNISHIPPERS FRANCHISE.

FRANCHISEE

[FRANCHISEE ENTITY NAME]

By: _____
 [Owner 1 Name]

Its: [Position 1]

Dated: _____

By: _____
 [Owner 2 Name]

Its: [Position 2]

Dated: _____

#[XXXX]

ATTACHMENT “D”

RECEIPT OF FRANCHISE-RELATED DOCUMENTS

#[XXXX]

Receipt of Franchise-Related Documents

The undersigned, personally and/or as an officer or partner of the proposed Franchisee, does hereby acknowledge receipt of the following documents, in form for execution, relating to the Franchise of Unishippers Global Logistics, LLC.

- (1) FRANCHISE AGREEMENT
- (2) GUARANTEE AND ASSUMPTION OF OBLIGATIONS
- (3) SECURITY AGREEMENT
- (4) RISK DISCLOSURE STATEMENT AND AGREEMENT
- (5) VERIFICATION OF NON-RELIANCE
- (6) TERMS AND CONDITIONS FOR OFFERING UPS SERVICES
- (7) NON-COMPETITION AGREEMENT
- (8) NON-DISCLOSURE AND PROPRIETARY INFORMATION AGREEMENT
- (9) NON-SOLICITATION AGREEMENT
- (10) CONSENT TO TRANSFER FRANCHISE
- (11) GENERAL RELEASE
- (12) CO-BROKER AGREEMENT
- (13) PROMISSORY NOTE
- (14) PARCEL AMENDMENT
- (15) UMS AGREEMENT
- (16) OTHER (SPECIFY): _____

A FEDERAL TRADE COMMISSION RULE REQUIRES THAT WE PROVIDE YOU WITH THE FRANCHISE-RELATED DOCUMENTS NOTED ABOVE AT LEAST SEVEN (7) CALENDAR DAYS PRIOR TO THE DATE THEY ARE TO BE EXECUTED.

PLEASE NOTE: **DO NOT SIGN OR RETURN THESE DOCUMENTS UNTIL SEVEN (7) CALENDAR DAYS HAVE ELAPSED FROM THE DATE OF THIS RECEIPT.**

FRANCHISEE
[FRANCHISEE ENTITY NAME]

By: _____

[Owner 1 Name]

Its: [Position 1]

Dated: _____

ATTACHMENT “E”
VERIFICATION OF NON-RELIANCE

#[XXXX]

Verification of Non-Reliance

If you are a resident of California or Maryland or your franchise is located in California or Maryland, you are not required to sign this Questionnaire. Other states may also prohibit the use of this Questionnaire in the future. The questions asked in this document and your responses to those questions are not intended to be, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

To make sure that no misunderstandings exist between you, the prospective franchisee, and us, Unishippers Global Logistics, LLC, a Delaware limited liability company (the “Franchisor” or “we”), and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you assure Franchisor as follows:

- 1) No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side deals”, options, rights-of-first-refusal or otherwise have been made to you with respect to any matter nor have you relied in any way on any such, except as expressly set forth in the Franchise Agreement,
- 2) No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side deals”, options, rights-of-first-refusal or otherwise which expanded upon or were inconsistent with the Franchise Disclosure Document were made to you by any person or entity, nor have you relied in any way on any such,
- 3) No oral, written, visual or other claim or representation which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, or otherwise (or from which such items might be ascertained) not contained in the Franchise Disclosure Document, was made to you by any person or entity, nor have you relied in any way on any such,
- 4) No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including but not limited to my obtaining financing, my selection, purchase, lease or otherwise of a site, any operational matters or otherwise) with respect to your fully performing any of your obligations, nor have you relied in any way on such, except as expressly set forth in the Franchise Agreement,
- 5) The individuals signing for the prospective franchisee constitute all of the executive officers, partners, shareholders, investors and/or principals of the prospective franchisee and each has received the Franchise Disclosure Document and all exhibits and carefully read, discussed, understand and agree to the Franchise Agreement and any Personal Guarantees,
- 6) You have had had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Unishippers has strongly recommended that I obtain such independent advice. You also have been strongly advised by Franchisor to discuss the proposed purchase of a Unishippers Franchise with existing Unishippers Franchisees prior to signing any binding documents or paying any sums and Franchisor has directed you to the list of existing Unishippers Franchisees as disclosed in Exhibit B of the Franchise Disclosure Document.
- 7) If you are acquiring this franchise for a successor term or as an additional franchise, then you represent and warrant that Franchisee and its owners are currently, and have been for a substantial period, sophisticated and knowledgeable owners of a Unishippers Franchise operating the Unishippers Business, and all owners understand and accept the business and other risks connected with the Unishippers Business and the related industry.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, **immediately** inform Franchisor's Legal Department and Franchisor's Senior Vice President.

I understand and agree that Unishippers does not furnish or authorize our salespersons or others to furnish any oral or written information concerning actual or potential sales, costs, income, expenses, profits, cash flow or otherwise that is not contained in Item 19 of the FDD. No actual or potential sales, costs, income, expenses, cash flow or otherwise can be assured or estimated and that actual results will vary from unit to unit.

I understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

FRANCHISEE

[FRANCHISEE ENTITY NAME]

By: _____

[Owner 1 Name]

Its: [Position 1]

Dated: _____

ATTACHMENT “F”

Franchisee Terms and Conditions for Offering UPS Products

#[XXXX]

Franchisee Terms and Conditions for Offering UPS Products

Your franchise has authorization to market and sell UPS services pursuant to the terms of the Franchise Agreement and that certain Transportation Services Reseller Agreement by and between United Parcel Service, Inc. and Franchisor (as it may be amended from time to time by UPS and Franchisor in their discretion, the “UPS Contract”), as long as you fulfill all of the obligations under the Franchise Agreement and these terms and conditions, including as specified below. Each owner of Franchisee, and all of Franchisee’s personnel (whether employee or contractor), must sign this document indicating their acknowledgement of, and agreement to comply with, such obligations.

Franchisee, its owners, and its personnel will:

1. Attend training sessions offered by either Franchisor or UPS to learn about UPS products, services and processes within sixty (60) days of the execution of these Terms and Conditions.
2. Make no representations or warranties to current or prospective customers relating to the UPS services except those representations and warranties set forth in the UPS Tariff/UPS Terms and Conditions of Service, the UPS Website, other official UPS published materials, or as otherwise expressly permitted by Franchisor and UPS in writing.
3. Not overstate, or encourage customers to overstate, a customer’s expected shipping volume when a statement of such expected shipping volume is provided to Franchisor or UPS.
4. Not knowingly attempt to obtain UPS accounts for customers who have paid to ship through The UPS Store® within the previous 12-month period (excluding customers who have used The UPS Store® for package drop-off only).
5. Advise Franchisor promptly if it is learned that a customer starting to use UPS services through Franchisee had paid to ship through The UPS Store® within the 12-month period prior to starting to use UPS services through Franchisee and discontinue providing UPS services to such customer unless otherwise approved in writing by UPS.
6. Not attempt to obtain UPS accounts for customers who already have a UPS account and have shipped via UPS within the last 45 days unless the customer indicates that:
 - a. it will pay at least \$250 in gross shipping each month, and
 - b. its net shipping revenue to UPS will increase by 50% in the case of a new Franchisee customer.
7. Comply with the pricing guidelines established by Franchisor regarding accessorial fees and retail price points.
8. Become familiar with, remain up to date on, and educate customers and prospective customers about the UPS Tariff/Terms and Conditions of Service, which may change from time to time, and are available at the UPS Website, www.ups.com.
 - a. For hazardous materials (as defined in the UPS Tariff/Terms and Conditions of Service):
 - i. become familiar with, remain up to date on, and educate customers and prospective customers about the UPS requirements for shipping hazardous materials and the limitations of liability associated with the shipping of hazardous materials, including the requirements for properly classifying, packaging, marking, labeling, and otherwise preparing such shipments in accordance with such requirements.
 - ii. Require customers who ship hazardous materials to sign a hazardous materials agreement on the then-current form provided by UPS.
9. Respond to and address all customer requests, questions, and claims regarding the UPS services and instruct customers to contact you and Unishippers, rather than UPS, for all UPS shipping requests, questions and claims.
10. Notify UPS of any loss of or damage to any property that has been transported by UPS promptly after the discovery thereof.

11. Not create or distribute any materials containing UPS trademarks, references to UPS, or UPS products, services or processes without obtaining Franchisor's **prior written** consent.
12. Use reasonable efforts to promote the non-shipping services of The UPS Store®.
13. Not overuse or abuse the special pricing appeals process specified by Franchisor.
14. Not knowingly market the UPS services to existing UPS customers.
15. Other than general UPS customer service, all communication intended for UPS or its affiliates must be directed to the Unishippers corporate offices for handling.
16. Keep details about the relationship between UPS and Franchisor and the UPS Contract confidential.
17. Cooperate and work to resolve disputes between customers and UPS at the direction of UPS or Franchisor.
18. Cooperate and work with Franchisor to resolve disputes over customers' use of The UPS Store®.
19. Provide prompt, courteous, professional and efficient service to customers using UPS services, adhere to the highest standards of ethical business conduct, act in a manner that reflects favorably upon UPS and its affiliates, and do nothing that would tend to discredit, dishonor, or in any way reflect adversely on UPS or its affiliates.

I have read the above Franchisee Terms and Conditions for Offering UPS Products and agree to comply with all of the above requirements and any additional requirements that may be mutually agreed to by UPS and Franchisor.

FRANCHISEE

[FRANCHISEE ENTITY NAME]

[a/an type of entity]

By:

[Owner 1 Name]

Its:

[Position 1]

Dated:

EMPLOYEE OR INDEPENDENT CONTRACTOR

Signature:

Name:

Title:

Date:

In addition to the requirements under the UPS Contract, Franchisee will:

1. Promptly pay all amounts due Franchisor or UPS to Franchisor via ACH or EFT transaction. Payments related to UPS services must be made to Franchisor at least three (3) business days before payment is due to UPS. Franchisee may not offset any payments due to Franchisor or to UPS.
2. Order UPS shipping supplies through the UPS website (www.ups.com)
3. Not establish a retail location for the offering of UPS products and services.

I have read the above Franchisee Terms and Conditions for Offering UPS Products and agree to comply with all of the above requirements and any additional requirements that may be mutually agreed to by UPS and Franchisor.

FRANCHISEE

[FRANCHISEE ENTITY NAME]

By:

[Owner 1 Name]

Its:

[Position 1]

Dated:

ATTACHMENT “G”
NON-COMPETITION AGREEMENT

#[XXXX]

NON-COMPETITION AGREEMENT

THIS NON-COMPETITION AGREEMENT (the “*Agreement*”) is made and entered into by and between _____ (“*Individual*”) effective as of the date of the commencement of Individual’s employment or service contract, as applicable (the “*Effective Date*”), and _____ (the “*Company*”), doing business as a Unishippers® franchisee.

1. Background. Individual acknowledges and agrees that **(i)** Company is a Unishippers franchisee, which resells Unishippers’ parcel and freight shipping services; **(ii)** Unishippers has expended considerable time, skill, money and effort developing a system for establishing and operating businesses, including the Company, that promote, market and resell parcel and freight shipping services primarily to small and medium-sized businesses (“*System*”); **(iii)** Unishippers has also expended time, skill, money and effort publicizing the System and the services offered under the System, including developing valuable goodwill in the Unishippers service mark, trademark and trade name; **(iv)** Unishippers has also expended considerable time, skill, money and effort establishing contracts with providers of shipping services which give Unishippers volume discounts, which are passed on in part to the Company, and which are commercially valuable, often long-term, contractual business relationships; **(v)** Unishippers provides the Company, as a franchisee, with access to Unishippers’ confidential, proprietary and trade secret System, including its confidential, proprietary, and/or trade secret software applications, business processes, and other Confidential Information (as defined below); **(vi)** during Individual’s employment as an employee with or engagement as a contractor for the Company, and by virtue of such employment or engagement, or continued employment or engagement, Individual will be given access to Confidential Information belonging to Unishippers and its affiliates, the Company, and/or their clients and third-party providers; **(vii)** during Individual’s employment or engagement with the Company, Individual will receive valuable, specialized training on, without limitation, Unishippers’ System; and **(viii)** Individual is/will be using Unishippers’ Confidential Information and System in Individual’s capacity as an employee or contractor, and the Company and Unishippers both have a legitimate, necessary, and vital business interest in protecting Unishippers’ Confidential Information, System, goodwill, and/or other business interests of Unishippers and the Company.

2. Consideration. Individual acknowledges that the following, separately or together, constitute good and adequate consideration to support Individual’s consent to the provisions of this Agreement, specifically including Sections 5, 6, and 7: **(i)** the Company’s offer to hire as an employee, transfer or promote Individual or engage Individual as a contractor, **(ii)** the Company’s continued employment or engagement of Individual as an employee or contractor, respectively, **(iii)** Individual’s eligibility, if applicable, for an increase in Individual’s salary or benefits or service fees, as applicable, **(iv)** Individual’s eligibility, if applicable, to receive a bonus, **(v)** the Company’s providing Individual with valuable, specialized training, expertise, and/or knowledge and information, including extensive access to Confidential Information and trade secrets of the Company and Unishippers, and/or **(vi)** the Company’s providing Individual with significant access to Unishippers’ relationships with providers of shipping services, which are commercially valuable, often long-term, contractual business relationships, during Individual’s employment or engagement with the Company, any or all of which constitute material, valuable professional benefits which Individual would not otherwise receive absent employment or engagement by the Company.

3. Definitions. The following definitions apply throughout this Agreement:

a. **Unishippers:** means the franchisor, Unishippers Global Logistics, LLC, a Delaware limited liability company, with which the Company has a franchise relationship as of the Effective Date.

b. **Client:** means any Entity for which/whom the Company and/or Unishippers has provided or is providing services in connection with Company Business within the preceding twenty-four (24) months.

c. **Company Business:** means the development, marketing, selling and/or reselling of shipping logistics services for parcel and freight to any person or business in the United States, domestic shipping services, or any other business in which the Company and/or Unishippers is engaged and/or preparing to engage.

d. **Covered Client:** means any Client, during the twenty-four (24) months prior to termination of Individual's employment or engagement with the Company, in connection with Individual's work, **(i)** to which/whom Individual has provided services, **(ii)** with which/whom Individual has had any direct or indirect contact on behalf of the Company relating to Company Business, **(iii)** about which/whom Individual has had exposure to Confidential Information through the Company and/or Unishippers, or **(iv)** whose identities were disclosed to Individual, intentionally or unintentionally, as Clients or prospective clients of the Company and/or Unishippers.

e. **Entity:** means a person, firm, corporation, partnership, organization, limited liability company, association or other business or legal entity, whether domestic or foreign.

f. **Service:** means the period of time during which Individual is employed as an employee or engaged as a contractor by the Company from the Effective Date until the time Individual's employment and/or service contract is terminated.

g. **Supplier Partner:** means any Entity that supplies materials, products or services to Unishippers, the Company, and/or a Client (through Unishippers and/or the Company) in connection with Company Business.

4. Confidential Information.

a. **"Confidential Information":** means any and all Company or Unishippers information in any format, whether written, recorded, electronic or otherwise, that is used in connection with the operation of a Unishippers franchise, or which relates to Unishippers System of business, including, but not limited to, any and all of the following, which is not publicly-known and the disclosure of which outside of the Company and/or Unishippers would cause immediate and irreparable harm to both the Company and Unishippers:

i. intellectual property, trade secrets, know how, and technology; all Unishippers software (whether owned by Unishippers or any third party or used under license), and all other data and information stored in electronic, digital or other forms; designs, data, research, systems, devices, processes, policies, procedures, records, manuals, training materials, concepts, methods, techniques and accounts;

ii. marketing information and methods, including marketing data, research, sales techniques, Client and customer lists, representative lists, distributor lists, the identity of customers and Clients, prospects, distributors, and representatives of both the Company and Unishippers, including names, addresses, telephone and fax numbers, e-mail addresses, and other contact information, the operation, buying habits and practices and statistical information regarding Clients and customers, prospects, distributors, and representatives of both the Company and Unishippers;

iii. commercial strategies, together with all analyses, compilations, studies, notes, memoranda, or other documents or records prepared by the Company and/or Unishippers or any of their directors, officers, employees, consultants, agents or advisors (including, without limitation, attorneys, accountants, consultants, bankers, financial advisors and any representatives of the Company's and/or Unishippers' advisors);

iv. information regarding purchasing methods and sources including the names and other information regarding Supplier Partners, costs of materials and pricing; financial projections or income records;

v. information regarding information systems (“IS”); including, but not limited to, UONE, myUnishippers, Express Manager, Freight Manager, Speedship, Aljex, SupportNet, Salesforce; and

vi. Company and Unishippers’ financial statements, forecasts, reports and all financial information not disseminated to the public.

b. Confidential Information does not include any information that: **(i)** at the time of disclosure is already in the public domain through no fault of Individual, **(ii)** Individual knew (as evidenced by written records) prior to employment or engagement by the Company, or **(iii)** Individual obtained/obtains from an independent source who is/was not under an obligation not to disclose such Confidential Information.

5. Company or Unishippers Property. All Confidential Information, as defined above and as may be adjusted or modified by the Company in the future, are valuable assets and the property of the Company and/or Unishippers and not property of Individual. Additionally, all computer disks, papers, files, documents, works and other materials electronically stored or otherwise, containing any **(i)** Confidential Information of Unishippers and/or the Company, **(ii)** Confidential Information of a third party which is in Unishippers’ and/or the Company’s possession, custody, and/or control, including Supplier Partners and/or Clients, or **(iii)** information which Individual prepares, uses, possesses or controls that affects or relates to Company Business and/or Unishippers, are the property of the Company and/or Unishippers and shall be and remain the sole property of the Company and/or Unishippers.

6. Return of Materials Upon Termination. At the time Individual receives notice from, or gives notice to, the Company of termination of Individual’s Service with the Company, Individual will immediately return all Company and Unishippers property, including without limitation, all Confidential Information and the confidential, proprietary, and/or trade secret information of any Client or Supplier Partner in Individual’s possession, custody, and/or control. Individual will not take with him/her, or use, destroy, disclose, copy, or remove any originals or copies of any computer disks, papers, files, documents, works and other materials in hard copy, electronically stored or otherwise, containing any Confidential Information or the confidential information of any Client or Supplier Partner.

7. Covenant Not to Compete.

a. Business Relationships and Goodwill. Individual acknowledges and agrees that, as an employee or contractor and representative of the Company, Individual will be given specialized training and Confidential Information as well as access to confidential, proprietary and/or trade secret information of Clients and Supplier Partners. Individual acknowledges and agrees that this creates a special relationship of trust and confidence between the Company, Individual, Unishippers and the Company’s current and prospective Clients and Supplier Partners. Individual further acknowledges and agrees that during Individual’s Service, Individual is responsible, at least in part, for the development and maintenance of goodwill of the Company with its Clients and prospective clients, Supplier Partners, employees, and the public and that such goodwill is a valuable asset of the Company and Unishippers. Individual further acknowledges that Unishippers’ relationships with Supplier Partners, to which Individual will have access solely by virtue of Individual’s employment or engagement with the Company, are commercially valuable, often long-term, contractual business relationships and that such access will be of material professional benefit to Individual. Individual further acknowledges and agrees that there is a high risk and opportunity for any person given such responsibility, specialized training, and Confidential Information to misappropriate the relationship and goodwill existing between the Company, Unishippers, and the Company’s Clients,

prospective clients and Supplier Vendors. Individual further acknowledges and agrees that Individual's specialized training, work, and experience at the Company will enhance Individual's value to any competitor of Unishippers and/or the Company and that the nature of Confidential Information Individual will be given access to/has access to and will use/is using in the performance of Individual's responsibilities at the Company would make it difficult if not impossible for Individual to work for a competitor of the Company and/or Unishippers without disclosing (directly or inadvertently) or utilizing the Confidential Information to which Individual will be given access to/has access to during the course of Individual's service and employment or engagement with the Company. Individual, therefore, acknowledges and agrees that it is fair and reasonable for the Company and Unishippers to take steps to protect themselves from risk of such misappropriation and potential for misuse of Confidential Information and the confidential, proprietary, and/or trade secret information of their Clients and Supplier Partners. Consequently, Individual agrees to the following non-competition covenants.

b. Non-Competition Covenant. Individual agrees that during Individual's employment and/or contractor engagement with the Company and for a period of twelve (12) months following termination of Individual's employee or contractor relationship with the Company for any reason, voluntary or involuntary, Individual shall not, directly or indirectly, engage in activities competitive with the Company and/or Unishippers, in any capacity, individually or through ownership, management, operation or control of, participation in the ownership, management, operation or control of, employment by, and/or serving as a consultant or advisor to any Entity which competes with, or is planning to compete with, the Company and/or Unishippers (as defined in Section 7(c)) within a fifty (50) mile radius of the primary location(s) from where Individual performed services for Company and/or Unishippers during Individual's Service.

c. Competition. Individual agrees that the word "compete" shall include any business that is the same as or competitive with any business conducted by the Company and/or Unishippers, including, but not limited to, Company Business.

d. Scope of Prohibited Activities. The activities prohibited in this Section 7 are intended to protect against the direct and indirect willful and unintentional use and/or disclosure of Confidential Information by persons and entities competitive with the Company and/or Unishippers. These restrictions shall not be construed to prohibit Individual from being employed by any person or entity in a capacity that does not involve performance or supervision of any of the same or substantially similar duties or responsibilities that are within the scope of Individual's employment or contractor engagement with the Company, nor shall these restrictions prohibit Individual from providing advice to or consultation with a business or individual in competition with the Company or Unishippers on issues wholly unrelated to Individual's responsibilities with the Company. Similarly, the restrictions contained in this Section 7 shall not apply to or restrict Individual's ownership of less than five (5%) of the voting stock in a company if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934, as amended.

8. Restrictions Reasonable. In view of Individual's access to Confidential Information, confidential, proprietary and/or trade secret information of Clients and Supplier Partners, specialized training, and the goodwill of the Company for which Individual is responsible in part, Individual expressly agrees that the scope of the covenants contained in Section 7 of this Agreement are reasonable in geographic scope, duration and otherwise. Individual further expressly agrees that the scope of the covenants contained herein are reasonable and necessary to protect and maintain the proprietary and other legitimate business interests of the Company and Unishippers as well as their Confidential Information and that the enforcement of such covenants would not prevent Individual from earning a livelihood in the jurisdiction in which Individual resides or elsewhere.

9. Notification of New Employer/Contracting Entity. If Individual's employee or contractor relationship with the Company is terminated for any reason, Individual hereby consents to notification by the Company and/or Unishippers to Individual's new employer of Individual's rights and obligations under this Agreement. In addition, if Individual plans to render services to an Entity that competes with, or is planning to compete with, the Company and/or Unishippers with respect to Company Business, Individual agrees to provide the Company with as much notice as possible of Individual's intention to join the competing Entity, but not less than two (2) weeks' advance notice of that intention; provided, however, the provision of such notice and the Company's and/or Unishippers' receipt thereof shall not constitute a waiver of any breach of any provision of this Agreement.

10. Remedies; Bond. Individual acknowledges and agrees that in the event of an actual or threatened breach by Individual of the covenants contained in Section 7, the Company and Unishippers would be irreparably harmed, the full extent of injury resulting therefrom would be difficult or impossible to calculate, and the Company and Unishippers, therefore, will not have an adequate remedy at law in the form of money damages that would fully compensate the Company and Unishippers for their injuries. Individual, therefore, agrees that in the event of an actual or threatened breach by Individual of the covenants contained in Section 7, the Company and Unishippers may, in addition and supplementary to other rights and remedies existing in their favor, apply to and obtain from any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief to enforce or prevent violations of the provisions of this Agreement, without the necessity of posting a bond or other surety. The parties further agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction, the breaching party will be required to pay the non-breaching party's attorneys' fees and costs.

11. Tolling. In the event of an alleged or actual breach or violation of the restrictive covenants contained in Section 7 of this Agreement, the time periods set forth in Section 7 will be tolled until such breach or violation has been cured.

12. Miscellaneous

a. At-Will Employment (*Employees Only*). Individual expressly acknowledges and agrees that Individual is an at-will employee of the Company and that nothing in this Agreement changes the at-will status of Individual's employment relationship with the Company. *Both the Company and Individual retain the right to end or terminate the employment relationship at any time, with or without notice, and for any reason or no reason at all.*

b. Entire Agreement; Amendment. The parties understand and expressly agree that this Agreement and the separate Non-Disclosure and Intellectual Property Agreement and the separate Non-Solicitation Agreement collectively constitute the entire agreement between the parties relative to the subject matter hereof, and thus supersede and revoke any and all prior agreements, whether written or oral relative to the subject matter hereof; provided, however, that if Individual is bound by the terms of the Company's Franchise Agreement with Unishippers, the Franchise Agreement will control if, and only to the extent, there are any inconsistencies or conflicts with the terms of this Agreement. The parties further understand and expressly agree there are no representations, warranties or agreements, either express or implied or oral or written, except as set forth herein. This Agreement may be modified only in a writing executed by Individual and a senior executive of the Company and of Unishippers.

c. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the state in which the franchise is located, without regard to any conflict of laws rule or principle which might refer the governance or construction of this Agreement to the laws of another jurisdiction. Any action in regard to this Agreement or arising out of its terms and conditions, pursuant to Section 10, shall be litigated only in the city in which the headquarters of the franchise is located. Individual hereby expressly consents to the personal jurisdiction of the state and federal courts located in the state in which the franchise

is located for any lawsuit filed there against Individual by the Company arising from or relating to this Agreement.

d. Waiver. The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect thereto shall continue in full force and effect, unless such waiver is in writing and signed by a senior executive of the Company and of Unishippers. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision.

e. Unishippers Is An Express Third-Party Beneficiary. In addition to the Company's rights hereunder, this Agreement will also inure to the benefit of, and be specifically enforceable by, Unishippers, as well as its successors and assigns. The parties hereto also acknowledge and agree that Unishippers' rights hereunder cannot be waived by the Company.

f. Binding Agreement. This Agreement is binding upon Individual, Individual's agents, employees, partners, executors, heirs, and other successors in interest, as well as any other person or Entity who is acting with Individual, at Individual's direction, or on Individual's behalf.

g. Severability and Reformation. If a court of competent jurisdiction determines that any restriction in a clause or provision of this Agreement is void, illegal or unenforceable, the other clauses and provisions of this Agreement shall remain in full force and effect. Further, the clauses and provisions that are determined to be void, illegal or unenforceable shall be limited by the Court so that they shall remain in effect to the greatest extent permitted under applicable law. The existence of any claim or cause of action of Individual against the Company and/or Unishippers, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company and/or Unishippers of any covenants in this Agreement, including the restrictive covenant(s) in Section 7.

13. Voluntary Agreement. Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily and without duress, agrees to all of the terms set forth in this Agreement. The parties acknowledge and agree that they have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement.

14. Sufficiency of Notice and Opportunity to Consult with Counsel: In keeping with Section 13, the Company strongly encourages Individual to consult with an attorney before signing this Agreement. To provide adequate time for Individual to do so, Individual has fourteen (14) days to review this Agreement with an attorney of Individual's choosing. However, Individual may not commence employment as an employee or engagement as a contractor, as applicable, with the Company prior to signing this Agreement. By signing below, Individual acknowledges that Individual has had the opportunity to consult with legal counsel of Individual's choice to obtain advice regarding any aspect of this Agreement and that, to the extent Individual signs before all fourteen (14) days have passed since the date Individual received this Agreement, Individual is knowingly and voluntarily waiving Individual's right to the remainder of the fourteen- (14) day notice period.

IN WITNESS WHEREOF, for and in consideration of the covenants and promises in this Agreement, and for other good and valuable consideration, including, without limitation, the professional benefits to Individual described herein, the receipt and sufficiency of which are hereby acknowledged, the parties sign their agreement to be bound by the terms set forth above, effective as of the Effective Date.

EMPLOYEE OR CONTRACTOR

[FRANCHISEE ENTITY NAME]

Signature: _____

Signature: _____

Name: _____

Name: _____

Position: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT “H”

**NON-DISCLOSURE AND PROPRIETARY
INFORMATION AGREEMENT**

#[XXXX]

NON-DISCLOSURE AND PROPRIETARY INFORMATION AGREEMENT

THIS NON-DISCLOSURE AND PROPRIETARY INFORMATION AGREEMENT (the “*Agreement*”) is made and entered into by and between _____ (“*Individual*”) effective as of the date of the commencement of Individual’s employment or service contract, as applicable (the “*Effective Date*”), and _____ (the “*Company*”), doing business as a Unishippers franchisee.

1. Background. Individual acknowledges and agrees that **(i)** Company is a Unishippers® franchisee, which resells Unishippers’ parcel and freight shipping services; **(ii)** Unishippers has expended considerable time, skill, money and effort developing a system for establishing and operating businesses, including the Company, that promote, market and resell parcel and freight shipping services primarily to small and medium-sized businesses (“*System*”); **(iii)** Unishippers has also expended time, skill, money and effort publicizing the System and the services offered under the System, including developing valuable goodwill in the Unishippers service mark, trademark and trade name; **(iv)** Unishippers has also expended considerable time, skill, money and effort establishing contracts with providers of shipping services which give Unishippers volume discounts, which are passed on in part to the Company, and which are commercially valuable, often long-term, contractual business relationships; **(v)** Unishippers provides the Company, as a franchisee, with access to Unishippers’ confidential, proprietary and trade secret System, including its confidential, proprietary, and/or trade secret software applications, business processes, and other Confidential Information (as defined below); **(vi)** during Individual’s employment as an employee with or engagement as a contractor for the Company, and by virtue of such employment or engagement, or continued employment or engagement, Individual will be given access to Confidential Information belonging to Unishippers and its affiliates, the Company, and/or their clients and third-party providers; **(vii)** during Individual’s employment or engagement with the Company, Individual will receive valuable, specialized training on, without limitation, Unishippers’ System; and **(viii)** Individual is/will be using Unishippers’ Confidential Information and System in Individual’s capacity as an employee or contractor, and the Company and Unishippers both have a legitimate, necessary, and vital business interest in protecting Unishippers’ Confidential Information, System, goodwill, and/or other business interests of Unishippers and the Company.

2. Consideration. Individual acknowledges that the following, separately or together, constitute good and adequate consideration to support Individual’s consent to the provisions of this Agreement, specifically including Sections 5, 6, 8, and 9: **(i)** the Company’s offer to hire as an employee, transfer or promote Individual or engage Individual as a contractor, **(ii)** the Company’s continued employment or engagement of Individual as an employee or contractor, respectively, **(iii)** Individual’s eligibility, if applicable, for an increase in Individual’s salary or benefits or service fees, as applicable, **(iv)** Individual’s eligibility, if applicable, to receive a bonus, and/or **(v)** the Company’s providing Individual with valuable, specialized training, expertise, and/or knowledge and information, including extensive access to Confidential Information and trade secrets of the Company and Unishippers, during Individual’s employment or engagement with the Company, any or all of which constitute material, valuable professional benefits which Individual would not otherwise receive absent employment or engagement by the Company.

3. Definitions. The following definitions apply throughout this Agreement:

a. Unishippers: means the franchisor, Unishippers Global Logistics, LLC, a Delaware limited liability company, with which the Company has a franchise relationship as of the Effective Date.

b. Client: means any Entity for which/whom the Company and/or Unishippers has or is providing services in connection with Company Business within the preceding twenty-four (24) months.

c. **Company Business:** means the development, marketing, selling and/or reselling of shipping logistics services for parcel and freight to any person or business in the United States, domestic shipping services, or any other business in which the Company and/or Unishippers is engaged and/or preparing to engage.

d. **Covered Client:** means any Client, during the twenty-four (24) months prior to termination of Individual's employment or engagement with the Company, in connection with Individual's work, **(i)** to which/whom Individual has provided services, **(ii)** with which/whom Individual has had any direct or indirect contact on behalf of the Company relating to Company Business, **(iii)** about which/whom Individual has had exposure to Confidential Information through the Company and/or Unishippers, or **(iv)** whose identities were disclosed to Individual, intentionally or unintentionally, as Clients or prospective clients of the Company and/or Unishippers.

e. **Entity:** means a person, firm, corporation, partnership, organization, limited liability company, association or other business or legal entity, whether domestic or foreign.

f. **Service:** means the time during which Individual is employed as an employee or engaged as an independent contractor by the Company from the Effective Date until the time Individual's employment and/or service contract is terminated.

g. **Supplier Partner:** means any Entity that supplies materials, products or services to Unishippers, the Company, and/or a Client (through Unishippers and/or the Company) in connection with Company Business.

4. Confidential Information.

a. **"Confidential Information":** means any and all Company or Unishippers information in any format, whether written, audio, electronic or otherwise, that is used in connection with the operation of a Unishippers franchise, or which relates to Unishippers System of business, including, but not limited to, any and all of the following, which is not publicly-known and the disclosure of which outside of the Company and/or Unishippers has the tendency to cause immediate and irreparable harm to both the Company and Unishippers:

i. intellectual property, trade secrets, know how, and technology; all Unishippers software (whether owned by Unishippers or any third party or used under license), and all other data and information stored in electronic, digital or other forms; designs, data, research, systems, devices, processes, policies, procedures, records, manuals, training materials, concepts, methods, techniques and accounts;

ii. marketing information and methods, including marketing data, research, sales techniques, Client and customer lists, representative lists, distributor lists, the identity of customers and Clients, prospects, distributors, and representatives of both the Company and Unishippers, including names, addresses, telephone and fax numbers, e-mail addresses, and other contact information, the operation, buying habits and practices and statistical information regarding Clients and customers, prospects, distributors, and representatives of both the Company and Unishippers;

iii. commercial strategies, together with all analyses, compilations, studies, notes, memoranda, or other documents or records prepared by the Company and/or Unishippers or any of their directors, officers, employees, consultants, agents or advisors (including, without limitation, attorneys, accountants, consultants, bankers, financial advisors and any representatives of the Company's and/or Unishippers' advisors);

iv. information regarding purchasing methods and sources including the names and other information regarding Supplier Partners, costs of materials and pricing; financial projections or income records;

v. information regarding information systems (“IS”); including, but not limited to, UONE, myUnishippers, Speedship, Express Manager, Freight Manager, Aljex, SupportNet, Salesforce; and

vi. Company and Unishippers’ financial statements, forecasts, reports and all financial information not disseminated to the public.

b. Confidential Information does not include any information that: **(i)** at the time of disclosure is already in the public domain through no fault of Individual, **(ii)** Individual knew (as evidenced by written records) prior to employment or engagement by the Company, or **(iii)** Individual obtained/obtains from an independent source who is/was not under an obligation not to disclose such Confidential Information.

5. Duty of Non-Disclosure During and After Service. During and after Individual’s Service with the Company, regardless of the timing or reason for termination of Individual’s employment or engagement, Individual will hold all Confidential Information in strict confidence and will follow all procedures prescribed by the Company to prevent unauthorized disclosure and/or use of, or access to, Confidential Information, as such procedures now exist or as adopted or modified by the Company in the future. Individual will also take all reasonable steps to safeguard the secrecy of Confidential Information and will not, directly or indirectly, use, disclose, distribute, publish, copy, transfer, or sell any Confidential Information except as may be required in the performance of Individual’s Service or as expressly authorized in writing by a senior executive of the Company and of Unishippers in advance of such use, disclosure, distribution, publication, copy, transfer, or sale. Additionally, during Individual’s Service, Individual will have access to and become acquainted with confidential, proprietary, and/or trade secret information of third parties (such as Supplier Partners and Clients of the Company and/or Unishippers) that is in the Company’s possession, custody, or control. During and after Individual’s Service with the Company, Individual will also hold such third parties’ confidential information in strict confidence as if it were Confidential Information of the Company and/or Unishippers. Individual agrees not to, directly or indirectly, use or disclose any such confidential, proprietary, and/or trade secret information of third parties, including Clients or Supplier Partners, except as may be required in the performance of Individual’s duties or services or as expressly authorized in writing by a senior executive of the Company and Unishippers in advance of such use or disclosure.

If Individual receives a subpoena or other legal notice compelling disclosure of any Confidential Information, prior to making any disclosure, Individual must give the Company and Unishippers notice within two (2) business days of receipt of the notification, to allow the Company and/or Unishippers time to seek a protective order or to otherwise oppose the disclosure. Individual is expected to cooperate fully in any opposition to such disclosure. If the Company and/or Unishippers decide(s) not to oppose a specific disclosure in any particular circumstance, this will not constitute a waiver of the non-opposing party’s(ies’) right(s) to oppose any future or additional disclosure.

6. Prior Relationships of Confidentiality. Individual acknowledges and agrees that Individual is prohibited from using or disclosing any confidential, proprietary and/or trade secret information belonging to any prior employer or other Entity in violation of any policy or agreement with such former employer or other Entity, or in violation of Individual’s duties of loyalty and/or confidence owed to a previous employer or other Entity, in the performance of Individual’s duties and/or services for the Company. Individual represents and warrants that Individual has disclosed to the Company any such confidentiality obligations. Individual agrees to indemnify and hold the Company and Unishippers harmless from all damages, expenses, costs, attorneys’ fees and liability incurred in connection with, or resulting from, any breach by Individual of this Section 6.

7. Company or Unishippers Property. All Confidential Information, as defined above and as may be adjusted or modified by the Company in the future, are valuable assets and the property of the Company and/or Unishippers and not property of Individual. Additionally, all computer disks, papers, files, documents, works and other materials electronically stored or otherwise, containing any (i) Confidential Information of Unishippers and/or the Company, (ii) Confidential Information of a third party which is in Unishippers' and/or the Company's possession, custody, and/or control, including Supplier Partners and/or Clients, or (iii) information which Individual prepares, uses, possesses or controls that affects or relates to Company Business and/or Unishippers, are the property of the Company and/or Unishippers and shall be and remain the sole property of the Company and/or Unishippers.

8. Return of Materials Upon Termination. At the time Individual receives notice from, or gives notice to, the Company of termination of Individual's Service with the Company, Individual will immediately return all Company and Unishippers property, including without limitation, all Confidential Information and the confidential, proprietary, and/or trade secret information of any Client or Supplier Partner in Individual's possession, custody, and/or control. Individual will not take with him/her, or use, destroy, disclose, copy, or remove any originals or copies of any computer disks, papers, files, documents, works and other materials in hard copy, electronically stored or otherwise, containing any Confidential Information or the confidential information of any Client or Supplier Partner.

9. Ownership of Works of Authorship and Inventions. Individual agrees that anything falling within the meaning of Confidential Information which has any possible or potential technical or commercial importance, and which Individual makes, creates, develops, refines, improves, or enhances, either alone or jointly with others, during Individual's Service with the Company ("*Works*"), shall be the sole property of Unishippers. Works do not include (i) any invention developed entirely on Individual's own time (not within the scope of Individual's Service, on Company time, or as a result of Individual's Service) without using the Company's equipment, supplies, facilities, or Confidential Information and that does not relate to Company Business, including the Company's and/or Unishippers' current or reasonably anticipated future business, or (ii) any invention that qualifies fully under an applicable state law prohibiting its assignment to Unishippers. Individual agrees to promptly report to Unishippers, through the Company, all such Works in which Individual has/had any knowledge or involvement, solely or jointly with others, for the purpose of permitting Unishippers to ascertain and perfect its rights in such Works. Unishippers shall be the sole owner of all patents, copyrights, trademarks, trade secrets and other property rights arising from such Works. Individual agrees to assign, and does hereby irrevocably assign and transfer to Unishippers, any right, title and interest of any kind that Individual may have in and to any of the Works. At Unishippers request and expense, Individual agrees to execute any document(s) reasonably requested and prepared by Unishippers necessary or appropriate to document, perfect or effect the intention of this Section 9 and/or to secure any patent, copyright registration (as a work made for hire) or other protection thereof for the Company, Unishippers and/or a related party, and Individual agrees to continue this assistance after the termination of Individual's Service.

Individual further agrees that all such Works, as well as all work product produced or prepared by Individual in connection with Individual's Service, shall be considered works made for hire within the meaning of Section 101 of the Copyright Act, 17 U.S.C. §§ 101 et seq., and Individual understands that Unishippers exclusively owns the copyright in such work and all rights incident to such ownership (including all electronic and derivative rights) in all mediums of expression now existing or devised in the future, and may utilize those exclusive rights both in the United States and throughout the world. Because Individual's Service compensation/fees covers any such Works that Individual may conceive or make during Individual's Service, Individual agrees that Individual will not be entitled to any additional compensation/fees for such Works.

10. Restrictions Reasonable. In view of Individual's access to Confidential Information, confidential, proprietary and/or trade secret information of Clients and Supplier Partners, specialized training, and the

goodwill of the Company for which Individual is responsible in part, Individual expressly agrees that the scope of the covenants contained in this Agreement are reasonable in scope, duration and otherwise. Individual further expressly agrees that the scope of the covenants contained herein are reasonable and necessary to protect and maintain the proprietary and other legitimate business interests of the Company and Unishippers as well as their Confidential Information, and that the enforcement thereof would not prevent Individual from earning a livelihood in the jurisdiction in which Individual resides or elsewhere.

11. Notification of New Employer/Contracting Entity. If Individual's employee or contractor relationship with the Company is terminated for any reason, Individual hereby consents to notification by the Company and/or Unishippers to Individual's new employer of Individual's rights and obligations under this Agreement. In addition, if Individual plans to render services to an Entity that competes with, or is planning to compete with, the Company and/or Unishippers with respect to Company Business, Individual agrees to provide the Company with as much notice as possible of Individual's intention to join the competing Entity, but in no event less than two (2) weeks' advance notice of that intention; provided, however, the provision of such notice and the Company's and/or Unishippers' receipt thereof shall not constitute a waiver of any breach of any provision of this Agreement.

12. Remedies; Bond. Individual acknowledges and agrees that in the event of an actual or threatened breach by Individual of the covenants contained in Sections 5, 6, 8, and 9, the Company and Unishippers would be irreparably harmed, the full extent of injury resulting therefrom would be difficult or impossible to calculate, and the Company and Unishippers, therefore, will not have an adequate remedy at law in the form of money damages that would fully compensate the Company and Unishippers for their injuries. Individual, therefore, agrees that in the event of an actual or threatened breach by Individual of the covenants contained in Sections 5, 6, 8, and 9, the Company and Unishippers may, in addition and supplementary to other rights and remedies existing in their favor, apply to and obtain from any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief to enforce or prevent violations of the provisions hereof, without the necessity of posting a bond or other surety. The parties further agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction, the breaching party will be required to pay the non-breaching party's attorneys' fees and costs.

13. Miscellaneous

a. At-Will Employment (*Employees Only*). Individual expressly acknowledges and agrees that Individual is an at-will employee of the Company and that nothing in this Agreement changes the at-will status of Individual's employment relationship with the Company. *Both the Company and Individual retain the right to end or terminate the employment relationship at any time, with or without notice, and for any reason or no reason at all.*

b. Entire Agreement; Amendment. The parties understand and expressly agree that this Agreement and, if applicable, the separate Non-Solicitation Agreement and/or the separate Non-Competition Agreement collectively constitute the entire agreement between the parties relative to the subject matter hereof, and thus supersede and revoke any and all prior agreements, whether written or oral relative to the subject matter hereof; provided, however, that if Individual is bound by the terms of the Company's Franchise Agreement with Unishippers, the Franchise Agreement will control if, and only to the extent, there are any inconsistencies or conflicts with the terms of this Agreement. The parties further understand and expressly agree there are no representations, warranties, or agreements, either express or implied or oral or written, except as set forth herein. This Agreement may be modified only in a writing executed by Individual and a senior executive of the Company and of Unishippers.

c. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State in which the Company's principal place of business is located, without regard to any conflict of laws rule or principle which might refer the governance or construction of this Agreement to the laws of another jurisdiction. Any action regarding this Agreement or arising out of its terms and conditions, pursuant

to Section 12, shall be litigated only in the city in which the Company's principal place of business is located. Individual hereby expressly consents to the personal jurisdiction of the state and federal courts located in the county and/or city in which the Company's principal place of business is located for any lawsuit filed there against Individual by the Company arising from or relating to this Agreement.

d. Waiver. The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect thereto shall continue in full force and effect, unless such waiver is in writing and signed by a senior executive of the Company and of Unishippers. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision.

e. Unishippers Is an Express Third-Party Beneficiary. In addition to the Company's rights hereunder, this Agreement will also inure to the benefit of, and be specifically enforceable by, Unishippers, as well as its successors and assigns. The parties hereto also acknowledge and agree that Unishippers' rights hereunder cannot be waived by the Company.

f. Binding Agreement. This Agreement is binding upon Individual, Individual's agents, employees, partners, executors, heirs and other successors in interest, as well as any other person or Entity who is acting with Individual, at Individual's direction, or on Individual's behalf.

g. Severability and Reformation. If a court of competent jurisdiction determines that any restriction in a clause or provision of this Agreement is void, illegal or unenforceable, the other clauses and provisions of this Agreement shall remain in full force and effect. Further, the clauses and provisions that are determined to be void, illegal or unenforceable shall be limited by the Court so that they shall remain in effect to the greatest extent permitted under applicable law. The existence of any claim or cause of action of Individual against the Company and/or Unishippers, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company and/or Unishippers of any covenant(s) in this Agreement, including the restrictive covenant setting forth Individual's duty of non-disclosure during and after Service in Section 5.

14. Voluntary Agreement. Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily and without duress, agrees to all of the terms set forth in this Agreement. The parties acknowledge and agree that they have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement.

IN WITNESS WHEREOF, for and in consideration of the covenants and promises in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties sign their agreement to be bound by the terms set forth above, effective as of the Effective Date.

EMPLOYEE OR CONTRACTOR

[FRANCHISEE ENTITY NAME]

Signature: _____

Signature: _____

Name: _____

Name: _____

Position: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT “I”
NON-SOLICITATION AGREEMENT

#[XXXX]

NON-SOLICITATION AGREEMENT

THIS NON-SOLICITATION AGREEMENT (the “*Agreement*”) is made and entered into by and between _____ (“*Individual*”) effective as of the date of the commencement of Individual’s employment or service contract, as applicable (the “*Effective Date*”), and _____ (the “*Company*”), doing business as a Unishippers franchisee.

1. Background. Individual acknowledges and agrees that **(i)** Company is a Unishippers® franchisee, which resells Unishippers’ parcel and freight shipping services; **(ii)** Unishippers has expended considerable time, skill, money and effort developing a system for establishing and operating businesses, including the Company, that promote, market and resell parcel and freight shipping services primarily to small and medium-sized businesses (“*System*”); **(iii)** Unishippers has also expended time, skill, money and effort publicizing the System and the services offered under the System, including developing valuable goodwill in the Unishippers service mark, trademark and trade name; **(iv)** Unishippers has also expended considerable time, skill, money and effort establishing contracts with providers of shipping services which give Unishippers volume discounts, which are passed on in part to the Company, and which are commercially valuable, often long-term, contractual business relationships; **(v)** Unishippers provides the Company, as a franchisee, with access to Unishippers’ confidential, proprietary and trade secret System, including its confidential, proprietary, and/or trade secret software applications, business processes, and other Confidential Information (as defined below); **(vi)** during Individual’s employment as an employee with or engagement as a contractor for the Company, and by virtue of such employment or engagement, or continued employment or engagement, Individual will be given access to Confidential Information belonging to Unishippers and its affiliates, the Company, and/or their clients and third-party providers; **(vii)** during Individual’s employment or engagement with the Company, Individual will receive valuable, specialized training on, without limitation, Unishippers’ System; and **(viii)** Individual is/will be using Unishippers’ Confidential Information and System in Individual’s capacity as an employee or contractor, and the Company and Unishippers both have a legitimate, necessary, and vital business interest in protecting Unishippers’ Confidential Information, System, goodwill, and/or other business interests of Unishippers and the Company.

2. Consideration. Individual acknowledges that the following, separately or together, constitute good and adequate consideration to support Individual’s consent to the provisions of this Agreement, specifically including Sections 5, 6, and 7: **(i)** the Company’s offer to hire as an employee, transfer or promote Individual or engage Individual as a contractor, **(ii)** the Company’s continued employment or engagement of Individual as an employee or contractor, respectively, **(iii)** Individual’s eligibility, if applicable, for an increase in Individual’s salary or benefits or service fees, as applicable, **(iv)** Individual’s eligibility, if applicable, to receive a bonus, **(v)** the Company’s providing Individual with valuable, specialized training, expertise, and/or knowledge and information, including extensive access to Confidential Information and trade secrets of the Company and Unishippers, and/or **(vi)** the Company’s providing Individual with significant access to Unishippers’ relationships with providers of shipping services, which are commercially valuable, often long-term, contractual business relationships, during Individual’s employment or engagement with the Company, any or all of which constitute material, valuable professional benefits which Individual would not otherwise receive absent employment or engagement by the Company.

3. Definitions. The following definitions apply throughout this Agreement:

a. Unishippers: means the franchisor, Unishippers Global Logistics, LLC, a Delaware limited liability company, with which the Company has a franchise relationship as of the Effective Date.

b. Client: means any Entity for which/whom the Company and/or Unishippers has or is providing services in connection with Company Business within the preceding twenty-four (24) months.

c. **Company Business:** means the development, marketing, selling and/or reselling of shipping logistics services for parcel and freight to any person or business in the United States, domestic shipping services, or any other business in which the Company and/or Unishippers is engaged and/or preparing to engage.

d. **Covered Client:** means any Client, during the twenty-four (24) months prior to termination of Individual's employment or engagement with the Company, in connection with Individual's work, **(i)** to which/whom Individual has provided services, **(ii)** with which/whom Individual has had any direct or indirect contact on behalf of the Company relating to Company Business, **(iii)** about which/whom Individual has had exposure to Confidential Information through the Company and/or Unishippers, or **(iv)** whose identities were disclosed to Individual, intentionally or unintentionally, as Clients or prospective clients of the Company and/or Unishippers.

e. **Entity:** means a person, firm, corporation, partnership, organization, limited liability company, association or other business or legal entity, whether domestic or foreign.

f. **Service:** means the time during which Individual is employed as an employee or engaged as an independent contractor by the Company from the Effective Date until the time Individual's employment and/or service contract is terminated.

g. **Supplier Partner:** means any Entity that supplies materials, products or services to Unishippers, the Company, and/or a Client (through Unishippers and/or the Company) in connection with Company Business.

4. Confidential Information.

a. **"Confidential Information":** means any and all Company or Unishippers information in any format, whether written, audio, electronic or otherwise, that is used in connection with the operation of a Unishippers franchise, or which relates to Unishippers System of business, including, but not limited to, any and all of the following, which is not publicly-known and the disclosure of which outside of the Company and/or Unishippers has the tendency to cause immediate and irreparable harm to both the Company and Unishippers:

i. intellectual property, trade secrets, know how, and technology; all Unishippers software (whether owned by Unishippers or any third party or used under license), and all other data and information stored in electronic, digital or other forms; designs, data, research, systems, devices, processes, policies, procedures, records, manuals, training materials, concepts, methods, techniques and accounts;

ii. marketing information and methods, including marketing data, research, sales techniques, Client and customer lists, representative lists, distributor lists, the identity of customers and Clients, prospects, distributors, and representatives of both the Company and Unishippers, including names, addresses, telephone and fax numbers, e-mail addresses, and other contact information, the operation, buying habits and practices and statistical information regarding Clients and customers, prospects, distributors, and representatives of both the Company and Unishippers;

iii. commercial strategies, together with all analyses, compilations, studies, notes, memoranda, or other documents or records prepared by the Company and/or Unishippers or any of their directors, officers, employees, consultants, agents or advisors (including, without limitation, attorneys, accountants, consultants, bankers, financial advisors and any representatives of the Company's and/or Unishippers' advisors);

iv. information regarding purchasing methods and sources including the names and other information regarding Supplier Partners, costs of materials and pricing; financial projections or income records;

v. information regarding information systems (“IS”); including, but not limited to, UONE, myUnishippers, Speedship, Express Manager, Freight Manager, Aljex, SupportNet, Salesforce; and

vi. Company and Unishippers’ financial statements, forecasts, reports and all financial information not disseminated to the public.

b. Confidential Information does not include any information that: **(i)** at the time of disclosure is already in the public domain through no fault of Individual, **(ii)** Individual knew (as evidenced by written records) prior to employment or engagement by the Company, or **(iii)** Individual obtained/obtains from an independent source who is/was not under an obligation not to disclose such Confidential Information.

5. Company or Unishippers Property. All Confidential Information, as defined above and as may be adjusted or modified by the Company in the future, are valuable assets and the property of the Company and/or Unishippers and not property of Individual. Additionally, all computer disks, papers, files, documents, works and other materials electronically stored or otherwise, containing any **(i)** Confidential Information of Unishippers and/or the Company, **(ii)** Confidential Information of a third party which is in Unishippers’ and/or the Company’s possession, custody, and/or control, including Supplier Partners and/or Clients, or **(iii)** information which Individual prepares, uses, possesses or controls that affects or relates to Company Business and/or Unishippers, are the property of the Company and/or Unishippers and shall be and remain the sole property of the Company and/or Unishippers.

6. Return of Materials Upon Termination. At the time Individual receives notice from, or gives notice to, the Company of termination of Individual’s Service with the Company, Individual will immediately return all Company and Unishippers property, including without limitation, all Confidential Information and the confidential, proprietary, and/or trade secret information of any Client or Supplier Partner in Individual’s possession, custody, and/or control. Individual will not take with him/her, or use, destroy, disclose, copy, or remove any originals or copies of any computer disks, papers, files, documents, works and other materials in hard copy, electronically stored or otherwise, containing any Confidential Information or the confidential information of any Client or Supplier Partner.

7. Covenant Not to Solicit.

a. Business Relationships and Goodwill. Individual acknowledges and agrees that, as an employee or contractor and representative of the Company, Individual will be given specialized training and Confidential Information as well as access to confidential, proprietary and/or trade secret information of Clients and Supplier Partners. Individual acknowledges and agrees that this creates a special relationship of trust and confidence between the Company, Individual, Unishippers and the Company’s current and prospective Clients and Supplier Partners. Individual further acknowledges and agrees that during Individual’s Service, Individual is responsible, at least in part, for the development and maintenance of goodwill of the Company with its Clients and prospective clients, Supplier Partners, employees, and the public and that such goodwill is a valuable asset of the Company and Unishippers. Individual further acknowledges that Unishippers’ relationships with Supplier Partners, to which Individual will have access solely by virtue of Individual’s employment or engagement with the Company, are commercially valuable, often long-term, contractual business relationships and that such access will be of material professional benefit to Individual. Individual further acknowledges and agrees that there is a high risk and opportunity for any person given such responsibility, specialized training, and Confidential Information to misappropriate the relationship and goodwill existing between the Company, Unishippers, and the Company’s Clients,

prospective clients, and Supplier Vendors. Individual further acknowledges and agrees that Individual's specialized training, work, and experience at the Company will enhance Individual's value to any competitor of Unishippers and/or the Company and that the nature of Confidential Information Individual will be given access to/has access to and will use/is using in the performance of Individual's responsibilities at the Company would make it difficult if not impossible for Individual to work for a competitor of the Company and/or Unishippers without disclosing (directly or inadvertently) or utilizing the Confidential Information to which Individual will be given access to/has access to during the course of Individual's Service and employment or engagement with the Company. Individual, therefore, acknowledges and agrees that it is fair and reasonable for the Company and Unishippers to take steps to protect themselves from risk of such misappropriation and potential for misuse of Confidential Information and the confidential, proprietary, and/or trade secret information of their Clients and Supplier Partners. Consequently, Individual agrees to the following non-solicitation covenants.

b. Covenant Not to Solicit Customers. Individual agrees that during Individuals' employment or contractor engagement and for a period of twenty-four (24) months following termination of Individual's employee or contractor relationship with the Company for any reason, voluntary or involuntary, Individual shall not, directly or indirectly, on Individual's behalf or on behalf of any Entity other than the Company and/or Unishippers, including any Entity which competes with, or is planning to compete with, the Company and/or Unishippers (as defined in Section 7(c)), (i) contact any Covered Client of the Company or Unishippers for the purpose of soliciting any such Covered Client to purchase products or services or to otherwise enter into relationships competitive with those offered by the Company or Unishippers; or (ii) contact any Entity who was a Covered Client of the Company or Unishippers for the purpose of soliciting such Covered Client to terminate, limit, or otherwise modify his, her or its business and/or business relationship with the Company or Unishippers.

c. Competition. Individual agrees that the word "compete" shall include any business that is the same as or competitive with any business conducted by the Company and/or Unishippers, including, but not limited to, Company Business.

d. Covenant Not to Solicit Employees and Others. Individual agrees that during Individual's employment and for a period of twenty-four (24) months following termination of Individual's Service with the Company for any reason, voluntary or involuntary, Individual shall not, directly or indirectly, solicit, recruit or otherwise cause any employee of the Company or Unishippers, Supplier Partner, independent contractor, franchisee, carrier, or vendor of the Company and/or Unishippers, to cease his, her or its business relationship with the Company and/or Unishippers. As used in this Section 7, the terms "carrier" and "vendor" shall include all persons and entities providing services and products to the Company and/or Unishippers with which/whom Individual had any contact or dealings, or about which/whom Individual had access to confidential, proprietary, and/or trade secret information, during Individual's Service.

8. Restrictions Reasonable. In view of Individual's access to Confidential Information, confidential, proprietary and/or trade secret information of Clients and Supplier Partners, specialized training, and the goodwill of the Company for which Individual is responsible in part, Individual expressly agrees that the scope of the covenants contained in Section 7 of this Agreement are reasonable in geographic scope, duration and otherwise. Individual further expressly agrees that the scope of the covenants contained herein are reasonable and necessary to protect and maintain the proprietary and other legitimate business interests of the Company and Unishippers as well as their Confidential Information, and that the enforcement thereof would not prevent Individual from earning a livelihood in the jurisdiction in which Individual resides or elsewhere.

9. Notification of New Employer/Contracting Entity. If Individual's employee or contractor relationship with the Company is terminated for any reason, Individual hereby consents to notification by the

Company and/or Unishippers to Individual's new employer of Individual's rights and obligations under this Agreement. In addition, if Individual plans to render services to an Entity that competes with, or is planning to compete with, the Company and/or Unishippers with respect to Company Business, Individual agrees to provide the Company with as much notice as possible of Individual's intention to join the competing Entity, but in no event less than two (2) weeks' advance notice of that intention; provided, however, the provision of such notice and the Company's and/or Unishippers' receipt thereof shall not constitute a waiver of any breach of any provision of this Agreement.

10. Remedies; Bond. Individual acknowledges and agrees that if an actual or threatened breach by Individual of the covenants contained in Section 7 occurs, the Company and Unishippers would be irreparably harmed, the full extent of injury resulting therefrom would be difficult or impossible to calculate, and the Company and Unishippers, therefore, will not have an adequate remedy at law in the form of money damages that would fully compensate the Company and Unishippers for their injuries. Individual, therefore, agrees that if an actual or threatened breach by Individual of the covenants contained in Section 7 occurs, the Company and Unishippers may, in addition and supplementary to other rights and remedies existing in their favor, apply to and obtain from any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief to enforce or prevent violations of the provisions hereof, without the necessity of posting a bond or other surety. The parties further agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction, the breaching party will be required to pay the non-breaching party's attorneys' fees and costs.

11. Tolling. If an alleged or actual breach or violation of the restrictive covenants contained in Section 7 of this Agreement occurs, the time periods set forth in Section 7 above will be tolled until such breach or violation has been cured.

12. Miscellaneous

a. At-Will Employment (*Employees Only*). Individual expressly acknowledges and agrees that Individual is an at-will employee of the Company and that nothing in this Agreement changes the at-will status of Individual's employment relationship with the Company. *Both the Company and Individual retain the right to end or terminate the employment relationship at any time, with or without notice, and for any reason or no reason at all.*

b. Entire Agreement; Amendment. The parties understand and expressly agree that this Agreement and the separate Non-Disclosure and Proprietary Information Agreement and/or, if applicable, the separate Non-Competition Agreement collectively constitute the entire agreement between the parties relative to the subject matter hereof, and thus supersede and revoke any and all prior agreements, whether written or oral relative to the subject matter hereof; provided, however, that if Individual is bound by the terms of the Company's Franchise Agreement with Unishippers, the Franchise Agreement will control if, and only to the extent, there are any inconsistencies or conflicts with the terms of this Agreement. The parties further understand and expressly agree there are no representations, warranties, or agreements, either express or implied or oral or written, except as set forth herein. This Agreement may be modified only in a writing executed by Individual and a senior executive of the Company and of Unishippers.

c. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the state where the Company's principal place of business is located, without regard to any conflict of laws rule or principle which might refer the governance or construction of this Agreement to the laws of another jurisdiction. Any action regarding this Agreement or arising out of its terms and conditions, pursuant to Section 11, shall be litigated only in Dallas, Texas. Individual hereby expressly consents to the personal jurisdiction of the state and federal courts located in Dallas, Texas for any lawsuit filed there against Individual by the Company arising from or relating to this Agreement.

d. Waiver. The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect thereto shall continue in full force and effect, unless such waiver is in writing and signed by a senior executive of the Company and of Unishippers. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision.

e. Unishippers Is An Express Third-Party Beneficiary. In addition to the Company's rights hereunder, this Agreement will also inure to the benefit of, and be specifically enforceable by, Unishippers, as well as its successors and assigns. The parties hereto also acknowledge and agree that Unishippers' rights hereunder cannot be waived by the Company.

f. Binding Agreement. This Agreement is binding upon Individual, Individual's agents, employees, partners, executors, heirs and other successors in interest, as well as any other person or Entity who is acting with Individual, at Individual's direction, or on Individual's behalf.

g. Severability and Reformation. If a court of competent jurisdiction determines that any restriction in a clause or provision of this Agreement is void, illegal or unenforceable, the other clauses and provisions of this Agreement shall remain in full force and effect. Further, the clauses and provisions that are determined to be void, illegal or unenforceable shall be limited by the Court so that they shall remain in effect to the greatest extent permitted under applicable law. The existence of any claim or cause of action of Individual against the Company and/or Unishippers, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company and/or Unishippers of any covenants in this Agreement, including the restrictive covenant(s) in Section 7.

13. Voluntary Agreement. Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily and without duress, agrees to all of the terms set forth in this Agreement. The parties acknowledge and agree that they have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement.

14. Sufficiency of Notice and Opportunity to Consult with Counsel: In keeping with Section 13, the Company strongly encourages Individual to consult with an attorney before signing this Agreement. To provide adequate time for Individual to do so, Individual has fourteen (14) days to review this Agreement with an attorney of Individual's choosing. However, Individual may not commence employment as an employee or engagement as a contractor with the Company prior to signing this Agreement. By signing below, Individual acknowledges that Individual has had the opportunity to consult with legal counsel of Individual's choice to obtain advice regarding any aspect of this Agreement and that, to the extent Individual signs before all fourteen (14) days have passed since the date Individual received this Agreement, Individual is knowingly and voluntarily waiving Individual's right to the remainder of the fourteen- (14) day notice period.

IN WITNESS WHEREOF, for and in consideration of the covenants and promises in this Agreement, and for other good and valuable consideration, including, without limitation, the professional benefits to Individual described herein, the receipt and sufficiency of which are hereby acknowledged, the parties sign their agreement to be bound by the terms set forth above, effective as of the Effective Date.

EMPLOYEE OR CONTRACTOR

[FRANCHISEE ENTITY NAME]

Signature: _____

Signature: _____

Name: _____

Name: _____

Position: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT “J”
CONSENT TO TRANSFER FRANCHISE

#[XXXX]

CONSENT TO TRANSFER FRANCHISE

This Consent to Transfer Agreement (“**Consent**”) is made as of _____, (“**Transfer Date**”) by and among _____ (“**Seller**” or “**Franchisee**”), _____ (“**Buyer**” or “**Assignee**”), and Unishippers Global Logistics, LLC, a Delaware limited liability company (“**Unishippers**”).

RECITALS

Seller, as Franchisee, and Unishippers as Franchisor, entered into a Franchise Agreement on _____ (“**Franchise Agreement**”), wherein Seller was granted the Unishippers franchise business pursuant to the Unishippers #[XXXX] Franchise Agreement (“**Franchise Agreement**”).

Seller wishes to sell all of its interest in the Unishippers #[XXXX] National Franchise (“**Franchise**”) including its interest in the existing Customer Accounts (the “**Business**”), and Buyer wishes to purchase Seller’s interest in the Business.

NOW THEREFORE, in consideration of the mutual covenants and promises the parties agree as follows:

1. Unishippers consents to the transfer of all of Seller’s interest in and to the Franchise and the Business to the Buyer subject to the conditions described in this Consent. This consent will be effective only upon completion of each of the conditions on transfer set forth herein and in the Franchise Agreement. **Unishippers’ consent does not constitute, nor shall it be construed to be, a representation or warranty of any kind that Buyer will be successful in operating a Unishippers franchise or that Buyer will receive any particular level of income from such operations.** All rights of the Seller, and all debts, obligations, and liabilities of Unishippers to the Seller, whether known or unknown, and whether arising under the Franchise Agreement or otherwise, are hereby canceled, released and of no further force or effect. Unishippers hereby acknowledges receipt of the requisite fee [set forth in Section 2.01 of the Franchise Agreement].

2. Notwithstanding any provisions in any agreement between Buyer and Seller, Seller will have no right to retake possession, ownership or any other interest in the Franchise, or any portion thereof, whether due to any breach or default in any obligation by the Buyer. Buyer and Seller specifically acknowledge and agree that any agreement between themselves [in their asset purchase agreement] by which Buyer grants Seller the right to retake possession of the Franchise and certain assets under any circumstances is not binding on Franchisor.

3. Seller will, pursuant to Sections 5.02 and 5.04 of the Franchise Agreement, transfer to Buyer its interest in the Franchise, as more fully described in the Franchise Agreement, and Seller’s interest in the existing Customer Accounts described in Schedule “A” attached hereto and made a part of this Consent). Buyer and Seller agree that such transfer will not include the transfer of any claims or causes of actions, held by Seller or any related person or entity, whether known or unknown, against Unishippers, all of which are completely released herein.

4. Buyer will assume billing, collection, and Carrier payment responsibilities for shipments from existing Customer Accounts for all Carriers beginning with the Unishippers invoice dated _____. In addition, Buyer will bill, collect, and pay Carriers for shipments tendered prior to the Transfer Date but which are outstanding accounts receivable as of the above date in accordance with the terms and conditions indicated in Schedule “B” attached hereto and made a part of this Consent. Buyer agrees to use its best efforts and due diligence in the billing, collection, and payment of amounts due to Carriers for the outstanding

accounts receivable as noted above. The parties acknowledge that the transfer of billings and Customer Accounts are done by the Carriers and may not be completed until after the Transfer Date. The parties agree to use their best efforts and due diligence in working with each other, Unishippers and the Carriers to ensure the Buyer receives the proper billings and Customer Accounts.

5. Seller agrees to provide Buyer with all necessary information concerning the existing Customer Accounts for Buyer to bill, collect and pay Carriers for shipments received on the Unishippers billing invoices. In addition, Seller agrees to use its best efforts and due diligence in assisting and referring customer inquiries to Buyer.

6. Buyer acknowledges and agrees to pay all amounts outstanding and due to Carriers under the transferred Franchise account number(s) within the terms and conditions stated in the Franchise Agreement, including amounts Seller may have incurred in the course of its business, if Seller does not pay Carriers.

7. Seller agrees to pay and remain responsible for all amounts due to Unishippers for royalty fees and Marketing Fund contributions incurred and due and owing as a consequence of the Unishippers billing invoices incurred by Seller prior to the above billing invoice date, and all other sums due and owing to all other creditors arising from or related to the operation of the Franchise that were incurred by Seller prior to the purchase of the Franchise by Buyer.

8. [Buyer agrees to execute the current form of Unishippers' Franchise Agreement and all other agreements and legal instruments and documents associated therewith.]

9. Buyer acknowledges that it is Buyer's responsibility and obligation to investigate the Business and make appropriate inquiries of Seller to become satisfied with the status of the Business and assets to be purchased. Seller acknowledges that it is Seller's responsibility and obligation to fully cooperate with Buyer's investigation of the Business and make appropriate disclosures to Buyer. Seller acknowledges that, to the extent Franchisor has declared Seller to be in breach of its Franchise Agreement, Seller has fully disclosed the nature and extent of such breach or breaches to Buyer in writing prior to the date of this Consent to Transfer Franchise.

10. The parties acknowledge that, except for the consent contained herein, Unishippers did not and has not instigated, directed, affected or in any manner influenced the negotiations, or the parties involved in the negotiations, for the sale of the Franchise by Seller to Buyer. Seller and Buyer further acknowledge and agree that neither Unishippers, its legal counsel or any other person, has reviewed, approved, endorsed or expressed an opinion, regarding the economic or other terms of the transaction, the structure of the transaction between them or the content of their contract documents (with the exception of Unishippers' review of the documents for the limited purpose of ensuring that they do not contain provisions attempting to sell the Marks, or otherwise attempt to create obligations that would violate Franchisee's obligations under the Franchise Agreement.). Seller and Buyer also agree that any and all agreements, statements, claims, representations and promises with respect to the business of the Franchise or its financial viability have been those of the Seller only, are disclaimed by Unishippers, and no one, other than Seller, will have any responsibility or liability for any such agreements, statements, claims, representations or promises of any kind.

11. Buyer agrees to attend and successfully complete all training designated by Unishippers for franchisees. The Buyer must pay all travel, lodging and other costs incurred in connection with their attendance. Failure to complete such training when required will constitute a default under the Franchise Agreement.

12. Buyer will deliver proof of all required insurance to Unishippers within thirty (30) days of the signing of this Consent.

13. Buyer agrees to upgrade the Franchise as necessary to bring it into compliance with then-current System Standards, as outlined either in the Franchise Agreement or the Manual. Buyer will complete such upgrade within sixty (60) days of signing this Consent.

14. Seller and Buyer, for themselves and any associated owner or business entity, jointly and severally, hereby release and forever discharge, indemnify and agree to hold Unishippers, its agents, officers, directors, shareholders, members, employees, parents, affiliates, subsidiaries and any other person or entity associated with Unishippers (hereafter “Franchisor-Related Persons”) harmless from and against any and all claims, demands, rights, liabilities, debts, liens, losses, costs, expenses, and causes of action, in law or in equity, howsoever arising, known or unknown, fixed or contingent, past or present, whether or not related to the Franchise Agreement or the Franchise which the Seller, Buyer or any of them (and/or any persons and/or entities associated with any of them in any way) now have or may hereafter have against Unishippers or its Franchisor-Related Persons by reason of any matter or cause (the “Claims”), it being the mutual intention of the parties that this release be unqualifiedly general in scope and effect.

If applicable:

THE SELLER, BUYER, AND EACH OF THEM, JOINTLY AND SEVERALLY, ACKNOWLEDGE THAT EACH IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”

THE SELLER, BUYER, AND EACH OF THEM, JOINTLY AND SEVERALLY, BEING AWARE OF THIS CODE SECTION, HEREBY EXPRESSLY WAIVE ALL RIGHTS THEREUNDER AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT OF ANY APPLICABLE JURISDICTION.

15. Except as provided herein or in the Franchise Agreement, Seller’s obligations to Unishippers as Franchisee for the Franchise shall cease as of the above-referenced Transfer Date. Seller shall continue to be liable for all Claims incurred by Seller in the operation of the Franchise prior to the Transfer Date. In addition, Seller shall continue to be bound by all the provisions of the Franchise Agreement applicable to transfer of the Franchise, including, but not limited to the obligations as described in Sections 2.08, 2.10, 4.02, 4.05, 4.06, 4.09 and 7.01 of the Franchise Agreement, all of which are incorporated herein by this reference. Seller further indemnifies and holds harmless Buyer and Unishippers from all Claims, including costs and attorneys’ fees, arising out of or in any manner connected with the operation, conduct or business of the Seller.

16. Buyer agrees to indemnify and hold harmless Seller from all Claims, including, but not limited to costs and attorneys’ fees, arising out of or in any manner connected with the operation, conduct or business of Buyer after the Transfer Date.

17. This Consent shall be binding upon and inure to the benefit of the parties hereto and their respective agents, legal representatives, successors and assigns.

18. Schedule “A” is incorporated into and are a part of this Consent. This Consent constitutes the entire agreement between the parties hereto with respect to the subject matter contained herein, and there are no covenants, terms or conditions, express or implied, other than as set forth or referred to herein.

19. This Consent shall be construed in accordance with, and governed by, the substantive laws of Unishippers’ then-current principal office.

20. Except as expressly provided in the previous sentence, if any legal action or proceeding is brought by any party against another, whether arising out of this Consent or related thereto, each party will bear their own legal costs.

21. Any litigation with respect to this Consent which involves Unishippers or its Franchisor-Related Persons, will take place in the judicial district encompassing Unishippers’ then-current principal office, the parties expressly consenting to the exclusive jurisdiction of such court(s) and waiving their rights to conduct litigation of any nature in any other forum. IN ANY LITIGATION INVOLVING UNISHIPPERS AND/OR THE FRANCHISOR-RELATED PERSONS, EACH OF THE PARTIES WAIVES THEIR RIGHT TO TRIAL BY JURY AND WAIVES ALL RIGHTS TO CONSEQUENTIAL, PUNITIVE, EXEMPLARY, MULTIPLE, PAIN-AND-SUFFERING, MENTAL DISTRESS OR SIMILAR DAMAGES, AND AGREES THAT EACH MAY ONLY RECOVER ACTUAL FINANCIAL LOSSES DIRECTLY RELATED TO THE ACTS OR OMISSIONS IN QUESTION.

22. (a) All claims, disputes, suits, actions, controversies, proceedings, or otherwise, of every kind (hereinafter “claim” or “claims”) arising between or involving Unishippers arising from or related to this Agreement, will be resolved as described below. This resolution process will apply to all such claims, whether arising out of or relating to this or any other agreement or document, any alleged breach of duty (including the offer and/or sale of any franchise, any action for rescission or other action to set aside such sale or any other agreement), and on whatever theory or basis in fact. The resolution process will be as follows:

(1) First, the claim(s) will be discussed in a face-to-face meeting between the parties with individuals who are authorized to make binding commitments on their behalf. This meeting will be held at Franchisor’s then-current principal office and within thirty (30) days after written notice is given proposing such a meeting.

(2) Second, if, in the opinion of either party, the meeting has not successfully resolved such matters, they will be submitted to non-binding and confidential mediation for a minimum of eight hours before a mediation organization or individual approved by all persons or entities involved in the claim. In the mediation, each party will be represented by one or more individuals authorized to make binding commitments on each party’s respective behalf and may be represented by counsel. In addition, the parties may, with permission of the mediator, bring such additional persons as are needed to respond to questions, contribute information and/or participate in the negotiations. The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters.

(3) Third, if mediation is not desired (or if such mediation is not successful in resolving such claim), the party shall file any suit against Unishippers only in the federal or state court of general jurisdiction located closest to Unishippers then current principal office.

(b) Mediation will be conducted at the location of Unishippers then-current principal office, to facilitate participation of important individuals and availability of documents, etc. to the resolution of the matter, and by a mediator experienced in franchising. Except as expressly provided below, the parties to

any mediation will bear their own costs, including attorney's fees. The parties to the dispute will share the fees and expenses of the mediator(s), mediation organization equally, unless expressly provided otherwise in this Agreement.

(c) The Parties agree that this Agreement does not obligate them to mediate claims or issues relating primarily (i) the validity of the Marks, or any trademarks, service marks or other Intellectual Property licensed to Franchisee, (ii) the right to obtain possession of any real and/or personal property (including Franchisor's rights and remedies pursuant to any security agreements, financing statements, and the applicable Uniform Commercial Code provisions), (iii) the right to obtain a pre-judgment writ of attachment, and/or (iv) the right to obtain and enforce a temporary restraining order and/or preliminary injunction for specific performance of the terms of this Agreement.

(d) In any litigation, the Parties each waive any right to claim or recover punitive or exemplary damages, treble or other multiple damages, damages for pain-and-suffering or mental distress, and consequential and/or similar damages. **THE PARTIES AGREE IRREVOCABLY TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM.**

23. No waiver of any breach of any agreement, condition, covenant, promise, representation, warranty, or term in this Consent shall constitute a continuing waiver or a waiver of any covenant, promise, representation, warranty or term.

IN AGREEMENT WHEREOF, the parties have signed this Consent on the date first written above.

SELLER

[SELLER ENTITY NAME]

By: _____
[Seller Owner 1 Name]

Its: [Seller Position 1]

Dated: _____

BUYER

[BUYER ENTITY NAME]

By: _____
[Buyer Owner 1 Name]

Its: [Buyer Position 1]

Dated: _____

CONSENT

Consented to by Unishippers Global Logistics, LLC, a Delaware limited liability company (“Unishippers”) in accordance with the Consent above; however, Unishippers makes no representations or warranties as to any other matters contained herein.

UNISHIPPERS GLOBAL LOGISTICS, LLC
a Delaware limited liability company

By: _____

<Name>

Its: <Title>

Dated: _____

SCHEDULE "A"

**TRANSFERRED CUSTOMER ACCOUNTS IN THE
FRANCHISE MARKETING AREA**

SCHEDULE "B"

**Terms and Conditions for Billing, Collecting and Paying Carriers on Outstanding Accounts
Receivable**

[Seller], is responsible for Billing and Accounts Receivable through the download date of _____ and [Buyer], will assume responsibility for Billing and Accounts Receivable as of the download date of _____.

The Buyer and Seller have signed this Schedule "B" to the Consent to Transfer Franchise on the date first written above.

[SELLER ENTITY NAME]
[a/an type of entity]

By: _____
[Seller Owner 1 Name]
Its: [Seller Position 1]

BUYER

[BUYER ENTITY NAME]
[a/an type of entity]

By: _____
[Buyer Owner 1 Name]
Its: [Buyer Position 1]

RECOMMENDATIONS FOR EFFECTIVE TRANSFER OF OUTSTANDING ACCOUNTS RECEIVABLE

The following points and recommendations are included to allow the Buyer and Seller to effectively deal with the transfer of accounts receivable when a Franchise Marketing Area is transferred. These items are provided to prompt dialogue between the Buyer and Seller and to encourage the parties to adopt written guidelines for handling these matters. These points are not intended to be exhaustive nor are they intended to advise either party. Both parties should consult their own legal counsel prior to drafting any documentation concerning these matters.

1. UPS and other Carriers will NOT issue a new Store Number to the Buyer upon transfer of an account. The third-party account number associated with the Franchise prior to the sale or transfer will remain with the Franchise after transfer.
2. The Buyer will be ultimately responsible for any past due amounts payable to the Carriers associated with the Franchise third-party account number even if incurred prior to the Transfer Date by the Seller. The Seller should clear up all disputed or uncollectible accounts receivable prior to the transfer.
3. The parties should draft an agreement outlining the responsibilities of each party for the billing and collecting of the accounts receivable and the satisfaction of the accounts payable outstanding at the time of the purchase. In the past, sellers have used two methods of administration, 1) the purchase of the accounts receivable and their accompanying accounts payable by the Buyer for an agreed upon price; and 2) placing in escrow monies from the sale while allowing the buyer to administer the outstanding billings along with the new billings. Unishippers does not prefer or recommend one method over the other. The following are some points to consider for the latter option:
 - a. The parties should request an account statement from UPS and other Carriers to show all outstanding sums due as of the date of the Transfer Date.
 - b. The Seller should place an amount of money equal to the outstanding sums due to Carriers in escrow for sixty (60) days. During this period the Buyer should bill and collect on the outstanding accounts receivable and pay the outstanding accounts payable from the collected amounts. The Buyer must make reasonable collection efforts to collect on the amounts outstanding and the Seller should be entitled to employ reasonable efforts to collect the billings and satisfy the amounts due the Carriers. The Seller should make every effort to settle any outstanding disputed amounts payable to the Carriers prior to the end of the 60-day period.
 - c. At sixty (60) days, the Buyer will generate an accounting for the Seller and the remaining amounts outstanding to the Carriers shall be paid from the escrow, the rest paid to the Seller. Until ninety (90) days from the date of sale, the Buyer should continue to bill and collect the outstanding accounts receivable and the Seller should still have the opportunity to collect these amounts also.
 - d. At ninety (90) days, the Buyer should refer all uncollected accounts receivable to the Seller for disposition. It has been the experience of Unishippers either of these methods of collection will be effective if the parties work amicably toward their objectives.

Please contact Franchise Support if you have questions concerning these matters.

ATTACHMENT “K”

GENERAL RELEASE

#[XXXX]

GENERAL RELEASE

Franchisee and its owners, jointly and severally, hereby release and forever discharge all of the Franchisor-Related Persons (as defined below) from all causes of action, in law or in equity, suits, debts, liens, defaults under contracts, leases, agreements or promises, liabilities, claims, demands, damages, losses, costs or expenses, of any nature, **known or unknown**, fixed or contingent, past or present, that the Franchisee now has or may hereafter have against any of the Franchisor-Related Persons by reason of any matter or cause before the date hereof (the "Claims"), it being the mutual intention of the parties that this release be general in scope and effect and that any Claims against any of the Franchisor-Related Persons are hereby forever canceled and forgiven.

THE FRANCHISEE ACKNOWLEDGES THAT THEY ARE FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

THE FRANCHISEE, BEING AWARE OF THIS CODE SECTION, HEREBY EXPRESSLY WAIVES ALL OF THEIR RIGHTS THEREUNDER AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT OF ANY APPLICABLE JURISDICTION, INCLUDING, WITHOUT LIMITATION, CALIFORNIA.

Franchisee expressly assumes the risk of any mistake of fact or fact of which they may be unaware or believed to exist by Franchisee, and it is Franchisee's intention to forever settle, adjust and compromise any and all present and future disputes with respect to all matters, finally and forever. This release is given without regard to who may or may not have been correct in their understanding of the facts, law or otherwise. All releases given by Franchisee are intended to constitute a full, complete, unconditional and immediate substitution for all rights, claims, demands and causes of action which exist, or might have existed, on the date of this document. Franchisee represents and warrants that it has made such independent investigation of the facts and the law pertaining to all matters discussed, referred to or released in this document as Franchisee believes necessary or appropriate. Franchisee has not relied on any statement, promise or representation, whether of fact or law by the Franchisor-Related Persons or anyone else, not expressly set forth herein, in executing this document and the related releases.

No Assignment or Transfer of Interest. Franchisee represents and warrants that there has not been, nor will there be, any assignment or other transfer of any interest in any Claims that Franchisee may have against any of the Franchisor-Related Persons, all Claims having been fully and finally extinguished, and Franchisee agrees to indemnify and hold harmless the Franchisor-Related Persons from any liability, claims, demands, damages, losses, costs, expenses or attorneys' fees incurred by any of the Franchisor-Related Persons as a result of any person asserting an interest in the Claims or any voluntary, involuntary or other assignment or transfer, or any rights or claims under such assignment or transfer. It is the intention of the parties that this indemnity does not require payment by any of the Franchisor-Related Persons as a condition precedent to recovery against Franchisee under this indemnity.

Attorneys' Fees. If Franchisee, or anyone acting for Franchisee or claiming to have received, by assignment or otherwise, any interest in any of the Claims, commences, joins in, or in any manner seeks relief through

any suit, mediation or arbitration proceeding, for any Claim arising out of, or based upon the Claims released hereunder, or in any manner asserts against any of the Franchisor-Related Persons any of the Claims released hereunder, Franchisee agrees to pay all attorneys' fees and other costs incurred by the Franchisor-Related Persons in defending or otherwise responding to said suit or assertion directly to the Franchisor-Related Persons incurring such costs.

“Franchisor-Related Persons”. Unishippers Global Logistics, LLC and its parents, affiliates and subsidiaries, together with each of their past, current and future: predecessors, successors, partners, shareholders, members, officers, directors, agents, attorneys, accountants, and employees, and any companies acting by, through, under, in concert or associated with any of the foregoing.

Date of Releases, Joint and Several Liability. The releases granted hereunder will be deemed effective as of both the date hereof and the date of any transfer of the Franchise and the Franchise Agreement and/or any termination of the Franchise or the Franchise Agreement. The liabilities and obligations of Franchisee (its owners and any other person/entity providing releases to the Franchisor-Related Persons) will be joint and several.

Company: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

<u>NAME</u>	<u>POSITION</u>	<u>SIGNATURE</u>	<u>DATE</u>
[Owner 1 Name]	[Position 1]	_____	_____
[Owner 2 Name]	[Position 2]	_____	_____

<u>INDIVIDUALLY</u>	<u>SIGNATURE</u>	<u>DATE</u>
[Owner 1 Name]	_____ Individually	_____
[Owner 2 Name]	_____ Individually	_____

ATTACHMENT “L”
Co-Broker Agreement

#[XXXX]

WWEX FRANCHISEE-BROKER AGREEMENT

THIS AGREEMENT is entered into _____ (“Effective Date”), by and between _____ (“Franchisee”) and Worldwide Express Operations, LLC dba Worldwide Express (“WWEX”).

RECITALS

Franchisee entered into a Franchise Agreement with Unishippers Global Logistics, LLC (“UGL”) on _____;

Franchisee, holding broker license MC-_____, controls the routing of its customers' freight;

WWEX, an affiliate of UGL, is a registered broker of freight, holding broker license MC-635576, and arranges for the transportation of freight truckload products in interstate and foreign commerce;

The Parties desire to enter into a brokerage agreement for Franchisee to utilize WWEX to arrange for the transportation of Franchisee’s customers' freight truckload products in interstate and foreign commerce.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. **Carriers.** WWEX shall make reasonable efforts in the selection of carriers to transport goods pursuant to this Agreement. WWEX makes no express or implied warranties related to this Agreement, and makes no guarantees regarding delivery time or the locating of a carrier to provide the transportation services requested by a Franchisee’s customer. WWEX agrees it will observe and enforce the following procedures:

(a) All carriers must (i) meet WWEX’s carrier selection criteria, which is attached hereto as Exhibit A and hereby incorporated by reference, and (ii) be approved by WWEX’s carrier compliance group.

(b) WWEX will contract with the carrier (either by agreement or through tariff) and furnish a copy of the Carrier Agreement to Franchisee after written request. The carrier’s tariff may have unique terms, conditions, obligations, and limitations of liability that govern the services provided. WWEX makes no representations regarding the contents of any tariff, and Franchisee is solely responsible for determining whether such tariff impacts Franchisee’s customer’s shipment, including, without limitation, any limitation of carrier liability contained therein.

WWEX's carriers are required to maintain automobile liability and cargo liability insurance as required by law, provided however that such carriers shall maintain cargo insurance in the minimum amount of \$100,000 per full truck load or full container load and auto liability of at least one million dollars (\$1,000,000) per occurrence. Franchisee can obtain a copy of a carriers' certificate of insurance showing type and amount of coverage by sending a written request to carriercompliance@wwex.com.

2. **Compliance with Law.** The parties represent and warrant that they are duly and legally qualified to operate as a Co-Broker and to provide the transportation services contemplated herein. Each party agrees to comply with all federal, state, and local laws related to this Agreement.

3. **Effective Date and Term.** This Agreement shall continue during the term of the Franchise Agreement, but terminates automatically on termination or expiration of the Franchise Agreement unless terminated sooner by WWEX, on thirty (30) days written notice. The terms of this Agreement, which by

their nature, application, or operation are intended to survive the termination of this Agreement shall be deemed to survive such termination.

4. Rates and Terms of Service. Transportation will be arranged by WWEX, and Franchisee will pay for such transportation according to the pricing, charges and terms of service, including rules and regulations, as indicated in the applicable technology system, or as otherwise communicated in writing by WWEX. All modifications to the rates, charges, rules and regulations shall be confirmed in writing within a reasonable time by the parties before shipment. WWEX makes no express or implied warranties related to this Agreement, and makes no guarantees regarding delivery time or the locating of a carrier to provide the transportation services requested by a Franchisee's customer.

5. Payment.

(a) Franchisee is responsible for complying with the terms of the Franchise Agreement regarding amounts owed to carriers. If Franchisee is in default of the Franchise Agreement, WWEX may stop access to WWEX brokered carriers.

(b) WWEX will charge Franchisee for agreed upon charges (commissions and carrier charges as specified by rate schedule or load confirmation), which are hereby incorporated by reference without offset or deduction. WWEX shall pay the motor carrier(s) as required under its written contract(s) with such carrier(s). WWEX shall not be barred from pursuing payments from other parties involved in the shipment(s) should Franchisee be unable or unwilling to pay for services provided. Franchisee's payment of WWEX charges shall not be contingent upon Franchisee's customer's payment to Franchisee.

6. Agency. In arranging such transportation for Franchisee and Franchisee's customers, WWEX shall act as the agent of the carriers selected by WWEX to perform the transportation solely for the collection of freight charges.

7. Indemnification. Franchisee agrees to indemnify and hold WWEX, its officers, directors, employees, parent companies, Affiliates and carriers, harmless from all expenses, fines, suits, proceedings, claims, losses, damages, liabilities or actions of any kind or nature, including, but not limited to, costs and attorneys' fees (collectively, "Damages"), arising out of or in any way connected with the operation, conduct or business of Franchisee except if caused by WWEX's negligent or wanton acts or omissions, including, but not limited to, any Damages arising out of or connected with Franchisee's breach of its obligations under this Agreement or to any Carrier. Franchisee further agrees that if WWEX, its Affiliates, or carriers are made a party to a lawsuit or other legal action in connection with the activities of Franchisee or Franchisee's officers, directors, members, employees, agents or similar persons, then, at the option of WWEX, WWEX may tender the defense or prosecution of the case to Franchisee who shall be responsible for diligently pursuing the case or action at Franchisee's expense, or WWEX may hire counsel directly to protect its respective interests and bill Franchisee for all costs and attorneys' fees incurred in connection therewith, in which case Franchisee shall reimburse promptly the billing party for all such costs and expenses incurred.

8. Insurance. Franchisee represents and warrant that it is in full compliance with the insurance requirements contained in the Franchise Agreement.

9. Notification of Accidents or Delay. WWEX agrees to notify Franchisee promptly without undue delay of any accident or other event of which it has knowledge which prevents carrier from making a timely or safe delivery. WWEX agrees to reasonably assist in the processing of claims against carriers or others.

10. Independent Contractor. In the performance of transportation service hereunder, WWEX and its carriers shall be independent contractors and are not and shall not act as agents or employees of Franchisee

or Franchisee's customer. No employee, agent or other representative of either party shall at any time be deemed to be under the control of both parties. Each party shall be fully liable for all workers' compensation premiums and liability, Federal, State, and local withholding taxes or charges with respect to its respective employees, and each agrees to save the other harmless from any claims brought against the other in relationship thereto. WWEX shall require its carriers, at their expense, to furnish suitable equipment to transport the commodities tendered to WWEX hereunder and to assume all costs, including permits, tolls and all other expenses and liabilities incident to the transportation of such commodities.

11. Assignment. Franchisee may not assign its rights under this Agreement without WWEX's written approval.

12. Confidentiality. The terms and conditions of this Agreement are confidential and proprietary and either party shall reveal only so much of its contents as shall be required by law.

13. Records. Franchisee and WWEX agree to maintain records of transportation services performed pursuant to this Agreement as required by law.

14. Notices. All notices under this Agreement shall be in writing and shall be properly given and delivered in person, via email with proof of delivery, or overnight courier, or sent by first class mail addressed as provided for from time to time by the parties hereto and with regard to WWEX, a copy of such notice to legal@wwex.com.

15. Hazardous Materials. Franchisee is obligated to comply, and to require its shipping customers to comply, with all applicable laws and regulations relating to the transportation of hazardous materials as defined in 49 CFR Section 172.101. Franchisee is obligated to inform WWEX, in writing, at the time or in advance of the tender of any shipments containing hazardous materials. If WWEX's carrier accepts hazardous materials for transportation, WWEX shall obtain written confirmation that carrier is fully qualified and certified to transport hazardous material and is appropriately insured. Upon request WWEX shall provide Franchisee with a copy of carrier's current DOT hazardous materials certificate of registration.

16. Applicable Law. To the extent not governed by federal laws and regulations, the laws of the State of Texas, except its laws with respect to conflict of laws, shall govern the validity, construction and performance of this Agreement and all controversies and claims arising hereunder, and all actions or proceedings shall be brought in a state or Federal Court in Dallas County, Texas. Franchisee hereby waives any objection it may have to jurisdiction and venue in Dallas County, Texas. Costs and reasonable attorneys' fees shall be awarded to the prevailing party in any action in the event of any final, non-appealable decision.

17. Cargo Claims. Cargo damage, loss or delay claims shall be handled in accordance with 49 U.S.C. § 14706 and 49 C.F.R. Part 370. It is understood that WWEX is not a motor carrier or freight forwarder, and WWEX will not be held liable for loss, damage, or delay in the transportation of goods. The motor carriers' cargo liability for any one truckload shipment will not exceed \$100,000. The motor carriers' cargo liability for any one less-than-truckload shipment will not exceed the limits set forth in the rules tariff of the carrier that issued the bill of lading corresponding to the shipment.

18. Limited Liability. WWEX shall have no liability for cargo loss, damage, or shortage except to the extent such claims are caused by WWEX's negligent acts or omissions, in which event, WWEX's liability shall be limited to the amount owed to Franchisee by Franchisee's customer with respect to the services provided. Notwithstanding any other provision of this Agreement, neither party shall be liable for special, indirect, punitive or consequential damages incurred by the other party even if the non-incurring party has notice of such damages.

19. **Undercharge and Overcharge Claims.** The time limit for filing overcharge and undercharge claims on shipments moved pursuant to this Agreement shall be ninety (90) days after delivery of the shipment, except that clerical errors, mathematical errors, extension errors and duplicate payments may be corrected at any time. All overcharge claims and duplicate payments shall be handled and processed by Franchisee in accordance with 49 C.F.R. Part 378.

20. **Force Majeure.** Neither party shall be liable to the other for failure to perform its obligations under this Agreement if prevented from doing so because of an act of God, strikes, fire, flood, pandemic flu, civil disturbance, interference by civil or military authority, governmental restrictions, or other causes beyond the reasonable control of the party and not intentionally caused by such party ("Force Majeure). Upon the occurrence of such an event, the party seeking to rely on this provision shall promptly give written notice to the other party of the nature and consequence of the cause. Each party shall use all reasonable efforts to minimize the effects of a Force Majeure event. If a Force Majeure event occurs with respect to any of the services or obligations of the parties under this Agreement and such Force Majeure event is estimated to last for so long that the parties' obligations or services become materially disrupted, the parties shall agree to alternative temporary arrangements, the temporary cessation of services and/or obligations, or the termination of this Agreement. The provisions hereof shall not apply to monetary amounts owed by either party to the other.

21. **Complete Agreement.** This Agreement and any attachments hereto and any pricing incorporated herein constitutes the entire Agreement between the parties and may be modified only as evidenced by written agreement and signed by the parties. If any provision of this Agreement shall be determined to be invalid or unenforceable, the remaining portions of this Agreement shall continue to be operative and in full force and effect.

Worldwide Express Operations, LLC

FRANCHISEE

By:

By:

Its:

Its:

Dated:

Dated:

Exhibit A - General Guidelines for Carrier Approval

The purpose of the document is to outline the minimum requirements which new and existing carriers must meet to be approved to transport freight for WWEX.

Insurance Requirements-

All carriers must have a current insurance certificate on file with WWEX meeting the following minimum criteria.

Certificates must be issued by the insurance broker listing WWEX or its designee as a certificate holder.

Auto Liability coverage must state a minimum of \$1,000,000.

Cargo liability coverage with minimum limits of \$100,000.

Operating Authority-

Carriers must have an active operating authority that meets the following criteria.

Authority type must either Contract or Common, except that with respect to intrastate loads, authorized intrastate carriers may be approved to use.

Authority must be active for the previous 6 months without interruption.

Safety Rating-

All Carriers must have a Safety rating of “Satisfactory” or “None.”

ATTACHMENT “M”
PROMISSORY NOTE

#[XXXX]

PROMISSORY NOTE
Unishippers #[XXXX] National Franchise

\$[_____]

Effective Date: _____

FOR VALUE RECEIVED, and upon the terms and conditions set forth herein [Franchisee Entity Name], [a/an type of entity], (“Franchisee”), promises to pay to the order of **Unishippers Global Logistics, LLC**, a Delaware limited liability company, or its assigns (“Unishippers”) the principal sum of [_____ and No/100s (\$[_____]) (“Principal Balance”) with interest accruing on the unpaid principal at an annual rate of [_____] %.

RECITALS

- A. On [FA Date], Franchisee entered into a Franchise Agreement for the **Unishippers #[XXXX] National Franchise** (the “Franchise Agreement”) from Unishippers for an Initial Franchise Fee of [_____ and No/100s Dollars (\$[_____]).
- B. Franchisee paid [_____] (\$[Amount]) to Unishippers on _____.
- C. Franchisee desires to sign this Promissory Note for the purpose of establishing the terms of the payment of the remaining Principal Balance owed to Unishippers.

TERMS OF NOTE

1. **SECURITY.** Payment of the principal amount evidenced by this Promissory Note (“Note”) and all other amounts due hereunder are hereby agreed to be secured by that certain Security Agreement entered into between Franchisee and Unishippers on _____, for the Franchise (“Security Agreement”). Additional rights of Unishippers are set forth in the Security Agreement. All Owners as defined in the Franchise Agreement will personally execute the Guarantee and Assumption of Obligations signed on even date with this Note and the Franchise Agreement.

2. **PAYMENTS OF PRINCIPAL AND INTEREST.**

2.01 **Payment of Principal.** Franchisee shall pay the principal amount evidenced by this Note as set forth on the amortization schedule attached hereto as **Exhibit A**. The final payment is due on or before [Maturity Date], (“Maturity Date”).

2.02 **Terms.** Interest will accrue from the Effective Date, and monthly interest-only payments will be due beginning ninety (90) days after the Effective Date. Franchisee will make the first interest-only payment 90 days from the Effective Date and Fifty-Six (56) monthly interest-only payments monthly thereafter. All remaining unpaid principal and interest will be due and payable in full on the Maturity Date.

Franchisee hereby agrees to allow Unishippers to pull the amounts due under this Note on the date each such payment is due in accordance with **Exhibit A** by EFT transaction from Franchisee’s bank account on file.

2.03 **Prepayment.** This Note may be prepaid, in whole or in part, from time to time. If Franchisee makes a partial prepayment, there will be no changes in the due date or in the amount of any monthly payment unless Unishippers agrees in writing to those changes.

3. **DEFAULT.** If any payment is not received by Unishippers on the dates set forth in **Exhibit A**, such non-payment shall constitute a default (“**Default**”) under this Note, under the Security Agreement and under the Franchise Agreement (for failure to make payments due Unishippers as franchisor in a timely fashion). Upon such Default, (a) interest shall accrue at the annual rate of the lesser of the highest lawful rate or 18% until paid in full, and (b) Unishippers may exercise any right, power or remedy granted to it by the Security Agreement, Franchise Agreement or otherwise permitted by law, either by suit in equity or by action at law, or both.

4. **OTHER TERMS.**

4.01 **No Usury.** If any interest is paid on this Note that is deemed to be in excess of the then legal maximum rate, then that portion of the interest payment representing an amount in excess of the then legal maximum rate shall be treated as a payment of principal.

4.02 **Collections; Waivers.** If action is instituted to collect this Note, Franchisee promises to pay all costs and expenses, including, without limitation, reasonable attorneys’ fees and costs, incurred in connection with such action. Franchisee hereby waives notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor and all other notices or demands relative to this instrument except as expressly required herein.

4.03 **Negotiable Instrument.** Franchisee agrees that this Note shall be deemed a negotiable instrument, even though this Note, absent this paragraph, may not otherwise qualify as a negotiable instrument under applicable law.

5. **MISCELLANEOUS.**

5.01 **Notices.** All notices under this Note are to be in writing and given in the manner provided in the Franchise Agreement.

5.02 **Modification.** This Note shall not be modified, supplemented, or terminated, or any provision hereof waived, except by a written instrument signed by the party against whom enforcement thereof is sought, and then only to the extent expressly set forth in such writing.

5.03 **Binding Effect; Joint and Several Obligations.** This Note shall be binding upon and inure to the benefit of Unishippers and Franchisee and their respective successors and assigns, whether by voluntary action of the parties or by operation of law. This Note may be assigned by Unishippers. Neither this Note nor any of the rights, interests or obligations hereunder may be assigned, by operation of law or otherwise, in whole or in part, by Franchisee without the prior written consent of Unishippers.

5.04 **Unenforceable Provisions.** Any provision of this Note which is determined by a government body or court of competent jurisdiction to be invalid, unenforceable or illegal shall be ineffective only to the extent of such holding and shall not affect the validity, enforceability or legality of any other provision, nor shall such determination apply in any circumstance or to any party not controlled by such determination.

5.05 **Governing Law.** This Note shall be interpreted and enforced according to the laws of the State of Texas without regard to conflict of laws principles.

IN WITNESS WHEREOF, Franchisee has executed this Note by its duly authorized representative as of the Effective Date written above, intending to be legally bound hereby.

FRANCHISEE

[FRANCHISEE ENTITY NAME]

By: _____
 [Owner 1 Name]

Its: [Position 1]

Dated: _____

EXHIBIT A
Amortization Schedule

#[XXXX]

ATTACHMENT “N”

PARCEL AMENDMENT

#[XXXX]

**Parcel Amendment to Franchise Agreement
Unishippers #[XXXX]**

This Amendment to Unishippers Franchise Agreement ("**Amendment**") is made as of _____ ("**Effective Date**"), by and among the **Franchisee** as listed on the Summary Page ("**Franchisee**") and the **Owners** listed on the Ownership Page each an individual (collectively, the "**Owners**"); and **Unishippers Global Logistics, LLC**, a Delaware limited liability company ("**Unishippers**" or "**Franchisor**") (each a "**party**;" collectively, the "**parties**").

A. Owners have previous sales and 3PL logistics experience as a result of an ownership interest in an agency with GlobalTranz Enterprises, LLC ("**GTZ**"), a sister company of Unishippers, under a Business Development Services Agency Agreement between GTZ and [**Agency Name**] ("**Agent**") (the "**Agency Agreement**").

B. Owners wish to participate in a parcel-only program with Unishippers and become a national franchisee in the Unishippers system (the "**Parcel Program**") to resell the goods and services of United Parcel Service, Inc. ("**UPS**") for small parcel (via air express and/or ground delivery) within the United States and its territories (the "**UPS Services**").

C. Unishippers, after disclosing Owners with its current FDD and with the agreement of GTZ (subject to Agent's continued compliance with the other terms of the Agency Agreement), agrees to waive any back solicitation restrictions as to Agent and any Customers of GTZ (as that term is defined in the Agency Agreement) associated with Agent for the sale of UPS Services under the Franchise.

D. The Owners affirm and acknowledge that other than those applicable to GTZ, they are not under any restrictive covenants from any existing or previous employment, franchise agreement, agency agreement or other contractual relationship that would prevent them from becoming a franchisee in the Unishippers System, and each of them further agree that if they were given access to the proprietary and confidential information or trade secrets of any employer, franchisor, principal or other third-party, including GTZ, that they will not use such confidential information for any prohibited purpose.

E. Franchisee, Owners and Unishippers now desire to enter into a National franchise agreement and this Amendment (collectively, the "**Franchise Agreement**") for a franchise to be known as the Unishippers #[XXXX] National Franchise - Parcel Program.

AGREEMENT

In consideration of the mutual promises and covenants set forth below and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree that the Franchise Agreement is amended as follows:

1. Grant of Parcel Only Franchise. Section 1.01 is modified as follows:

Franchisee is granted a non-exclusive license to operate the Franchise, utilize the Marks and Intellectual Property, and promote and use the Concept in connection with the sale of the UPS Services, but is strictly prohibited from promoting or using the Concept in connection with the offer or sale of Less Than Truckload ("**LTL**") or Full Truckload ("**FTL**") freight services under the Franchise.

2. **No Competitive Relationships.** Other than the ownership interest in Agent (as an agent of GTZ), Owners and Franchisee acknowledge and agree that no other direct or indirect ownership or affiliation with any competitor of GTZ, UPS, or Unishippers will be permitted. Any such ownership or affiliation by Franchisee, Owners, Agent, or any owner of Agent is a default under Section 6.04(a)(xi) of the Franchise Agreement and may result in termination of the Franchise, as well as termination of Agent under the Agency Agreement.

3. **No Alternative Parcel Providers.** Franchisee and Owners acknowledge and agree that neither Agent nor any other entity, partnership, or business venture in which Owners have a direct or indirect interest may offer or sell the goods and services of any small parcel provider considered by UPS to be competitive, including but not limited to Federal Express and DHL. Any such ownership, partnership or affiliation by Franchisee, Owners, Agent, or any owner of Agent is a default under Section 6.04(a)(xi) of the Franchise Agreement and may result in termination of the Franchise, as well as termination of Agent under the Agency Agreement.

4. **Required Continuation of Agent.** Continued operation of Agent in good standing as an agent of GTZ is required for participation in the Parcel Program. Any termination of Agent as a GTZ agent is a default under Sections 6.04(c)(vi) and (ix) and may result in termination of the Franchise if not timely cured.

5. **Marketing, Sales and Personnel Restrictions.**

a. Franchisee must fully comply with all Unishippers, Carrier, and GTZ restrictions, requirements, and rules of engagement as to prospective, current, and former leads and customers, whether those restrictions, requirements, and rules of engagement are applicable to the Unishippers System generally or only to Franchisee and/or other National franchisees participating in the Parcel Program, and as those restrictions, requirements and rules of engagement may be modified from time to time in the sole discretion of Unishippers, the Carriers, and/or GTZ. Any changes to the restrictions, requirements, and/or rules of engagement are incorporated by reference through the Manuals and will be effective immediately upon receipt.

b. Franchisee acknowledges and agrees that the Franchise and Agent must market their respective services separately and under the appropriate brands and Marks. Joint marketing between Agent and the Franchise is strictly prohibited and is a default under Section 6.04(a)(vii) and may result in termination of the Franchise, as well as termination of Agent under the Agency Agreement.

c. Franchisee is prohibited from knowingly, with the exercise of reasonable due diligence, soliciting, marketing, or selling to any of the following:

i. During the term of the Franchise and any renewal term, any active UMS, Worldwide Express or Unishippers customer, wherever located, whether listed in McLeod, Speedship, UONE, myUnishippers, Aljex, Command Center, or any other Unishippers, Worldwide Express or GTZ TMS system, CRM database or other technology platform; and

ii. For ninety (90) days from the date of last customer activity, any former UMS, Worldwide Express, or Unishippers customer, whether listed in McLeod, Speedship, Aljex, UONE, myUnishippers, Command Center, or any other Unishippers, Worldwide Express or GTZ TMS system, CRM database or other technology platform.

d. With regard to the above, on verbal or written notice from Franchisor, Franchisee, Owners, and their employees and other personnel must immediately disengage from any further contact with such customer, and cooperate as reasonably requested to facilitate the disengagement.

e. Any violation of this Paragraph is also a default under Sections 6.04(c)(vi) and (ix) of the Franchise Agreement, and if revenue has been received from such activity, Franchisee must forfeit all revenue earned from such customer without a deduction for royalties or other fees paid to Unishippers or its affiliates on such revenue and may result in termination of the Franchise. Such a violation also may be a default under the Agency Agreement and may result in penalties up to and including termination of the Agency Agreement.

6. UPS Customer Activation Only. All customer accounts of the Franchise Business must be UPS customers and must be activated solely through the direct efforts of Franchisee, Owners, and their personnel. In compliance with the rules of engagement, Franchisee may solicit existing customers of Agent to also become customers under the Franchise for UPS Services. However, Franchisee is strictly prohibited from using Unishippers data to circumvent, or attempt to circumvent, the rules of engagement or to solicit or divert, or attempt to solicit or divert, existing Unishippers customers to become freight customers of Agent or any other brokerage in which Owners have any direct or indirect interest. Any violation of this provision is a default under Sections 6.04(c)(vi) and (ix) of the Franchise Agreement and also will result in Franchisee forfeiting all revenue earned from such customer without a deduction for royalties or other fees paid to Unishippers or its affiliates on such revenue.

7. Purchase Option. Section 8.01 Purchase Option of the Franchise Agreement is deleted and replaced with the following:

8.01 Purchase Option.

(a) Franchisor has the right (but not the obligation), directly or through an affiliate or designated third-party, to purchase certain assets, business, and operations of Franchisee attributable to the operation of the franchise on at least sixty (60) days' prior written notice ("**Purchase Option**") as follows:

- i. if Franchisee is not in Good Standing, beginning one hundred and eighty (180) days prior to the end of Initial Term and continuing until expiration of the Franchise Agreement or termination; or
- ii. if Franchisee is in Good Standing and the Franchise Agreement is renewed, beginning seven (7) years from the Effective Date and continuing to the end of the Renewal Term.

If Franchisor has given written notice of its intent to exercise the Purchase Option and the parties are working diligently and in good faith toward the execution of a purchase agreement, then the term of the Franchise Agreement may be extended to the earlier of a closing date for the purchase agreement or for an additional six (6) months. The Franchise Agreement will be terminated at the close of the transaction.

(b) Within 180 days from Expiration of the Initial Term, Franchisee may seek approval Franchisor approval to transition Agent's agency customers and prospective customers into the Franchise and terminate the agency. In consultation with GTZ, Franchisor may permit or refuse such a request in its sole discretion. If granted, Franchisee acknowledges and agrees that it will be required to sign the then-current version of the Unishippers franchise agreement, including any applicable addenda. Whether such request is granted or refused, the Purchase Option will apply.

(c) Within 180 days from Expiration of the Initial Term, if GTZ is selling UPS parcel services through its agents, Franchisee may seek approval from Franchisor to transition the Franchise's UPS customers into Agent and terminate the Franchise. In consultation with GTZ, Franchisor may permit or refuse such a request in its sole discretion. If granted, Franchisee acknowledges and agrees that Agent will be required to sign the then-current version of the Agency Agreement, including any applicable addenda.

8. Specific Performance; Injunctive Relief. The parties agree that, in the event of any breach or threatened breach by any other party of any covenant, obligation or other provision set forth in this Amendment or the Franchise Agreement, any non-breaching party will be entitled (in addition to any other remedy that may be available to it) to apply for: (a) a decree or order of specific performance to enforce the observance and performance of such covenant, obligation or other provision; and (b) an injunction restraining such breach or threatened breach, upon notice, but without bond, to enforce the terms of this Amendment and the Franchise Agreement.

9. No Assignment. Franchisee acknowledges and agrees that the terms of this Parcel Amendment are personal and specific to Franchisee and Owners, as described in Section 5.02 of the Franchise Agreement, and are not transferrable in whole or in part, to any other individual, entity, or franchisee.

10. Entire Agreement. This Amendment, including its recitals which are incorporated by reference herein, sets forth the entire understanding between the parties as to its subject matter and it supersedes and merges all prior understandings and all other agreements, oral and written, between the parties relating to this Amendment. There are no representations or warranties between the parties except as expressly set forth in this Amendment and the Franchise Agreement, and all reliance with respect to the same is solely upon the representations and agreements contained in such documents. Notwithstanding anything to the contrary in the Franchise Agreement, the provisions of this Amendment will govern and control over any different, inconsistent, or conflicting provisions of the Franchise Agreement and any specifications, standards, operating procedures, or rules thereunder. The parties agree that the Franchise Agreement remains fully effective in all respects except as specifically modified by this Amendment, and all the respective rights and obligations of Franchisee, Owners, and Unishippers remain as written unless modified by this Amendment.

11. Interpretation. Each party agrees that they have been, or have had the opportunity to be, represented by their own counsel throughout any negotiations about, and at the signing of, this Amendment and the Franchise Agreement and any other documents incidental thereto. Each party agrees that none of the terms of this Amendment and the Franchise Agreement will be construed against any party more strictly than against any other party.

12. Amendment. The Franchise Agreement and this Amendment may only be modified in a writing of equal formality executed by Franchisor and Franchisee.

13. Defined Terms. Any capitalized terms not defined in this Amendment will have the same meaning as in the Franchise Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Amendment as of the Effective Date written above.

FRANCHISEE:
[FRANCHISEE ENTITY NAME]

FRANCHISOR:
UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____
[Owner 1 Name]
Its: [Position 1]

By: _____
Dustin Wesley
Its: Senior Vice President

GUARANTORS:

[Owner 1 Name], Individually

[Owner 2 Name], Individually

EXHIBIT E

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

STATE RIDERS TO FRANCHISE AGREEMENTS

RIDER FOR USE IN ILLINOIS

This Agreement is amended and revised as follows for use in Illinois:

- (1) Section 11.02 is modified to include the following new subparagraphs:

Illinois law shall apply to and govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for mediation to take place outside of Illinois.

- (2) Section 7.01 is modified to include the following new subparagraph:

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

- (3) Section 11.04 is modified to include the following new subparagraph:

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or **any other law of Illinois** is void.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE:

Printed Name: _____
Title, if any: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____
Printed Name: _____
Title, if any: _____

RIDER FOR USE IN MARYLAND

This Agreement is amended and revised as follows for use in Maryland:

- 1. Section 1.03 is revised to add the following:

However, the general release required as a condition of renewal will not apply to any claim arising under the Maryland Franchise Registration and Disclosure Law.

- 2. Section 2.01 is revised to add the following:

The Maryland Office of the Attorney General, Securities Division, requires us to defer payment of the initial franchise fee and other initial payments owed by you to us until we have completed our pre-opening obligations under the franchise agreement.

- 3. Section 5.02 is revised to add the following:

However, the general release required as a condition of transfer will not apply to any claim arising under the Maryland Franchise Registration and Disclosure Law.

- 4. Section 10.01 is amended to add the following:

However, any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the Franchise.

- 5. Section 11.02 is revised to add the following:

Franchisee and Franchisor each agree that Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

- 6. Section 11.10 is revised to add the following:

All representations requiring Licensee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE:

Printed Name: _____

Title: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____

Printed Name: _____

Title: _____

RIDER FOR USE IN MINNESOTA

This Agreement is amended and revised as follows for use in Minnesota:

- (1) Section 1.03(k) is amended to add at the end: “provided, however, that any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.”
- (2) Section 4.02 is deleted in its entirety and replaced with the following: “Franchisee agrees that any use of any Mark contrary to any term of this Agreement is an act of infringement, and that the use will entitle Franchisor to seek temporary, preliminary or permanent injunctive relief from a court or agency of competent jurisdiction, court cost, reasonable expenses of litigation, reasonable attorney’s fees, and any other appropriate relief.”
- (3) Section 6.03 is deleted in its entirety and replaced with the following: “Franchisee agrees that use of any trade secret or confidential information contrary to any term of this Agreement is an act of infringement, and will entitle Franchisor to seek an order of specific performance and/or a temporary, preliminary or permanent injunction from a court or agency of competent jurisdiction, court costs, reasonable expenses of litigation, reasonable attorney’s fees, and any other appropriate relief.”
- (4) Section 5.04 is modified to add ", except any claims arising under the Minnesota Franchise Act".
- (5) Section 7.01 is modified to include the following:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5, which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the franchise.

- (6) Section 10.01 and 11.02 is modified to include the following:

Nothing in the disclosure document or franchise agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Sec. 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibits Franchisor, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE

Printed Name: _____

Title, if any: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____

Printed Name: _____

Title, if any: _____

RIDER FOR USE IN NEW YORK

This Agreement is amended and revised as follows for use in New York:

- (1) Section 5.01 is modified to include the following language: “However, Franchisor will not make any such transfer or assignment except to a person who, in the good faith judgment of Franchisor, is willing and able to assume Franchisor's obligations under this Agreement.”
- (2) Section 5.04 is modified to include the following language:
 “, but all rights enjoyed by Franchisee, any individual owner or the transferee, and any causes of action arising in Franchisee’s or any owner’s favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.”
- (3) Section 10.01 is modified to add the following new subparagraph: “Franchisor and Franchisee agree that if a court of competent jurisdiction finds that Franchisee had proper grounds for terminating the Franchise with cause under Section 6.03, Franchisee will be relieved of its post-termination obligations under Section 7.01.”
- (4) Section 11.02 is modified to include the following language:
 “, but the foregoing choice of law will not be a waiver of any rights conferred on Franchisee or Franchisor by the General Business Law of the State of New York, Article 33.”
- (5) Section 11.04 is modified by adding the following language:
 “, but all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE

Printed Name: _____
Title, if any: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____
Printed Name: _____
Title, if any: _____

RIDER FOR USE IN NORTH DAKOTA

This Agreement is amended and revised as follows for use in North Dakota:

- (1) Section 4.06 is amended to add the following:

In accordance with North Dakota law, the restrictions of the covenant not to compete might not apply to Franchisee's activities after the termination or expiration of the franchise agreement.

- (2) Section 5.04 is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims Franchisee may have under the North Dakota Franchise Investment Law.

- (3) Section 11.02 is amended to add the following:

North Dakota law will govern this franchise agreement.

- (4) Section 10.01 is amended to add the following:

All disputes must be mediated in a mutually agreed location.

- (5) 10.06 is amended to add the following:

The period of limitations for claims will not apply. The statute of limitations under North Dakota law applies.

- (6) Section 10.01 is amended to add the following:

The waiver of a right to seek punitive damages will not apply. The waiver of a right to a jury trial will not apply. All litigation must be in North Dakota or in a mutually-agreed location.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE:

Printed Name: _____
Title, if any: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____
Printed Name: _____
Title, if any: _____

RIDER FOR USE IN OHIO

NOTICE TO OHIO FRANCHISEES ONLY

Franchisee, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date Franchisee signs this agreement.

**Notice of Cancellation
(Date of transaction)**

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or hand-deliver a signed and dated copy of this cancellation notice or any other written notice, to General Counsel, Unishippers Global Logistics, LLP, Legal Department, 2700 Commerce Street, Suite 1500, Dallas, TX 75226, ph. (681) 233-3569, or by an email to legal@unishippers.com, not later than midnight of _____ (five business days from the date of transaction).

I hereby cancel this transaction.

(Date)

(Purchaser's Signature)

RIDER FOR USE IN RHODE ISLAND

This Agreement is amended and revised as follows for use in Rhode Island:

- (1) Section 11.02 is amended to add the following:

The provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

- (2) Section 10.01 is amended to add the following:

The provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the Effective Date.

FRANCHISEE:

Printed Name: _____
Title, if any: _____

FRANCHISOR:

UNISHIPPERS GLOBAL LOGISTICS, LLC

By: _____
Printed Name: _____
Title, if any: _____

EXHIBIT F

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

GUARANTEE OF PERFORMANCE

FORM E
GUARANTEE OF PERFORMANCE

For value received, Accord JV Corp, a Delaware corporation, and WWEX UNI TopCo Holdings, LLC, a Delaware limited liability company (each a "Guarantor" and collectively, the "Guarantors"), all located at 2700 Commerce Street, Suite 1500, Dallas, Texas 75226, absolutely and unconditionally guarantee to assume the duties and obligations of UNISHIPPERS GLOBAL LOGISTICS, LLC, a Delaware limited liability company located at 2700 Commerce Street, Suite 1500, Dallas, Texas 75226 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its March 2024 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantors are not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantors do not waive receipt of notice of default on the part of the Franchisor. This guarantee is jointly and severally binding on the Guarantors and their respective successors and assigns.

The Guarantors sign this guarantee at Dallas, Texas on the 27th day of March, 2024.

Guarantors:

Accord JV Corp

By: _____


Jacob Pearlstein

Title: Chief Financial Officer

WWEX UNI TopCo Holdings, LLC

By: _____


Jacob Pearlstein

Title: Chief Financial Officer

EXHIBIT G

TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Florida, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Utah, Virginia, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Exempt (December 6, 2023)
Florida	Exempt (November 21, 2023)
Illinois	Exempt (March 27, 2024)
Indiana	Exempt (March 27, 2024)
Maryland	
Michigan	
Minnesota	
New York	Exempt (March 27, 2024)
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Utah	Exempt (September 5, 2023)
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H
TO DISCLOSURE DOCUMENT OF UNISHIPPERS GLOBAL LOGISTICS, LLC

RECEIPTS

**RECEIPT
(YOUR COPY)**

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Unishippers Global Logistics, LLC (“we” or “us”) offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the 1st personal meeting, or 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

Iowa requires that we give you this Disclosure Document at the 1st personal meeting.

Michigan requires that we give you this Disclosure Document ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: Dustin Wesley, Joel Clum, Chris Mader and Alex Stark at 2700 Commerce Street, Suite 1500, Dallas, TX 75226, ph. (681) 233-3569; Saebra Waddill at 2801 North Thanksgiving Way, Suite 150, Lehi, UT 84043, ph. 801-708-5869; Brian Coleman, Jen Shane, Vic Aviles, Gavin Milks, John Smalley, and Kayla Kurtz at 51 W. 3rd Street, Suite 500, Tempe, AZ 85281, ph. 866-275-1407.

Date of Issuance: March 27, 2024

See Exhibit A for our registered agents authorized to receive service of process.

I have received a Disclosure Document dated March 27, 2024, that includes the following Exhibits:

- A. Agencies and Agents for Service of Process
- B. Franchisees and Former Franchisees
- C. Financial Statements
- D. Franchise Agreements and Attachments
- E. State Riders to Franchise Agreements
- F. Guarantee of Performance
- G. State Effective Dates
- H. Receipts

Date	Signature	Printed Name
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Date	Signature	Printed Name
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KEEP THIS COPY FOR YOUR RECORDS

**RECEIPT
(OUR COPY)**

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- G. State Effective Dates
- H. Receipts

Date	Signature	Printed Name

PLEASE SIGN THIS COPY OF THE RECEIPT, DATE YOUR SIGNATURE, AND RETURN IT TO US ADDRESSED AS FOLLOWS: Legal Department, 2700 Commerce Street, Suite 1500, Dallas, Texas 75226 or legal@unishippers.com.