



WAREHOUSE SET-UP PACKAGE

Warehouse Name: _____

Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

Email: _____

Remittance Name: _____

Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

Email: _____

Required Documentation

- Signed Contract (**Must initial all pages of contract**)
- Insurance Certificate (including warehouseman's legal liability insurance - Please provide with packet)
- For Transload Services – MUST provide \$100,000 CARGO liability insurance
- W-9 Completed
- Haz-Mat Authority (Provide Certificate) (if applicable)
- Haz-Mat Security Plan Certification – document attached (if applicable)

Set up packet must be emailed to vendors@cornerstone-systems.com or faxed to 901-312-9360



CORNERSTONE SYSTEMS INFORMATION

Corporate Address:

3250 Players Club Parkway
Memphis, Tennessee 38125-8844

Date Incorporated: April 21, 1997

State of Incorporation: Tennessee

Type of Corporation: Privately Held

Federal ID #: 62-1686354

D&B #: 00-873-5615

MC #: 321007

Billing Instructions:

Invoices can be emailed to invoices@cornerstone-systems.com or faxed to 901-312-9374.

Billing Address:

3250 Players Club Parkway
Memphis, Tennessee 38125-8844

The Cornerstone BOL number must appear on all invoices to ensure prompt payment (e.g. TNME123456 or TN01234567). All supporting documents including signed BOL, POD, scale tickets shall be provided with the invoice.

Credit References:

- 1) Jimmie Tucker Trucking, Broken Bow, OK
(580) 584-3421 Fax Contact: Joyce Stafford
- 2) Empire Express, Inc., Memphis, TN
(901) 942-3300 Phone (901) 251-1221 Fax Contact: Credit Dept.
- 3) PNC Bank, Charlotte, NC
(704) 551-8504 Phone (704) 643-7918 Fax Contact: Stephanie O'Madigan

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MASTER WAREHOUSE SERVICES AGREEMENT

THIS WAREHOUSE SERVICES AGREEMENT ("Agreement") is entered into this _____ day of _____, 20____ by and between _____, located at _____, a _____(state) corporation ("Warehouse"), and **Cornerstone Systems, Inc.**, 3250 Players Club Parkway, Memphis, TN 38125-8844, a Tennessee corporation ("Cornerstone"); collectively, the "Parties".

A. Warehouse agrees to provide and Cornerstone agrees to purchase warehousing services in the form of storage, break bulk, transloading, issuance of bills of lading and the delivery of shipments to motor carriers designated by Cornerstone, and other warehousing services mutually agreed upon in writing.

B. Warehouse has complied, and will maintain compliance during the term of this Agreement, with all laws, regulations and licenses required by the State of _____ or any other governmental agency to which it is subject, including, if applicable, but not limited to federal regulations pertaining to storage of food grade products, the Public Health Security and Bio-terrorism Preparedness and Response Act of 2002 and the Food Safety Modernization Act. If handling food, food related commodities or products used for human or animal consumption Warehouse shall provide proof of compliance including pest control program with licensed exterminator, have an AIB (or other similar type of food safety compliance program) rating of Superior or Excellent and provide copies of licenses or registrations with applicable federal, state, county and local authorities as a food grade warehouse.

C. In consideration of the compensation agreed upon between the Parties and the terms and conditions of this Agreement, the Parties agree as follows:

OBLIGATIONS OF THE PARTIES:

(1) Cornerstone shall verbally notify Warehouse in advance of all inbound shipments and follow up in the form of a "Delivery Order" by fax or e-mail, a copy of the approved form is attached as Exhibit A.

(2) Unless otherwise agreed in writing, all Warehouse services will be provided at its facilities located at _____ [street #, city, state, zip code].

(3) Upon receipt of shipments directed to Warehouse by Cornerstone, Warehouse will: Issue a "Warehouse Receipt/Stripping Tally" (WRST) which shall contain an accurate description of the goods in each shipment and a detailed description of damage (if any). The goods consisting of each shipment listed on each WRST are deemed to be received in apparent good order, except as otherwise noted on the WRST, subject to all terms and conditions in this Agreement. The WRST shall be in the form approved, attached as Exhibit B. In the event of a discrepancy between the piece count as set forth in the Delivery Order and the packaging actually received by Warehouse, the packaging count shall control. "Packaging" for purposes of this Agreement shall include shipments received on pallets, contained in boxes, crates, or containers in such a manner that the piece counts of goods described on the Delivery Order cannot be practically made. Each WRST shall be consecutively numbered and all blanks shall be filled in. Warehouse will: (a) send a copy of the WRST to Cornerstone operations office that tendered the ordered within 24 hours of receipt of each shipment by Warehouse. Each WRST shall be signed and dated by an authorized representative of Warehouse; (b) issue a bill of lading for the outbound shipment of freight to motor carrier, as directed by Cornerstone on its Delivery Orders (approved form Exhibit C attached). Unless otherwise instructed by fax or e-mail, Cornerstone shall not be named as "shipper" or "carrier" on the bill of lading; (c) release freight only to motor carriers designated by Cornerstone in advance in writing by fax or e-mail; (d) follow all the instructions on each Delivery Order; (e) place the correct shipment with correct consignee and address on bill of lading only with the motor carrier with whom Cornerstone has arranged transportation; (f) provide all labor and equipment needed to perform its agreed services; and (g) perform agreed break bulk, transloading, and delivery services as designated by Cornerstone.

(4) Payment for Services: Payment shall be paid the amount(s) set forth in the Delivery Orders received from Cornerstone for each shipment. Payments shall be made within 30 days of receipt by Cornerstone of a copy of the WRST and bill of lading signed by Warehouse and a representative of the motor carrier designated by Cornerstone. If Warehouse attempts to impose a lien or hold freight hostage Cornerstone may notify their customers of said action.

(5) Responsibility for Damage: Warehouse shall be responsible to Cornerstone for any casualty loss, accidental physical damage, intentional physical damage, theft (including intentional acts), pest and rodents, food contamination, or vandalism to the goods consisting of any shipment in its possession hereunder. Warehouse shall provide proof of insurance, including

but not limited to Warehouseman Legal Liability, and other anticipated risks satisfactory to Cornerstone to protect Cornerstone from liability arising out of this Agreement. Warehouse will indemnify and hold Cornerstone harmless from any claims, liability, causes of action, and/or losses, including legal costs and reasonable attorney's fees, arising out of damage, including but not limited to clean up of food commodities and fire damage, to shipments while in the possession of Warehouse, or damage to persons or property caused in whole or in part by improper loading of trucks by Warehouse personnel, when the trucks were arranged for pickup of shipments by Cornerstone. Cornerstone may set off freight damages against any amounts Cornerstone owes Warehouse and Warehouse shall be responsible to Cornerstone for any such losses not covered by insurance. WAREHOUSE agrees to procure and maintain at its own expense, at all times during the term of this Agreement, the following minimum insurance coverage amounts:

- | | |
|---|-------------|
| A. Comprehensive general liability insurance covering bodily injury and property damage | \$1,000,000 |
| B. Warehouseman Legal Liability | \$1,000,000 |
| C. Cargo Liability | \$100,000 |

WAREHOUSE shall submit to Cornerstone a certificate of insurance as evidence of such coverage and which names Cornerstone as "Certificate Holder" and a list of excluded commodities from its insurance coverage.

(6) Force Majeure: In the event performance by one Party is affected by any cause beyond the reasonable control of such Party, including, without limitation, fire, riot, war, weather conditions, acts of public enemy, acts of God, acts of terrorism, local or national disruptions to transportation networks or operations, governmental regulations, or governmental request or requisition for national defense, and provided that the applicable cause is not attributable to the acts or omissions of such Party, and such Party is taking reasonable measures to remove or mitigate the effects of the applicable cause, the running of all periods of time mentioned herein and the performance of all obligations required herein shall be suspended during the continuance of such interruption. Such period of suspension shall not in any way invalidate this Agreement, but on resumption of operations, any affected performance by such Party shall be resumed. Broker shall be permitted an extension period equal to the period of suspension to complete shipments adversely affected by the suspension. No liability shall be incurred by either Party for damages resulting from such suspensions.

(7) Responsibility to Pay Motor Carriers: Cornerstone shall be responsible for selection, coordination of all pick up and deliveries, instructions to motor carriers, and payments to motor carriers designated to transport shipments from Warehouse's facilities to various consignees, and shall hold Warehouse harmless and indemnify it from any claims, liability, causes of action, loss or damages asserted against Warehouse by motor carriers arising therefrom. Except as otherwise provided herein, Warehouse shall be liable for any accessorial charges incurred by Cornerstone arising out of failure of Warehouse to have shipments ready to unload or load on trucks arriving to deliver or pick up shipments at dates and times as agreed.

(8) Confidentiality Agreement: Warehouse agrees that all information received from Cornerstone, either verbally or in the form of Delivery Orders, or in any other form, including, but not limited to, paper, and any electronic format or otherwise, is proprietary Confidential Information which shall not be used or disclosed, directly or indirectly, for any reason including, but not limited to, competition with Cornerstone; to take business away from, intercept or interfere with the business of Cornerstone, including relationships between Cornerstone and its employees, customers and suppliers; to any person or entity except as approved in advance in writing by Cornerstone and for the sole purpose of performing Warehouse's obligations under this Agreement. The Parties agree that Confidential Information is unique and valuable to Cornerstone, and that the unauthorized disclosure or use of such Confidential Information in violation of this Agreement will result in irreparable injury to Cornerstone for which monetary damages alone would not be an adequate remedy. The Parties agree that in the event of a violation or threatened breach of confidentiality, Cornerstone shall be entitled to specific performance, injunctive, or other equitable relief, including, but not limited to, reasonable attorney's fees as a remedy for any such violation or anticipated breach without the necessity of posting a bond. Any such relief shall be in addition to, and not in lieu of, any other appropriate relief in the way of monetary damages. Warehouse shall be liable for any violation of this Confidentiality Agreement committed by any of its officers, directors, employees, representatives, agents, subcontractors, and/or independent contractors.

(9) All services provided by Warehouse to Cornerstone shall be subject to the terms of this Agreement. In the event of conflict between the terms of this Agreement and any other agreement or shipping document including but not limited to a warehouse receipt issued by the Parties, the terms of this Agreement shall control.

(10) Responsibility to Cooperate on Freight Loss and Damage Claims: Warehouse will cooperate with Cornerstone in the investigation of all loss and damage claims, and shall hold all damaged shipments subject to Cornerstone's written instructions. Cornerstone shall be

responsible for investigation and resolution of all loss or damage claims (including theft), which occur while shipments are being transported inbound or outbound on motor carriers designated by Cornerstone and Cornerstone shall hold harmless and indemnify Warehouse from any such claims, unless on the outbound shipments the damage is caused by Warehouse. Upon execution of this Agreement, Warehouse automatically assigns all of its rights against motor carriers designated by Cornerstone for any such freight loss and damage (including theft) claims.

(11) Warehouse no Repackaging: Unless otherwise agreed in writing, Warehouse, except for break bulk shipments, undertakes to store and deliver shipments only in the packages in which they are originally received.

(12) Storage Period: All shipments shall be serviced as directed by Cornerstone on the Delivery Orders (Exhibit A). In the event additional storage, handling, or other services are required due to actions of Warehouse, no additional charges shall be made unless mutually agreed. When the last day of storage or other services as specified on a Delivery Order falls on Sunday or a legal holiday, the storage or other service period shall be deemed to expire on the next succeeding business day.

(13) Warehouse Services:

(A.) Warehouse shall provide the following services to Cornerstone:

- i) Follow instructions of Cornerstone's Delivery Reports (Exhibit A);
- ii) Receive and unload trailers/containers (break bulk);
- iii) Store shipments for later delivery (storage);
- iv) Load shipments in motor carrier designated by Cornerstone in writing (transloading); this includes marking, tagging, billing, procuring and forwarding bills of lading;
- v) Issue to Cornerstone a WRST for each shipment (Exhibit B);
- vi) Issue a bill of lading for each shipment delivered to a motor carrier designated by Cornerstone in writing (Exhibit C); and
- vii) All other services otherwise described in this Agreement.

(B.) Handling charges cover the ordinary labor and duties incidental to receiving goods at warehouse door, stowing and delivering to warehouse door, but do not include unloading or loading of cars, vehicles or vessels, unless so specified. Handling charges, if any, will be shown separately on warehouse invoices for storage.

(C.) The Parties may add or delete services upon mutual written agreement.

(D.) Rates for all services provided shall be as mutually agreed on Warehouse Notes Sheet, or shall be deemed approved by Warehouse upon its performance according to

each Delivery Order (Exhibit A). The Delivery Order may incorporate Warehouse Notes Sheet or any other form of rate agreement of the Parties.

(E.) Any costs incurred by Warehouse (not included in any rate agreement between the Parties) in handling, storing or shipping damaged goods shall, on prior written notice and agreement with Cornerstone, be chargeable to Cornerstone.

(F.) Warehouse, unless it has failed to exercise due care and diligence, shall not be responsible for delays in unloading inbound shipments, or loading outbound shipments.

(14) When shipments are delivered to Warehouse, a reasonable amount of time shall be given Warehouse to carry out Cornerstone's instructions. If Warehouse is unable, due to causes beyond its control, to effect delivery to a Cornerstone-designated motor carrier, or otherwise perform the agreed upon services, then on prior written notice to Cornerstone, the shipment may be subject to additional storage charges until delivery can be made.

(15) No Assignment: This Agreement shall not be assignable by either Party without prior written consent of the other.

(16) Survival of Representations: All representations of the Parties shall survive termination of this Agreement for any reason.

(17) Termination: This Agreement shall continue in effect until terminated by either Party with or without cause on 30 days prior written notice. The termination notice may provide for 15 days to "cure" any alleged default. Except as otherwise stated herein, neither Party shall be liable to the other for such termination except for the obligation of payment for services rendered or in process and the obligation to complete performance for any shipments being processed.

(18) Notices: All notices given or required to be given shall be made to:

Cornerstone Systems, Inc. _____
3250 Players Club Parkway _____
Memphis, TN 38125-8844 _____
Attention: Risk Manager _____

Notices may be sent by prepaid Certified Mail, Return Receipt Requested; a courier who obtains receipt for delivery; fax electronically confirmed, or email with electronic receipt.

(19) Interpretation: Severance: This Agreement shall be construed to give effect to all of its provisions, however if any are determined to be ineffective for any reason, they shall not negate the effectiveness of any other terms or conditions.

(20) Recitals: The Recitals, Paragraphs A-C above, shall be contractual as well as Recital.

(21) Disputes: In the event of any dispute arising out of this Agreement (either in contract or tort), both PARTIES agree to negotiate in good faith toward settlement of matter. If the parties cannot agree on a settlement the party's sole recourse shall be to file legal proceedings in Memphis, Shelby County, Tennessee and the parties waive any defense of venue or jurisdiction in any other state. The prevailing party shall be entitled to recovery of costs, expenses and reasonable attorney fees as well as those incurred in any action for injunctive relief, or in the event further legal action is taken to enforce the award. Unless preempted or controlled by federal law and regulations, the laws of the State of Tennessee shall be controlling. This agreement is incorporated into all transportation and other related agreements entered into by the parties, verbal or written. Applicant represents that the person signing this agreement is authorized to do so. WAREHOUSE agrees to conduct business with Cornerstone at its principle office located at 3250 Players Club Parkway, Memphis, TN 38125-8844.

(22) Prohibited Liens: Warehouse is strictly prohibited from imposing liens or holding freight hostage. Should Warehouse attempt such action, Cornerstone shall have the right to notify their customer base of Warehouses said action.

(23) Entire Agreement: This Agreement, and its attached Exhibits, constitute the entire agreement between the Parties and supersedes in all respects all other prior oral or written agreements and understandings between the Parties.

(24) Amendments: This Agreement may be amended only by written agreement signed by both Parties.

(25) Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one agreement.

(26) Headings: Headings are designed as convenience to finding subject matter and shall not be construed as having any legal significance.

(27) Waiver of Provisions: Failure of either Party to enforce a breach or waiver of any provision of this Agreement shall not be deemed to constitute a waiver of any subsequent failure or breach, and shall not effect or limit the right of either Party to thereafter enforce any provision.

(28) Independent Contractor: The relationship of the Parties to one another shall be that of independent contractor, and neither shall be the agent of the other. The persons signing this Agreement on behalf of the Parties represent that they have authority to do so.

IN WITNESS WHEREOF, the Parties to this Agreement have signed it the day and year first above written.

WAREHOUSE

By: _____
(Signed)

(Printed)

Its: _____

CORNERSTONE SYSTEMS, INC.

By: _____
(Signed)

(Printed)

Its: _____