

## DISPUTE RESOLUTION AGREEMENT

THESE TERMS AND CONDITIONS SHALL PREVAIL OVER ALL INCONSISTENT PROVISIONS IN ANY OTHER CONTRACT DOCUMENTS, INCLUDING ANY CUSTOMER PURCHASE ORDER/WORK ORDER ISSUED AT ANY TIME. Customer (also known as Lessee) shall be conclusively deemed to have accepted these Terms and Conditions (hereinafter 'Agreement"), and to have entered into this Agreement with Jack Pedowitz Enterprises, Inc., and its affiliated or subsidiary entities, including but not limited to, Pedowitz Machinery Movers of New Jersey, Inc., Pedowitz Machinery Movers of Florida, Inc., Pedowitz Machinery Movers of Connecticut, Inc., Pedowitz Machinery Movers of Texas, Inc., Pedowitz Machinery Movers of North Carolina, Inc., Jack Pedowitz Machinery Movers, Pedowitz Machinery Movers, Pedowitz Logistics, Ltd. Pedowitz Machinery Movers, LLC, located at 524-526 Baltic Avenue, Brooklyn, NY 11217, 1550 Northwest 24th Ave, Pompano Beach, FL 33069, 260 Evans Way, Branchburg, NJ 08876, 1765 Expressway Drive N, Hauppauge, NY, 1 Kullman Corp. Campus Dr. 42 Cherry Street, Lebanon, NJ 08833, 571 Plans Rd (Part of 557 Plains Rd), Milford, CT 06461, 557 Plains Road, Milford, CT 06461, 557 Plains Road Milford, CT 06461, 5410 NW 12th Avenue, Fort Lauderdale, FL 33309, 363 Naugatuck Avenue, Milford, CT 06460, 13991 Henry Harris Rd, Conroe, TX 77306, 1841 N Powerline Rd, Pompano Beach, FL 33069, 3316 US Hwy 301 N Wilson, NC 27893, also known as Lessor and also known as Company. This Agreement shall be interpreted in accordance with the laws of the State where the work is being performed and the laws of the United States of America, including, but not limited to, federal transportation law while the Cargo or Equipment is in transit.

## **Section 1. Dispute Resolution**

- (a) In the event of a dispute between the Company and Customer arising out of or relating to this Agreement, or any underlying contract or agreement whether written or oral, or the work to be performed by Company or Customer, or a breach of this Agreement, or any underlying contract or agreement, whether written or oral, by any party, any and all disputes shall be decided in accordance with these conditions. Such disputes include, but are not limited to, any claim the Customer or Company may have related in whole or in part concerning the conduct of any other party or Company and/or their employees or agents. Company and Customer each shall be afforded a reasonable opportunity to present information and testimony involving its claims, rights or defenses and shall be solely responsible for the presentation of any information or testimony concerning its claims, rights or defenses.
- (b) Company and Customer agree to continue performance of all Work, and payments on all non-disputed amounts despite the existence of disputes between them. The existence of a dispute shall not be sufficient cause or justification for any failure to otherwise comply with this Agreement or with any underlying contract or agreement.

## Section 2. Mediation

- (a) Negotiation Prior to Arbitration ("Mediation"): Prior to any arbitration and/or litigation after arbitration being instituted by any party arising out of or relating to this Agreement, or any underlying contract or agreement whether written or oral, or a breach of this Agreement, or any underlying contract or agreement, whether written or oral, the parties shall each appoint an executive corporate officer to meet to negotiate the claim/dispute through an in-person settlement meeting ("Mediation"). An Insurance representative for each party shall attend the Mediation in order to bind the insurer to any settlement. Corporate officers attending shall have full settlement authority to resolve the claim/dispute. This Mediation shall be a condition precedent to the filing of any arbitration and shall be in accordance with Section 2(b). Prior to engaging in any mediation, all parties shall provide notice of any dispute to their respective insurers.
- (b) Submission of Itemized Claims. Within Thirty (30) business days of the Company or Customer filing and serving a demand for Mediation, the party filing the Mediation demand ("Claimant") shall provide the other party ("Respondent") with a written, itemized statement of its claim, that shall include copies of all documents supporting its liability statement and damages along with citations to specific provisions of the Agreement that support Claimant's position ("Claimant's Itemized Statement of Claim). The Claimant shall make all requests for documents from the Respondent when the demand for Mediation is filed. The Respondent shall have 15 days to respond and turn over the requested documents. Claimant's Itemized Statement of Claim shall be served via Federal Express or equivalent overnight delivery service that provides proof of delivery and shall be deemed served as of the date of Respondent's receipt from Federal Express records or equivalent overnight delivery service of the Itemized Statement of Claim. Within Thirty (30) business days after Respondent receives Claimant' Itemized Statement of Claim, Respondent shall provide the Claimant with its answer, Copyright © 2018 Robert C. Moore (RCM), used by permission

affirmative defenses and counterclaim, if any, which shall include a written, itemized statement in support of its defense and/or counterclaim, along with copies of all documents supporting its damages and citations to specific provisions of any underlying contract or agreement, whether written or oral. (Respondent's Itemized Statement of Claim). The Respondent shall make all requests for documents from the Claimant when the Respondent's Itemized Statement of Claim is filed. The Claimant shall have 15 days to respond and turn over the requested documents. Respondent's Itemized Statement of Claim shall be served via Federal Express or equivalent overnight delivery service that provides proof of delivery and shall be deemed served as of the date of Claimant's receipt from Federal Express records or equivalent overnight delivery service of the Itemized Statement of Claim. If any party fails to turn over any reasonably requested documents, or either party fails to participate in the Mediation process in good faith, the arbitrator may make such a finding and take such finding into account when determining liability and damages, in any later arbitration of these claims. Each party shall provide copies of all Statements of Claim and relevant supporting documents to their respective insurers. The parties shall meet and mediate all claims as soon as possible thereafter. Notwithstanding the foregoing, the Mediation process, including the exchange of information and documents shall be completed with 90 days of the filing of a demand for Mediation.

- (c) Venue for Mediation. All claims, counterclaims or disputes between Company and Customer, which are subject to Mediation pursuant to Section 2, shall be mediated in the county in which the related job or project is located, or as otherwise agreed.
- Offers of Settlement. Within thirty (30) days of receiving Respondent's Itemized Statement of Claim, or if Respondent does not serve one, within thirty (30) days from when Respondent's Itemized Statement of Claim was due, Claimant shall serve Respondent with a written settlement offer that will include both Claimant's Itemized Statement of Claim and Respondent's Itemized Statement of Claim, if any. Claimant's settlement offer shall be served via Federal Express or equivalent overnight delivery service that provides proof of delivery and shall be deemed received upon Respondent's receipt of Claimant's settlement offer. Claimant's settlement offer shall state the amount it will accept from or pay to Respondent to settle all claims asserted in the arbitration. Within thirty (30) business days of Respondent's receipt of Claimant's settlement offer, Respondent shall serve a written settlement offer to Claimant that will include both Claimant's Itemized Statement of Claim and Respondent's Itemized Statement of Claim, if any. Respondent's settlement offer shall be served via Federal Express or equivalent overnight delivery service that provides proof of delivery and shall be deemed served upon Claimant's receipt of Respondent's settlement offer. Respondent's settlement offer shall state the amount it will accept from or pay to Claimant to settle all claims asserted in the arbitration. Claimant's filing of an amended demand for arbitration or Respondent's filing of an amended counterclaim shall in no way alter the timing requirements set forth herein for purposes of determining the prevailing party. If Respondent does not submit a written settlement offer to Claimant as provided herein, then Respondent's settlement offer for purpose of determining the prevailing party shall be considered the greater of: (i) the amount set forth in Respondent's Itemized Statement of Claim, (ii) the amount requested in Respondent's initial counterclaim, (iii) the amount requested by Respondent at the final arbitration hearing, or (iv) \$0.00.

## Section 3. Arbitration

- (a) Scope and Venue of Arbitration: All claims, counterclaims or disputes between Company and Customer arising out of or relating to this Agreement, or any underlying contract or agreement, whether written or oral, or the work to be performed by Company or Customer at any applicable job site, or a breach of this Agreement, or any underlying contract or agreement, whether written or oral, whether based on contract or tort, which are not resolved pursuant to Section 2, shall be decided by a final, binding, non-appealable arbitration, to take place in the county in which the related job or project is located, or as otherwise agreed. The arbitration shall be in accordance with the Rules of the American Arbitration Association ("AAA") then existing subject, to the requirements and limitations set forth herein. The arbitration shall be further subject to the Federal Arbitration Act, 9 U.S.C. § 1 et seq., and any applicable state statutes governing arbitration.
- (b) Arbitrator's Selection and Authority: Any matters to be arbitrated under this Agreement shall be decided by a single arbitrator selected by agreement of the parties. The appointed arbitrator shall be an impartial person with extensive experience and who has an expert understanding of the with extensive experience and who has an expert understanding of the transportation industry. If within seven (7) calendar days of either party filing for arbitration, the parties have not agreed on an arbitrator, then the appointment of an arbitrator shall be referred to the AAA office in or nearest to the county in which the related job or project is located. The AAA shall appoint a single arbitrator who is an impartial local person with extensive experience and who has an expert understanding of the transportation industry to serve in this matter. The arbitrator shall have full and complete authority to decide any and all claims that have been properly noticed and preserved in accordance with this Agreement. Any judgment entered by the arbitrator shall be final, binding and non-appealable. The arbitrator is required to enforce the terms of this Agreement, including but not limited to, the

determination of the prevailing party for purposes of awarding attorney's fees and costs. The arbitrator shall not be authorized to award any punitive damages and shall only be permitted to award consequential damages if the parties have not waived consequential damages by contract and only to the extent permitted under the express terms of this Agreement. Should either party assert that a claim(s) submitted to arbitration has not been properly noticed and/or has been waived or released, then the Arbitrator shall first decide any such issues by way of a declaratory judgment action decided by solely by the arbitrator, with both parties waiving any right to a trial by jury. Any arbitration between the parties for non-Declaratory Action issues shall be stayed pending any such declaratory judgment action so that the Arbitrator can first decide what claims should proceed forward in arbitration. If the Arbitrator finds that a claim(s) was not properly noticed and preserved and/or was released, then the arbitrator shall dismiss that claim(s) and shall not decide such claim(s). The arbitration shall only proceed after a final decision on any declaratory judgment action brought hereunder and shall only include those claims found to have been property noticed, preserved and not released. All parties consent to such jurisdiction.

- (c) Choice of Law. This Agreement shall be construed according to the laws of the State in which the related job or project is located.
- (d) Prevailing Party in Arbitration. The prevailing party in any arbitration shall be entitled to an award of attorney's fees and costs. The prevailing party in any arbitration shall be the party whose last written settlement offer, as set forth in Section 2 above, is closer to the initial arbitration award, prior to considering costs (including AAA and arbitrator costs), interest, attorney fees and/or expert fees. If the difference between the initial arbitration award and the parties' last settlement offers are equal, then neither party shall be the prevailing party for purposes of an award of attorneys' fees and costs.
- (e) Nondisclosure of Settlement Offers to the Arbitrator: Settlement offers shall only be disclosed to the arbitrator after the initial arbitration award has been entered and shall only be used to determine the prevailing party for purposes of the award of attorney's fees and costs.
- (f) Venue of Litigation. Any dispute arising out of or relating to this Agreement, or any underlying contract or agreement whether written or oral, or the work to be performed by Company or Customer at any applicable job site, or a breach of this Agreement, or any underlying contract or agreement, whether written or oral, which is not subject to Mediation and arbitration under this Agreement or which the parties have mutually waived their right to arbitrate under this Agreement shall be litigated in the state where the related job or project is located. Such action shall proceed in The United States District Court in or nearest to the county in which the related job or project is located. Both parties acknowledge that should litigation ensue, the United States District Court in or nearest to the county in which the related job or project is located., shall have exclusive jurisdiction and venue over any lawsuits arising under this Agreement, or any underlying contract or agreement, whether written or oral, including any motion to confirm an arbitration award. The prevailing party in any such litigation shall additionally be entitled to an award of all attorneys' fees and costs.
- (g) Waiver of Right to Jury Trial: LESSOR AND LESSEE FURTHER AGREE THAT SHOULD ANY LITIGATION OR ARBITRATION ARISE DIRECTLY OR INDIRECTLY, THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL, AND THE PARTIES HEREBY STIPULATE THAT ANY SUCH TRIAL SHALL OCCUR WITHOUT A JURY.
- (h) Transfer of Venue. Should either party file any action in court against the other party arising out of a dispute as defined in this Agreement, said Party agrees to transfer the action to the Arbitrator to make any and all decisions concerning any dispute including the authority stated in Section 3, including the authority to decide if the action is a dispute covered by this Agreement. If the Arbitrator decides that the dispute should be decided in accordance with this Agreement, the party that filed the action shall pay all costs incurred by the other party, including attorneys' fees, incurred in dismissing and/or transferring the venue of such matter to the Arbitrator.
- (i) Discovery in Arbitration. Discovery in any arbitration hereunder shall be limited to the following and must done in accordance with the Federal Rules on Civil Procedure: (i) The production of each side's job/project/work files as they are maintained in the ordinary course of business and any file index related to same, with all such documents being produced electronically if reasonably feasible or otherwise in hard copy, in the arbitration venue herein indicated; (ii) Other than the documents produced pursuant to Section 2 and Section 3(e)(i) no other written discovery shall be permitted, except on a showing of good cause to the arbitrator. The party requesting any documents, other than those produced pursuant to Section 2 and Section 3(e)(i) shall be responsible to pay for all costs associated with such production, including attorneys' fees incurred in the review for privilege and relevance, third-party consultant fees and any other costs associated with such production. The payment of all such costs is an express condition precedent to either side's right to any such

production. The cost associated with obtaining electronic discovery shall not be taxed to the prevailing party as costs/fees and to the extent this conflicts with any provision in the AAA rules, this provision shall control; (iii) Three (3) fact depositions with one being a corporate representative under the Federal Rules of Civil Procedure, if so requested, with all such depositions to take place in the arbitration venue herein indicated; (iv) The opinions and the depositions of any designated expert witnesses. The deposition of all experts that intend to testify or submit opinions at the arbitration hearing must be concluded sixty (60) days before the scheduled arbitration date. Each side will pay for their own expert time and expenses to appear for deposition in the county and state where the contract was being performed. Thirty (30) days prior to any expert deposition, all experts that will testify or submit opinions at the final hearing shall provide a report containing all of his/her opinions and all information, documents and facts relied upon in arriving at such opinions, or if no such report is prepared, the subject matter on which the witness is expected to present evidence and a summary of the facts and opinions to which the witness is expected to testify and all information/documents/facts relied upon in arriving at such opinions, along with the witness's qualifications, including a list of all publications authored in the previous 10 years and a list of all other cases in which, during the previous 4 years, the witness testified as an expert at trial or by deposition and a statement of the compensation to be paid for the study and testimony in the case; (v) Each party shall be entitled to have the arbitrator issue six subpoenas for documents. The other side shall be entitled to a copy of all documents provided in response to any third-party subpoena, provided however, that it has to pay for the costs of reproduction, but shall be entitled to use a third party to make such copies; and (vii) No other discovery shall be permitted by the Arbitrator, unless mutually agreed to by the parties, upon good cause shown.

(j) These sections and provisions (including all sub-parts) shall survive the termination of this Agreement, or any related or underlying contract and/or completion of the related work or project.