

Qarbon Aerospace

TRAFFIC ROUTING GUIDE

(Revision Date:04/07/2022)

This Traffic Routing Guide shall apply to all shipments delivered to Buyer's facility or Buyer's designated delivery point as provided in the approved shipping terms set forth below.

Seller must comply and ship strictly in accordance with the instructions and requirements set forth in this Traffic Routing Guide.

In the event that Seller fails to comply and ship strictly in accordance with the instructions and requirements set forth in this Traffic Routing Guide, Buyer may charge Seller an administrative fee of \$250.00 for each affected shipment, as payment for Buyer's estimated administrative costs. The imposition of such administrative fee does not limit Buyer's other rights or remedies under any other provision of the Order or other applicable agreement, or as provided by law or equity.

1. APPROVED SHIPPING TERMS

- A. Shipping terms are designated on the face of the Order between Buyer and Seller. Subject to the restrictions below, the following shipping terms are approved for use by Buyer and do not require additional approvals for use on an Order. No other shipping terms may be used without prior written approval from Buyer.
- The domestic and international shipping terms set forth in the tables below are to be used only for Orders where Buyer is the purchaser. The tables are not intended for use on transactions where Qarbon is the seller/supplier. Modification of some shipping terms is allowed only as annotated in the tables below.
 - Any US domestic deliveries of any hazardous materials or chemicals purchased from any Seller must be arranged using FOB Destination Freight Prepaid shipping terms only.
 - Any international deliveries of any hazardous materials or chemicals purchased from any Seller must be arranged using DDP shipping terms only.
 - For international deliveries, Buyer may designate the use of DDP terms for Buyer's purchases only.
- B. The domestic and international shipping tables below are intended to summarize the respective responsibilities of Buyer and Seller. For comprehensive information on international shipping terms, shippers may obtain full details on Incoterms 2020 at www.iccwbo.org. Questions regarding the approved shipping terms may also be directed to the following email address: redoaktraffic@qarbonaerospace.com

For U.S. Domestic Deliveries:

#	Approved Domestic Shipping Terms	Risk of Loss During Transport	Freight Claims Filing	Delivery Point	Freight Carrier Selection	Freight Charges Paid By
1	FOB Origin	Buyer	Buyer	First Carrier at Named Place of Delivery	Buyer (Routing Guide)	Buyer
2	FOB Origin Freight Collect	Buyer	Buyer	First Carrier at Named Place of Delivery	Buyer (Routing Guide)	Buyer
3	FOB Destination Freight Collect	Seller	Seller	Buyer's Dock or Named Place of Delivery	Buyer (Routing Guide)	Buyer
4	FOB Destination Freight Prepaid	Seller	Seller	Buyer's Dock or Named Place of Delivery	Seller	Seller

For International Deliveries:

#	Approved International Shipping Terms (Incoterms 2020)	Exporter Of Record	Risk of Loss Transfer	Delivery Point	Freight Carrier Selection	Freight Charges Paid By	Freight Claims Filing	Importer Of Record
Terms applicable to shipment by air, road, rail, sea or multimodal								
1	EXW Ex Works (named place of delivery)	Seller*	Seller's Named Place of Delivery	Seller's Named Place of Delivery	Buyer (Routing Guide)	Buyer	Buyer	Buyer
2	FCA Free Carrier (named place of delivery)	Seller	First Carrier at Named Place of Delivery	First Carrier at Named Place of Delivery	Buyer (Routing Guide)	Buyer	Buyer	Buyer
3	DPU Delivered at Place Unloaded (named terminal at port or place of unloading)	Seller	Seller's Delivery at Named Terminal	Seller's Delivery at Named Terminal	Seller	Seller	Seller	Buyer
4	DAP Delivered at Place (named place of destination)	Seller	Seller's Delivery at Named Place of Destination	Seller's Delivery at Named Place of Destination	Seller	Seller	Seller	Buyer
5	DDP Delivered Duty Paid (named place of destination)	Seller	Seller's Delivery at Named Place of Destination	Seller's Delivery at Named Place of Destination	Seller	Seller	Seller	Seller
Terms applicable to shipment by sea and inland waterway only								
6	FAS Free Alongside Ship (named port of shipment)	Seller	Seller's Delivery Alongside Ship at Named Port of Departure	Seller's Delivery Alongside Ship at Named Port of Departure	Buyer (Routing Guide)	Buyer	Buyer	Buyer
7	FOB Free On Board (named port of shipment)	Seller	Seller's Delivery On Board the Vessel at the Named Port of Departure	Seller's Delivery On Board the Vessel at the Named Port of Departure	Buyer (Routing Guide)	Buyer	Buyer	Buyer

**Modification different from Incoterms 2020; agreed to between Buyer and Seller.*

2. APPROVED PROVIDERS

Buyer has designated its approved transportation providers in the Routing Matrix in Section 5 below. Seller must abide by the shipping terms on the Order and must only use Buyer's approved transportation providers. Questions regarding the approved transportation providers in the Routing Matrix may be directed to the Buyer's Traffic Administrator contact listed below.

3. INBOUND SHIPMENT RULES

A. Shipment Priority and Service Level Used. Seller should direct any questions regarding the priority of a given shipment to Buyer's Authorized Purchasing Representative. Seller should direct any questions regarding this Traffic Routing Guide to Buyer's Traffic Administrator(s) or Cloud Logix, as identified in Section 6 below.

B. Premium Authorization Code (PAC). Seller must contact Buyer's Authorized Purchasing Representative to obtain a unique assigned Premium Authorization Code (PAC) prior to using premium transportation as provided in the Routing Matrix in Section 5 below. Seller must provide such PAC to the transportation provider when premium services are being requested. The transportation provider will include the PAC in its transportation system reference field(s), and Seller will enter the PAC as the first entry in the Reference Field of the Bill of Lading, as applicable.

C. Deviations. Seller must receive written approval from a Buyer's Traffic Administrator or Buyer's Authorized Purchasing Representative prior to deviating from this Traffic Routing Guide.

D. Declared Value. Unless instructed to do so by Buyer, Seller must not declare a value for carriage or insurance.

E. **Bill of Lading.** The aggregate weight must comply with the limits set forth in this Traffic Routing Guide. Seller must include the following annotations on the Bill of Lading:

1. PAC, if applicable, in the Reference field of the Bill of Lading
2. For LTL shipments, the National Motor Freight Classification (NMFC) number – when applicable
3. Purchase Order number and line item number.

F. **Order Consolidation.** Seller should observe and follow all delivery requirements set forth by Buyer on any Order. Unless directed otherwise by Buyer, Seller may consolidate one or more orders onto a single bill of lading when the following conditions are met:

1. The same transportation mode and service level can be used (as described in the Routing Matrix in Section 5 below);
2. Orders are scheduled for shipping to Buyer on the same day, to the same destination; and
3. Orders and their packaging are physically compatible.

NOTE: Hazardous material orders may not be consolidated and must be shipped on their own unique bill of lading.

G. **Restrictions.**

1. Buyer will not accept any shipments routed using “pre-paid and add” shipping terms.
2. Air shipments with any one dimension exceeding 119 inches will incur additional costs, and must be routed per the Routing Matrix in Section 5 below.
3. Air shipments that move via passenger aircraft may not exceed 300 pounds and/or 30 inches in height for each carton.
4. Air shipments that exceed 300 pounds and/or 30 inches in height will be segregated for air shipment purposes and re-palletized prior to loading on aircraft. Seller must label all cartons to ensure that the correct shipper and delivery address may be identified when such segregation of cargo or “breakdowns” are required.
5. Palletized air shipments may not exceed 40 inches by 48 inches.
6. Truck Load (TL) and Less Than Truck Load (LTL) shipments exceeding 102 inches in height or 96 inches in width may require specialized equipment, and must be routed per the Routing Matrix in Section 5 below.

H. **Information Required from Seller.** When routing shipments to Buyer, Seller must supply the following information to the approved provider:

1. Seller contact name and phone number
2. Buyer facility destination
3. For drop shipments to a Buyer-designated delivery point, the requesting Buyer’s facility name and location
4. Scheduled delivery date
5. Purchase order number and purchase order line item number
6. Total number of cartons in the shipment
7. If palletized, total number of cartons on each pallet
8. Dimensions of each carton or each pallet shipped
9. Total weight of shipment
10. Any special instructions for pick-up or delivery
11. Time shipment will be ready for pick-up
12. Time Seller will be closing
13. If shipment contains hazardous material, and all relevant details to meet regulatory requirements.
14. PAC for premium expedited air service, expedited truckload with team drivers, or hotshot service.

4. U.S. IMPORT REQUIREMENTS

A. **Invoice.** Seller must include the following information on all international invoices submitted for cargo being imported into the United States:

1. Part number
2. Part name / nomenclature
3. Purchase order number
4. Purchase order line item number
5. Quantity of parts shipped
 - a. If shipping plate or raw material, dimensions of item must be listed
6. Complete name and address of Shipper
7. Complete name and address of Manufacturer, if different than Shipper
8. Complete name and address of Buyer
9. Complete name and address of the Consignee, if different than Buyer
10. Incoterm, as identified in the purchase order
11. Purchase order value of goods
 - a. Any 'free of charge' items must have an accurate value listed for Customs purposes. Do not list \$1 or 'No Charge'.
12. Currency of purchase
13. Country of origin
14. Gross and net weights for each item shipped (this may be included on the packing list)

B. **Packing List.** If the shipment is more than a single package, it must include a packing list. The packing list must include the following information:

1. Marks and numbers of all the cartons, pallets, crates, etc. in the shipment.
2. Adequate details, listing the part numbers contained in each individual package.
3. Measurements, plus gross and net weights, of each item.

C. **Country of Origin Marking.** Country of Origin is defined as the country of manufacture. Product and/or packaging must be marked with country of origin. Marking must be conspicuous, legible, permanent, and in English.

D. **Pre-Alerts.** A pre-alert must be sent via email for all cargo shipping into the USA. The pre-alert must include: the commercial invoice, packing list, airway bill or bill of lading, and any other related documents. Email must be sent to TradeCompliance@qarbonaerospace.com prior to air carrier or sea vessel departure at the origin.

E. **Importer Security Filing.** For shipments routed to Buyer via sea freight mode, Seller must comply with the U.S. Customs Importer Security Filing ("ISF") regulations as outlined in 19 CFR Part 149.

1. At least forty-eight (48) hours prior to cargo loading onto the vessel, Seller is required to provide Buyer (by email to TradeCompliance@qarbonaerospace.com) with all required ISF data.
2. If Seller fails to provide all required ISF data as provided above, Buyer may incur penalties from US Customs. For each affected shipment, Buyer reserves the right to invoice Seller for ISF fines and penalties incurred due to Seller's non-compliance with the ISF process and requirements.
3. If Seller has not previously shipped Orders to Buyer via sea freight mode or if Seller is not familiar with the ISF process and requirements, Seller must contact TradeCompliance@qarbonaerospace.com at least seven (7) days prior to tendering cargo to the designated carrier – to obtain guidance on ISF requirements from Buyer.

F. **Broker Select Option (BSO)** When shipping FX, and Qarbon will be clearing the freight, supplier must contact CloudLogix for processing. Suppliers must ensure BSO is selected and appears on the label prior to shipment.

5. ROUTING MATRIX

A. Primary (Standard Ground Services)

Standard Ground services must be used for Domestic US, Transborder US-Canada and Transborder US-Mexico shipments, unless otherwise directed by Buyer.

Weight Range / Restrictions	Mode/ Service Level	Approved Provider / Contact:	Account Number	Additional Instructions
1-150 pounds; No individual piece more than 108 inches in length and girth combined.	Ground	FedEx Express Ground 1-800-Go FedEx, 1-800-463-3339	For FedEx Shipments: Seller must contact CloudLogix for labels and scheduling as required.	Seller shall ship 'Collect' <u>For all locations</u> <u>Bill 3rd party to:</u> Qarbon % Cloud Logix PO Box 3829 Grapevine, TX 76099-3829
151-2,000 pounds; Less than 6 standard pallets; No individual piece more than 108 inches in length, or 130 inches length and girth combined. Overall length less than 16 feet.	Less Than Truckload (LTL)	FedEx Freight 1-800-Go FedEx, 1-800-463-3339	No account number required	
2,001 pounds or greater; More than 6 standard pallets; Overall length greater than 16 feet.	Dry Van or Refrigerated Truckload Only	Contact Cloud Logix for routing.	No Account Number Required	
6,001 pounds or greater; More than 13 standard pallets; Overall length greater than 16 feet.	Flatbed Truckload Only (including oversize)	Contact: Qarbon Traffic for routing.	No Account Number Required	

B. Secondary (Standard Air Service)

Domestic US Air Shipments;

Standard Air services may be used only when directed by Buyer. The purchase order number and purchase order line item number must be provided in the reference field of the bill of lading.

Weight Range / Restrictions	Mode/ Service Level	Approved Provider/Contact:	Account Numbers	Notes
1-150 pounds; No individual piece more than 108 inches in length and girth combined.	Air - SmallPackage / Standard Service	FedEx Express AIR 1-800-Go-FedEx, 1-800-463-3339	For FedEx Shipments: Seller must contact CloudLogix.	Use Second Day or Standard Overnight services Do not use First Overnight premium services without obtaining PAC from Buyer's Authorized Representative.
151 or greater pounds; No individual piece more than 119 inches in length and girth combined.	Air - larger than Small Package / Standard Service	Contact Expeditors International for routing.	No account number required.	Avoid booking shipments for same day transport. Book shipments in advance.

C. Premium (Expedited Air Service) Domestic US Expedited Air Shipments; Expedited Air services may only be used when directed by Buyer. A PAC must be obtained and shown in the reference field of the bill of lading, followed by the purchase order number.				
Weight Range / Restrictions	Mode/ Service Level	Approved Provider/Contact:	Account Numbers	Notes
1-150 pounds; No individual piece more than 108 inches in length and girth combined.	Air – Small Package / Expedited Service	FedEx Express AIR 1-800-Go-FedEx, 1-800-463-3339	For FedEx Shipments: Seller must contact Cloud Logix.	Use Second Day or Standard Overnight services Do not use First Overnight premium services without obtaining PAC from Buyer's Authorized Representative.
151 or more pounds; Typically, no individual pieces more than 119 inches in length and girth combined. Larger or over-dimensional pieces or Same Day services require advanced booking.	Air Premium	Contact Expeditors International for routing.	No account number required.	No Same Day or premium services may be used without obtaining PAC from Buyer's Authorized Representative. Avoid booking shipments for same day transport. Book shipments in advance.

D. International Air/Parcel, Air/Heavyweight and Sea/Heavyweight Shipments				
Shipment Weight Range	Mode/ Service Level	Approved Provider/Contact:	Account Numbers	Notes
1-99 pounds; No individual piece more than 108 inches in length and girth combined.	Air / Parcel	FedEx Express AIR 1-800-Go-FedEx, 1-800-463-3339	For FedEx Shipments: Seller must contact Cloud Logix. BSO must be used for Custom's clearance Notify Party for Customs: Expeditors International 506 E Dallas Road, Ste 400 Grapevine, TX 76051 Attn: Silvia Pyron Silvia.Pyron@Expeditors.com 817-305-4020	Use Ground to/from Canada, otherwise obtain PAC to use Air mode on this route. Do not use First International Overnight premium services without obtaining PAC from the Buyer's Authorized Representative
100 or more pounds; For Air shipments – typically, no individual piece more than 119 inches in length and girth combined. Seller must provide advanced notice and booking for over-dimensional, refrigerated or hazardous material shipments.	Air/ Heavyweight	Contact Expeditors International for routing.	No account number required.	Use Ground to/from Canada, otherwise obtain PAC to use Air mode on this route. Do not use premium Air services without obtaining PAC from Buyer's Authorized Representative.

100 or more pounds; Seller must provide advanced notice and booking for over-dimensional, refrigerated or hazardous material shipments.	Sea / Heavyweight	Contact Expeditors International for routing.	No account number required.	Seller must provide documentation and support to facilitate transport of any non-standard shipments including over-dimensional, refrigerated or hazardous material shipments.
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6. CONTACTS

A. **Cloud Logix**

P.O. Box 3829
Grapevine, TX 76099
Email: qarbon@cloudlogix.com
Phone: 1-866-262-5060 (24 hours/day)
Office hours 8-5 CST, on call 24/7 for emergencies
VP Product & Support: Jay Lynn Wallace
Emergency Contact: Cell (866) 262-5060

B. **Expeditors International**

Local contact information for all global Expeditors International locations is available at:
www.expeditors.com/locations.

Suppliers may also contact the following designated regional contacts for additional support identifying local contacts at any Expeditors International location:

USA: Red Oak/Dallas-Ft Worth (DFW)

Thanh Le 817-305-4058 Thanh.le@expeditors.com

USA: Milledgeville.

Stephanie Hendrix 912-544-0566 Stephanie.hendrix@expeditors.com

Notify Party for Customs:

Expeditors International
506 E Dallas Road, Ste 400
Grapevine, TX 76051 Attn: Silvia Pyron
Silvia.Pyron@Expeditors.com 817-305-4020

C. **Buyers Traffic Administrators for Qarbon**

1. Qarbon Aerospace
300 S. Austin Blvd.
Red Oak, TX 75154
Email: redoaktraffic@qarbonaerspace.com
Phone: (469)820-6504 or (469)820-6583
After hours (817)915-8891
2. Qarbon Aerospace
90 Hgwy. 22 West
Milledgeville, GA 31061
Email: milledgevilletraffic@qarbonaerospace.com
Phone: (478)454-4255