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UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

AMAZON.COM, INC., and AMAZON FULFILLMENT SERVICES, INC., Delaware corporations,

NO.

Plaintiffs,

٧.

COYOTE LOGISTICS, LLC, a Delaware limited liability company,

Defendant.

NOTICE OF REMOVAL

(From King County Superior Court Cause No. 11-2-17491-3 SEA)

Defendant, Coyote Logistics, LLC ("Coyote"), by counsel and pursuant to 28 U.S.C. §§ 1441 and 1446, files this Notice of Removal of the above-captioned matter to the U.S. District Court for the Western District of Washington from the Superior Court of King County, Washington, and states as follows:

1. Coyote is a motor carrier broker operating in interstate commerce. Coyote is the sole defendant in an action now pending in the Superior Court of King County, Washington under Cause No. 11-2-17491-3.

NOTICE OF REMOVAL - 1



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30 days after Coyote was served with the Complaint setting forth the claims for relief upon which this action is based. Plaintiffs Amazon.com, Inc. and Amazon Fulfillment Services, Inc. (collectively as "Plaintiffs") filed their Complaint against Coyote in the Superior Court on May 13, 2011 and caused the Complaint and a Summons to be issued and served upon Coyote's registered agent on May 20, 2011. The documents attached hereto as Exhibit 1 include copies of the Complaint and the Summons. Attached hereto as Exhibit 2 is a copy of the notice of service of process received by Coyote's registered agent.

3. This Court has exclusive jurisdiction over this matter pursuant to 28 U.S.C.

Pursuant to 28 U.S.C. § 1446(b), this notice of Removal is being filed within

- § 1331, 28 U.S.C. § 1337 and 49 U.S.C. § 14706.
- 4. Plaintiffs' Complaint contains a claim against Coyote for alleged freight loss pursuant to 49 U.S.C. § 14706. Complaint, ¶¶ 12, 18 (Exhibit 1). This Court has exclusive jurisdiction over Plaintiffs' federal freight loss claim.
- 5. This Court has supplemental jurisdiction over all other related claims alleged in Plaintiffs' Complaint. 28 U.S.C. § 1367. These claims include Plaintiffs' claims for breach of contract and negligence. Complaint, ¶ 18 (Exhibit 1).
- 6. This Court also has jurisdiction pursuant to 28 U.S.C. § 1332. Plaintiffs' Complaint demands at least \$1,454,346.00 in alleged damages and thus on its face exceeds the \$75,000 threshold required by 28 U.S.C. § 1332. Complaint, ¶¶ 11, 17. Plaintiffs in this case allege they are each Delaware corporations authorized to do business, and doing business, in the State of Washington, and having their principal place of business in Seattle, Washington. Complaint at ¶ 2. Coyote is a Delaware corporation having its principal place of business in Illinois.
- 7. The documents attached hereto as Exhibit 1 constitute all of the pleadings and process on file with the King County Superior Court as of the date of the filing of this Notice of Removal.

8. A copy of this Notice of Removal is being served concurrently upon Plaintiffs and also filed with the Clerk of the King County Superior Court.

DATED this 17th day of June, 2011.

RYAN, SWANSON & CLEVELAND, PLLC

John R. Ruhl, WSBA #8558 Amanda C. Bley, WSBA #42450 Attorneys for Defendant

1201 Third Avenue, Suite 3400 Seattle, Washington 98101-3034 Telephone: (206) 464-4224 Facsimile: (206) 583-0359 ruhl@ryanlaw.com bley@ryanlaw.com

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Exhibit 1

FILED

11 MAY 13 PM 2:33

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 11-2-17491-3 SEA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KING

AMAZON.COM, INC. and AMAZON FULFILLMENT SERVICES, INC., Delaware Corporations,

Plaintiffs,

v.

COYOTE LOGISTICS, LLC, a Delaware Limited Liability Company

Defendant.

Cause No.:

COMPLAINT

Plaintiffs, Amazon.com, Inc. ("Amazon") and Amazon Fulfillment Services, Inc. ("AFSI"), for their Complaint against the above-named defendant, allege upon information and belief:

JURISDICTION AND VENUE

1. Jurisdiction and venue in this matter are conferred by RCW 2.08.010 and RCW 4.12.025(3), and venue is further conferred by section 10.2 of the "Transportation Agreement" entered into by the parties or their predecessors on or about August 13, 2007, and later amended in writing by the parties on or about August 31, 2009 (hereafter "Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein as if fully set forth.

LAW OFFICES OF
NICOLL BLACK & FEIG
A PROFESSIONAL LIMITED LIABILITY COMPANY
1325 FOURTH AVENUE. SUITE 1650
SEATTLE, WASHINGTON 98101
TEL: 206-830-7555
FAX: 206-838-7515

PARTIES

- 2. At all times hereinafter mentioned, Amazon and AFSI were and are Delaware corporations authorized to do business, and doing business, in the State of Washington, and having their principal place of business in Seattle, Washington. Amazon and AFSI are affiliates of each other and are parties to the Agreement with defendant.
- 3. At all times hereinafter mentioned, defendant COYOTE LOGISTICS, LLC ("Coyote") was and is a Delaware limited liability company with offices in Mountlake Terrace, Washington. Coyote is the successor in interest to General Freight Services, Inc. ("General"), a Georgia corporation. Coyote does business within the State of Washington, has agreed pursuant to section 10.2 of the Agreement to subject itself to the jurisdiction of the courts of King County, Washington, and this lawsuit arises out of business that Coyote has conducted with Amazon in the State of Washington pursuant to the Agreement.

FACTS

- 4. On or about August 13, 2007 AFSI and General entered into the Agreement. On or about August 31, 2009 AFSI and Coyote entered into a written amendment of the Agreement that, among other things, identified Coyote as the successor in interest to General, and formalized Amazon's and AFSI's consent to transfer of the Agreement by operation of law from General to Coyote.
- 5. Pursuant to the Agreement, Coyote agreed to transport by truck Amazon's goods to certain specified locations within the United States, as well as to perform other enumerated related services, at prices set forth in the Agreement and its amendment.
- 6. Section 7 of the Agreement specifically addressed Coyote's liability to Amazon in the event of damage, loss or theft of Amazon's goods. Paragraph 7 provides:

Company [Coyote] will in no event be liable for any loss, theft or damage to goods for any amount in excess of two hundred fifty thousand dollars (\$250,000) per container except to the extent such loss or damage is attributable to the negligence or misconduct of Company or any of its employees, representatives, agents, affiliates or subcontractors (including Carriers). Amazon has the option of paying a special

compensation to increase the liability of Company [Coyote] in excess of the amount per shipment specified in above [sic] in case of any loss, theft or damage from causes which would make Company [Coyote] liable, but such option can be exercised only by specific written agreement made with Company [Coyote] prior to shipment, which agreement will indicate the limit of the Company's [Coyote's] liability and the special compensation for the added liability by it to be assumed. [Emphasis added]

- 7. On or about November 24, 2009 in Sumner, Washington, Coyote's subcontracted carrier, CP Transport Inc., took possession of a 53 foot long container loaded with a cargo of Amazon's goods and signed bill of lading number 11242009-3, confirming receipt of the goods in good order.
- 8. After receiving and signing for the cargo, the truck driver departed Sumner, Washington driving a 1996 Freightliner tractor with Florida license plate 76966F, identified as truck number 443, and hauling the 53 foot container on a trailer bearing Florida license plate 5581CE, identified as trailer number 6016.
- 9. On or about November 28, 2009 at or about shortly after midnight, the truck and trailer were parked at a truck stop in Troy, Illinois and left by the driver unlocked, running and unattended for approximately one and a half hours. When the driver returned to where he had left the truck, trailer and cargo, it was gone and he reported it stolen to the Troy Police Department.
- 10. After the loss was reported, Amazon and its insurers incurred reasonable investigation expenses in an effort to mitigate their losses by locating and recovering the stolen goods. With the help of private investigators and law enforcement agencies in South Florida, a quantity of the stolen goods was recovered, some of which were damaged and required refurbishment.
- 11. After deducting the fair market value of the recovered undamaged goods, and the fair market value of the recovered damaged goods that were refurbished, Amazon's cargo loss was mitigated to ONE MILLION FOUR HUNDRED FIFTY FOUR THOUSAND THREE HUNDRED FORTY SIX DOLLARS (\$1,454,346.00), which represents the fair market value of the missing goods

plus the lost market value of the damaged goods (eight units in all) that were refurbished. Additionally, Amazon and its insurers incurred reasonable costs of investigating, recovering and shipping the recovered goods. The remaining stolen goods were not located and are still missing.

12. On or about January 28, 2010, Amazon timely provided written notice of claim to Coyote pursuant to 49 U.S.C. § 14706(e) and 49 C.F.R. § 370.3, but Coyote has since failed and refused to pay the claim. The amount sought in this lawsuit is less than the amount initially claimed by Amazon because, as alleged in paragraphs 10 and 11 above, a portion of the stolen cargo was located and recovered subsequent to providing written notice of claim to Coyote.

FIRST CAUSE OF ACTION:

[CLAIM FOR LOSS 49 U.S.C. § 14706]

- 13. Amazon re-states, re-alleges and incorporates by references as though fully set forth herein, paragraphs 1-12 of the Complaint.
 - 14. Coyote agreed pursuant to the Agreement to transport the goods for Amazon.
- 15. Amazon delivered the cargo to Coyote or its employees, representatives, agents, affiliates or subcontractors, including carriers, in good condition.
- 16. Coyote or its employees representatives, agents, affiliates or subcontractors, including carriers, confirmed receipt of the cargo in good condition by signing bill of lading number 11242009-3.
- 17. As a result of the negligence and/or misconduct of Coyote or its employees, representatives, agents, affiliates or subcontractors, including carriers, Amazon's cargo was stolen and Amazon suffered damages in the amount of ONE MILLION FOUR HUNDRED FIFTY FOUR THOUSAND THREE HUNDRED FORTY SIX DOLLARS (\$1,454,346.00), plus reasonable costs of investigating, recovering, repairing and shipping the recovered goods, plus freight for the original carriage, in a total amount to be determined at trial.
 - 18. Under 49 U.S.C. § 14706(a)(1) and the Agreement, Coyote is liable to Amazon for the

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full, actual loss or injury to Amazon due to the theft of its goods as measured by their fair market value at destination because their loss is attributable to the negligence and/or misconduct of Coyote or its employees, representatives, agents, affiliates or subcontractors, including Carriers.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against defendant as follows:

- 1. For damages in an amount to be determined at the time of trial;
- 2. For prejudgment and post-judgment interest in an amount allowed by law;
- 3. For attorneys' fees, costs and expenses of suit as allowable by law; and,
- 4. For such other relief as the Court may deem just and proper.

DATED this 13th day of May, 2011.

NICOLL BLACK & FEIG PLLC

Christopher W. Nicoll, WSBA No. 20771 Larry E. Altenbrun, WSBA No. 31475

Counsel for Plaintiffs

EXHIBIT A

TRANSPORTATION AGREEMENT

This Transportation Agreement (this "Agreement") is effective as of August 13, 2007 ("Effective Date") by General Freight Services, Inc., a Georgia corporation ("Company"), and Amazon Fulfillment Services, Inc., a Delaware corporation and any of its affiliates for which Company provides services ("Amazon").

1. CARRIER SERVICES

- 1.1 <u>Services</u>. At Amazon's request, Company will provide the services ("Carrier Service" or "Carrier <u>Services</u>") to Amazon as described in attached <u>Exhibits A and B</u>. Unless otherwise agreed, Company will arrange for all equipment and supplies required to perform the Carrier Services. Amazon makes no promises or representations whatsoever as to the amount of business Company can expect at any time under this Agreement. Amazon may from time to time give volume projections to Company, but such projections are speculative only and will not in any event give rise to Customer liability. The parties acknowledge and agree that Amazon may engage the services of other carriers that may perform the same or similar Carrier Services as those provided by Company. Company will comply with the tracking requirements and performance standards (the "Performance Standards") set forth in attached <u>Exhibits A and B</u>.
- Reports, Audits and Record Retention. Company will provide business activity reports in a mutually agreed format, including (a) weekly performance and exception reports, (b) electronic summary reports itemizing weekly volume, and (c) such other reports described in attached Exhibit B. Amazon will have the right upon reasonable notice to Company to conduct a performance audit to determine if Company is meeting its obligations hereunder. Company agrees to provide all relevant reports and related information in a mutually agreed format, to allow Amazon to conduct such audit. If an audit identifies an overcharge by Company in excess of five percent (5%) for the period audited, Company will pay for the cost of the audit. Company will also reimburse Amazon for the full amount of any overcharge identified in the audit within ten (10) days from receipt of the audit results. During the term of this Agreement and for three (3) years thereafter, Company will keep all books and records relating to the Carrier Services in accordance with generally accepted accounting standards. Amazon may examine such books and records upon reasonable notice and during normal business hours.

2. PAYMENT

- 2.1 <u>Fees and Expenses</u>. Amazon will pay Company in accordance with the rate structure and accessorial charges (if any) attached as <u>Exhibit A</u> ("<u>Fees and Expenses</u>"). The Fees and Expenses will not be modified during the term of this Agreement, except upon mutual agreement of the parties. Company is entitled to no other compensation or reimbursement for the Carrier Services other than as provided in Exhibit A.
- 2.2 <u>Invoices</u>. Company will provide weekly electronic invoices that include fees for the prior week. Company will provide each invoice in a mutually agreeable format, provided that at Amazon's election, Company will issue separate invoices for each Amazon affiliate for which it provides Service (the parties agreeing that each such affiliate is solely responsible for payment for Carrier Services provided to it under this Agreement); and (ii) each invoice will include sufficient information for Amazon to determine the accuracy of the amounts, including but not limited to, copies of the relevant bill of lading and proof of delivery (if applicable). Amazon will pay Company's properly submitted, and undisputed portions of,

invoices within thirty (30) days of receipt. Amazon has no obligation to pay any Fees or Expenses invoiced more than six (6) months after they accrue.

TERM. The term of this Agreement shall be for the period of 2 years ("Initial Term"); provided, however, Amazon may terminate this Agreement at any time without cause on 30 days advance notice to Company. Upon expiration of the Initial Term, the Agreement will renew on a month-to-month basis, and either party may terminate the Agreement without cause by providing 30 days prior written notice to the other party; provided, however, Company may not terminate this Agreement without cause with an effective date during any September 1 through December 15 period (so that, in order for any such termination to become effective before December 16 of any year, Company must exercise its termination right before August 1 of that year). In addition, either party may terminate this Agreement if the other fails to cure a material breach hereunder within 30 days of receipt of written notice of such breach. If this Agreement is terminated by either party, Company will diligently work to complete any deliveries still in progress. Neither party shall be entitled to any severance payment, penalty, damages or compensation in any form or manner based upon, or due to, the other party's decision to terminate or refrain from renewing this Agreement. If either party is adjudicated bankrupt, institutes voluntary proceedings for bankruptcy or reorganization, makes an assignment for the benefit of its creditors, applies for or consents to the appointment of a receiver for it or its property, or admits in writing its inability to pay its debts as they become due, the other party may terminate this Agreement by written notice. Any such termination will not relieve either party from any accrued obligations hereunder.

4. REPRESENTATIONS AND WARRANTIES

Company represents and warrants that: (i) it will perform the Carrier Services in a competent and workmanlike manner in accordance with the level of professional care customarily observed by highly skilled professionals rendering similar Carrier Services; (ii) the Carrier Services, Work Product and/or other materials provided by or on behalf of Company will not violate or infringe any third party's patents, trade secrets, trademarks or other proprietary rights; (iii) it will meet, at a minimum, the Performance Standards indicated in Exhibit A; (iv) it and its employees, agents, subcontractors (including, but not limited to carriers hired by Company ("Carrier") to transport the goods) (together, "Personnel") will comply with all applicable laws, rules, regulations and orders pertaining to the Carrier Services, and hold and comply with all required licenses, permits and approvals; (v) it will promptly notify Amazon of any accident, incident, or event that impairs the safety of or delays delivery of shipments, and will use reasonable care and due diligence in the protection of the goods or shipments; and (vi) it will at all times have sufficient equipment, personnel and resources available to handle all Amazon capacity requirements.

5. CONFIDENTIALITY; CUSTOMER INFORMATION; WORK PRODUCT.

- 5.1 <u>Confidentiality/Publicity</u>. As a condition to Amazon's obligations hereunder, Company and its employees, representatives and subcontractors will comply with the terms of the Nondisclosure Agreement signed by Company ("NDA"). Company will not use any trade name, trademark, service mark, logo or commercial symbol, or any other proprietary rights of Amazon or any of its affiliates in any manner (including but not limited to use in any client list, press release, advertisement or other promotional material) without prior written authorization of such use by a Vice President of Amazon.
- 5.2 <u>Customer Information</u>. Company will use all personally identifiable information concerning Amazon customers, including names and addresses (collectively "<u>Customer Information</u>"), that it receives solely for purposes of providing Carrier Services under this Agreement. Company will not transfer, rent, barter, trade or sell such information and will not develop lists of or aggregate such information. Company will delete all instances (including backups and other copies) of Customer Information associated with each shipment within 120 days after completing the shipment. Before disposing of any

hardware, media or software (including any sale or transfer of such material or any disposition of Company's business) that contains or previously contained Customer Information, Company will perform a complete forensic destruction of the Customer Information (which may include a physical destruction, preferably incineration, or secure data wipe) such that no such information can be recovered or retrieved.

5.3 Work Product.

- 5.3.1 Work Product, Proprietary Rights and Pre-Existing Work. If Company delivers or is required to deliver to Amazon any work product in connection with the Carrier Services, including but not limited to concepts, works, inventions, information, drawings, designs, programs, or software (whether developed by Company or any of its Personnel, either alone or with others, and whether completed or in-progress) (collectively, "Work Product"), then Amazon owns, or upon assignment by the creator will own, all right, title and interest (including, but not limited to, all trademarks, trade secrets, copyrights, patents and any other intellectual property or proprietary rights) (collectively, "Proprietary Rights") in such Work Product, except that Work Product does not include: (a) any inventions or developments made by Company prior to the Effective Date; or (b) any improvements Company may make to its own proprietary software or any of its internal processes as a result of any Work Order, provided that such improvements do not infringe Amazon's Proprietary Rights ("Pre-Existing Work").
- 5.3.2 Work for Hire. The Work Product has been specially ordered and commissioned by Amazon. Company agrees that the Work Product is a "work made for hire" for copyright purposes, with all copyrights in the Work Product owned by Amazon.
- 5.3.3 Assignment of Work Product. To the extent that the Work Product does not qualify as a work made for hire under applicable law, and to the extent that the Work Product includes material subject to copyright, patent, trade secret, or any Proprietary Rights protection, Company hereby assigns to Amazon (or to such of its affiliates as it may designate), its successors and assigns, all right, title and interest in and to the Work Product, including, but not limited to, all rights in and to any inventions, designs and Proprietary Rights embodied in the Work Product or developed in the course of Company's creation of the Work Product. The foregoing assignment includes a license under any current and future patents owned or licensable by Company to the extent necessary to combine the Work Product or any derivative works or modifications thereof with any product, service, offering, software or intellectual property of Amazon. Company will execute any documents in connection with such assignment that Amazon may reasonably request. Company will enter into agreements with its Personnel or any other party as necessary to establish Amazon's sole ownership in Work Product, and upon Amazon's request, Company will provide Amazon with copies of such agreements. Company appoints Amazon as its attorney-in-fact to execute assignments of, and register all rights to, the Work Product and the Proprietary Rights in Work Product. This appointment is coupled with an interest. At any time upon request from Amazon and upon termination or expiration of this Agreement, Company will deliver to Amazon in tangible form all materials containing Work Product, whether complete or in process.
- 5.3.4 License to Pre-Existing Work. To the extent Pre-Existing Work of Company is embodied in any Work Product, deliverables or Proprietary Rights, Company hereby grants Amazon a non-exclusive, worldwide, perpetual, irrevocable, fully paid up license to (a) use, make, have made, sell, offer to sell, reproduce, perform, display, distribute, and import such Pre-Existing Work, (b) adapt, modify, and create derivative works of such Pre-Existing Work, and (c) sublicense the foregoing rights.
- 6. **DEFENSE/INDEMNITY.** Company hereby releases and will defend, hold harmless, and indemnify Amazon, and/or its subsidiaries, affiliates, directors, officers, employees, agents, successors and assigns ("Amazon Indemnified Parties"), from and against any allegation or claim based on, or any loss, damage, settlement, cost, expense and any other liability (including but not limited to reasonable

attorneys' fees incurred and/or those necessary to successfully establish the right to indemnification) (collectively, "Claims"), arising from any act or omission by Company and/or its Personnel, including without limitation any breach of this Agreement or allegation or claim of negligence, strict liability or misconduct. However, the foregoing does not apply to the extent such Claim results from Amazon's negligent or willful misconduct. Company's duty to defend is independent of its duty to indemnify. Company's obligations under this section are independent of all of its other obligations under this Agreement. Company will use counsel reasonably satisfactory to Amazon to defend each Claim, and Amazon will cooperate (at Company's expense) with Company in the defense. Company will not consent to the entry of any judgment or enter into any settlement without Amazon's prior written consent, which may not be unreasonably withheld. The parties agree that this Section 6 does not apply to claims for loss or damage under Section 7.

- 7. DAMAGE OR LOSS TO GOODS. Company will in no event be liable for any loss, theft or damage to goods for any amount in excess of two hundred fifty thousand dollars (\$250,000) per container except to the extent such loss or damage is attributable to the negligence or misconduct of Company or any of its employees, representatives, agents, affiliates or subcontractors (including Carriers). Amazon has the option of paying a special compensation to increase the liability of Company in excess of the amount per shipment specified in above in case of any loss, theft or damage from causes which would make Company liable, but such option can be exercised only by specific written agreement made with Company prior to shipment, which agreement will indicate the limit of Company's liability and the special compensation for the added liability by it to be assumed.
- 8. **INSURANCE.** Company shall, throughout the term of this Agreement, carry, at its expense and have in force and effect:
 - (i) commercial general liability insurance with a limit of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate;
 - (ii) worker's compensation insurance and employer's liability insurance as required by statute;
 - (iii) cargo insurance of two hundred fifty thousand dollars (\$250,000) per loss; and
 - (iv) business automobile liability insurance (including coverage for all owned, non-owned and hired auto, and no fault coverage where applicable) with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.

Company will cause each insurance policy to provide that it will not be canceled or allowed to expire without at least thirty (30) days prior written notice from the insurance provider to Amazon. Company will cause Amazon to be named as additional insureds on general liability policies and will submit certificates of insurance for the coverage required under this Section at commencement of the Carrier Services and at Amazon's request. Company will send certificates of insurance to Amazon.com, Attn: Risk Management, P.O. Box 81226, Seattle, WA 98108-1226. Amazon's approval of any of Company's insurance policies does not relieve or limit any of Company's obligations under this Agreement, including but not limited to liability under Section 8 above for claims exceeding required insurance limits.

9. PERSONNEL; INDEPENDENT CONTRACTORS

9.1 <u>Company's Personnel</u>. All Personnel furnished by Company to provide Carrier Services are employees, agents or subcontractors of Company and are not employees, agents or subcontractors of Amazon. Company and Amazon are independent contractors. Company has exclusive control over its Personnel, its labor and employee relations and its policies relating to wages, hours, working conditions

and other employment conditions. Company will ensure that all Personnel comply with Amazon's rules and policies while on Amazon's premises. Company has the exclusive right to hire, transfer, suspend, lay off, recall, promote, discipline, discharge and adjust grievances with its Personnel. Company is solely responsible for all salaries and other compensation of Personnel who arrange for Carrier Services. Company is solely responsible for making all deductions and withholdings from the salaries and other compensation of its Personnel and for paying all contributions, taxes and assessments. Company's Personnel are not eligible to participate in any employment benefit plans or other benefits available to Amazon employees. Company has no authority to bind Amazon to any agreement or obligation.

Subcontractors. Notwithstanding the existence or terms of any subcontract, Company will remain responsible for the full performance of the Carrier Services. The terms and conditions of this Agreement are binding upon Company's agents, subcontractors (including Carriers) and affiliates ("Subcontractors"). Company (a) will ensure that all Subcontractors comply with this Agreement and (b) will be responsible for all acts, omissions, negligence and misconduct of such Subcontractors. Company will also ensure that all Subcontractors effectively and irrevocably: waive any lien upon (or other right with respect to) the products transported, regardless of whether such Subcontractor would otherwise be entitled to such lien or other rights pursuant to contract or applicable law; and waive any claim (including, without limitation, for amounts owed for delivery services) against Amazon and its affiliates. Without in any way limiting Company's obligations or Amazon's rights under Section 6 above, if any Subcontractor asserts any claim, demand, suit, or action ("Subcontractor Claim") against Amazon and/or its affiliates, and Company is undergoing any bankruptcy proceeding: Amazon may at its sole discretion, but is not obligated to, defend and/or settle such Subcontractor Claim at Company's cost and expense; and for the avoidance of doubt, if Amazon incurs or pays any damages, liabilities, losses, reasonable costs and expenses, or any other reasonable amounts relating to such Subcontractor Claim, Amazon may set off such amounts in full against any amounts Amazon owes to Company and/or demand immediate full reimbursement from Company.

10. GENERAL

- 10.1 <u>Assignment</u>. Company will not assign any part or all of this Agreement, or subcontract or delegate any of Company's obligations or rights under this Agreement, without Amazon's prior written consent. Any attempt to assign, subcontract or delegate in violation of this Section is void in each instance.
- 10.2 <u>Governing Law/Venue</u>. The internal laws of the State of Washington, excluding its conflicts of law rules, govern this Agreement. Company irrevocably submits to venue and exclusive personal jurisdiction in the federal and state courts in King County, Washington for any dispute arising out of this Agreement, and waives all objections to jurisdiction and venue of such courts.
- 10.3 Notices. Notices under this Agreement are sufficient if given by nationally recognized overnight courier service, certified mail (return receipt requested), facsimile with electronic confirmation or personal delivery to the other party at the addresses set forth in the signature blocks below. Notice is effective: (i) when delivered personally, (ii) three business days after sent by certified mail, (iii) on the business day after sent by a nationally recognized courier service, or (iv) on the business day after sent by facsimile with electronic confirmation to the sender. A party may change its notice address by giving notice in accordance with this Section. If this Section states no notice address for Company, notice will be effective if given to Company at its last known address.
- 10.4 <u>Severability/Waiver/Remedies</u>. If any provision of this Agreement is determined to be unenforceable, the parties intend that this Agreement be enforced as if the unenforceable provisions were not present and that any partially valid and enforceable provisions be enforced to the extent that they are

enforceable. A party does not waive any right under this Agreement by failing to insist on compliance with any of the terms of this Agreement or by failing to exercise any right hereunder. Any waivers granted hereunder are effective only if recorded in a writing signed by the party granting such waiver. The rights and remedies of the parties under this Agreement are cumulative, and either party may enforce any of its rights or remedies under this Agreement or other rights and remedies available to it at law or in equity. Company acknowledges that any material breach of this Agreement by Company would cause Amazon irreparable harm for which Amazon has no adequate remedies at law. Accordingly, Amazon is entitled to specific performance of this Agreement or injunctive relief for any such breach. Company waives all claims for damages by reason of the wrongful issuance of an injunction and acknowledges that its only remedy in that case is the dissolution of that injunction. Company and any Subcontractor or third party utilized by it will have no lien, and Company hereby waives any right to any lien upon any shipment or portion thereof.

- 10.5 <u>Construction/Counterparts</u>. The section headings of this Agreement and of any Service Orders are for convenience only and have no interpretive value. This Agreement may be executed by facsimile and in one or more counterparts that together will constitute one and the same agreement.
- 10.6 <u>Survival</u>. The following provisions survive termination or expiration of this Agreement: Reports, Audits and Record Retention (Section 1.2), Term (Section 3), Representations and Warranties (Section 4), Confidentiality/Publicity (Section 5), Defense/Indemnity (Section 6), Insurance (Section 8), and General (Section 10).
- 10.7 Entire Agreement. This Agreement, the Nondisclosure Agreement (if any), together with all associated exhibits and schedules, which are incorporated by this reference, constitute the complete and final agreement of the parties pertaining to the Carrier Services and supersede the parties' prior agreements, understandings and discussions relating to the Carrier Services. No modification of this Agreement is binding unless it is in writing and signed by Amazon and Company.

The parties may use standard business forms, including bills of lading, proof of delivery documents and invoices, but use of such forms is for convenience only and does not alter the provisions of this Agreement even if signed by either or both parties. NEITHER PARTY WILL BE BOUND BY, AND EACH SPECIFICALLY OBJECTS TO, ANY PROVISION THAT IS DIFFERENT FROM OR IN ADDITION TO THIS AGREEMENT (WHETHER PROFFERED VERBALLY OR IN ANY QUOTATION, INVOICE, SHIPPING DOCUMENT, ACCEPTANCE, CONFIRMATION, CORRESPONDENCE, TARIFF, CIRCULAR OR OTHERWISE).

ITHIS SPACE INTENTIONALLY LEFT BLANK]

This Agreement is signed by duly authorized representatives of the parties below, effective as of the Effective Date.

AMAZON:

Amazon Fulfillment Services, Inc.

Name: GRISH LAKEHMAN

Date Signed: __

Title: UP WW TEAMSPORTAMOR

Amazon Fulfillment Services, Inc. Attention: Transportation Director (if by USPS):

P.O. Box 81226 Seattle, WA 98108-1226 (if by courier):

1200 12th Ave. S., Suite 1200 Seattle, WA 98144-2734

Facsimile: 206-266-2009;

Also: Attention: General Counsel (same P.O. box and courier address)

Facsimile: 206-266-1440

COMPANY:

General Freight Services, Inc.

Name: <u>Gregory</u>

Title: President

Date Signed: 9/6/2007

General Freight Services, Inc. Attention: Transportation Director Six Concourse Parkway, Ste 1750

Atlanta GA 30328 (if by courier): Six Concourse Parkway, Ste 1750

Atlanta GA 30328

Facsimile: 404-636-4650

EXHIBIT A

Transportation Fees & Expenses; SLA's

I. Definitions

- 1. "Amazon FC" means an Amazon Fulfillment Center.
- 2. "<u>Transload Facility</u>" means a facility owned, operated, or utilized by Company for cross docking Shipments.
- 3. "Transload" means the services described in Section 1.3 of Exhibit B.
- 4. "<u>Fuel Surcharge</u>" means the fuel surcharge calculated in accordance with Section IV of this Exhibit A.
- 5. "Net Verification Service" means physical verification of the quantity of goods in a carton as directed by Amazon.
- 5. "Shipment" means a set of items at case or pallet quantity moving from a Vendor to an Amazon FC, transportation of which is provided by Company.
- 6. "Vendor" means a third party supplier to Amazon.

II. Fees

A. "Door-to-Door" Domestic Line Haul Pricing**

Company will transport goods from the Transload Facility in the Origin City to the Amazon FC located in the applicable destination at the rates specified in the below table. Company will utilize Standard Intermodal 53' Service or Road-Rail Expedited 53' Service as directed by Amazon.

Origin City: TACOMA.WA*

Amazon FC Located in Following Destination	State	"Standard" Intermodal 53' Service (per container)**	Transit Time	Road-Rail Expedited 53' Service (per container)**	Transit Time
NEW CASTLE	DE	\$2,555.00	12 days	\$2,637.00	7 days
COFFEYVILLE	KS	\$1,978.00	7 days	\$2,160.00	3.5 days
CAMPBELLSVILLE	KY	\$2,060.00	9 days	\$2,556.00	5 days
HEBRON	KY	\$1,778.00	9 days	\$2,300.00	5 days
LEXINGTON	KY	\$1,978.00	9 days	\$2,519.00	5 days
LOUISVILLE	KY	\$1,764.00	9 days	\$2,276.00	5 days
RENO	NV	N/A		\$1,188.00	2 days
CARLISLE	PA	\$2,576.00	12 days	\$2,644.00	7 days
CHAMBERSBURG	PA	\$2,608.00	12 days	\$2,676.00	7 days
LESIWBERRY	PA	\$2,556.00	12 days	\$2,624.00	7 days
IRVING	TX	\$2,390.00	10 days	\$2,442.00	5.25 days

^{*} Tacoma, WA. Zone to include, Tacoma, WA., Fife, WA. Lakewood, WA.

Additional Amazon Fulfillment Center Locations may be added as mutually agreed in writing by the parties.

Door-to-Door Domestic Line Haul rates specified above are effective from the Effective Date through April 1, 2008. The parties will mutually agree in writing on revised rates for the above services provided after April 1, 2008.

Company may adjust the above Door-to-Door Domestic Line Haul rates if Company is subject to additional mandatory surcharges and mandatory service charges resultant in increased cost to Company (e.g. increased port surcharges, railroad lane adjustments) in providing the Carrier Services, provided that, (i) Company will take all reasonable steps to mitigate and minimize the extent to which it is required to pay such surcharges and/or service charges, (ii) the resulting cost increase to Company, and no more, shall be passed on to Amazon, and (iii) Company will provide Amazon with copies of all documents establishing such surcharges and/or service charges.

^{**} Above rates subject to the Fuel Surcharge

B. Transload and Drayage Fees.

Company will provide the Transload and Drayage services at the rates specified in the below table.

Service	Fee
Transload Service (per 40' container with 1500 cartons or less)	\$370.00
Transload Service (per 40' container with more than 1500 cartons)	\$370.00 + \$0.20 per carton in excess of 1500
Drayage from Port of Tacoma to Transload Facility*	\$125.00 per 40' container

^{*} Subject to Fuel Surcharge

C. Additional Carrier Services and Fees

From time to time Amazon may request Company to perform the services described in the table below ("Additional Carrier Services"). Additional Carrier Services will be charged at the rates specified below.

Transportation Services	Fee
In Transit Storage at Transload Facility (up to 5	
days)	No charge
In Transit Storage at Transload Facility (over 5	\$1.75 per pallet for each day over
days)	5 days
Printing and Affixing UCC 128 label	\$0.14 per carton
Drayage from Port of Seattle (excluding Terminal	
18)*	\$ 175 per 40' container
Drayage from Terminal 18 at Port of Seattle*	\$ 225 per 40' container
Net Verification Service	\$0.35 per carton

^{*} Subject to Fuel Surcharge

III. Fuel Surcharge

The Weekly Retail On-Highway Diesel Prices' National U.S. Index, issued by the Department of Energy (DOE) each Monday, will be the weekly diesel fuel cost used for loads picking up the following Tuesday through Monday. If the fuel index is not issued on Monday, the next index issued will be used.

To determine the applicable fuel adjustment, multiply the applicable door-to-door domestic linehaul rate or drayage rate specified in Section II above by the applicable Adjustment Factor percentage in the table listed below. Fractions of less than one-half cent will be dropped; fractions of one half cent or greater will be increased to the next whole cent.

Fuel Surcharge Schedule

National Fuel Surcharge Table				
Lov	v Cents er Gal.)	Hi	gh Cents per Gal.)	Adjustment Factor
\$	1.52	\$	1.56	6.50%
\$	1.56	\$	1.60	7.00%
\$	1.60	\$	1.64	7.50%
\$	1,64	\$	1.68	8.00%
\$	1.68	\$	1.72	8.50%
\$	1.72	\$	1.76	9.00%
\$	1.76	\$	1.80	9.50%
\$	1.80	\$	1.84	10.00%
\$	1.84	\$	1.88	10.50%
 \$	1.88	\$	1.92	11.00%
\$	1.92	\$	1.96	11.50%
\$	1.96	\$	2.00	12.00%
\$	2.00	\$	2.04	12.50%
\$	2.04	\$	2.08	13.00%
\$	2.08	\$	2.12	13.50%
\$	2.12	\$	2.16	14.00%
\$	2.16	\$	2.20	14.50%
\$	2.20	\$	2.24	15.00%
\$	2.24	\$ -	2.28	15.50%
\$	2.28	\$	2.32	16.00%
\$	2.32	\$	2.36	16.50%
\$	2.36	\$	2.40	17.00%
\$	2.40	\$	2.44	17.50%
\$. 2.44	\$	2.48	18.00%
\$	2.48	\$	2.52	18.50%
\$	2.52	\$	2.56	19.00%
\$	2.56	\$	2.60	19.50%
\$	2,60	\$	2.64	20.00%
\$	2.64	\$	2.68	20.50%
\$	2.68	\$	2.72	21.00%
\$	2.72	\$	2.76	21.50%
\$	2.76	\$	2.80	22.00%
\$	2.80	\$	2.84	22.50%

\$ 2.84	\$ 2.88	23.00%
\$ 2.88	\$ 2.92	23.50%
\$ 2.92	\$ 2.96	24.00%
\$ 2.96	\$ 3.00	24.50%
\$ 3.00	\$ 3.04	25.00%
\$ 3.04	\$ 3.08	25.50%
\$ 3.08	\$ 3.12	26.00%
\$ 3.12	\$ 3.16	26.50%
\$ 3.16	\$ 3.20	27.00%
\$ 3.20	\$ 3.24	27.50%

In the event that the Weekly Retail On-Highway Diesel Prices' National U.S. Index exceeds \$3.24, then the fuel surcharge percentage shall rise an additional 0.50% for each \$0.04 increase in diesel fuel prices.

Service Level Agreements (SLAs) IV.

1. Transit Times from Pickup to Amazon FC: Subject to the rest of this section, Company will meet the transit time requirements for delivery of Shipments to the applicable Amazon FC as set forth in Section II of this Exhibit A ("Transit Time Requirements"). The transit times will be based on a direct route from the Transload Facility to the applicable Amazon FC location. The date on which the Shipment is picked up will be considered Day 0, regardless of time of pickup, and the number of days in the transit times are business days (Monday through Friday). Amazon requires that delivery of Shipments to Amazon FCs occur within 30 minutes of scheduled delivery appointment time. The minimum service level for this metric is 99% compliance.

Company will not be expected to meet the Transit Time Requirements to the extent that doing so is not practical in light of the business rules established, or other requests made, by Amazon. For example, Amazon may establish a rule regarding frequency of truck load departures from the Transload Facility, or Amazon may request that Company expedite a Shipment.

In addition, Amazon requires that pickups must occur within 120 minutes of the scheduled pickup. The minimum service level for this metric is 99.4% compliance.

2. Throughput Times for Drayage and Transload: Subject to the rest of this section, Company will meet the below time requirements for drayage and transload of containers ("Drayage and Transload Time Requirements").

Time	Service
4 hours	Drayage of container, from time of release by freight forwarder to placement at Transload dock
24 hours	Transload of product from ocean container into domestic equipment

The minimum service level for this metric is 99% compliance.

Company will not be expected to meet the Drayage and Transload Requirements to the extent that doing so is not practical in light of other requests made by Amazon. For example, Amazon may require additional labeling or net verification quantity counts to maintain customs compliance.

- 3. Overage, Shortage & Damage (OS&D). Company agrees that the number of Shipments containing an overage or a shortage, or which are lost or damaged in domestic intermodal transportation, (in whole or in part) ("OS&D Shipments") will be no more than six-tenths of one percent (.6%) of the total number of Shipments tendered to Company per quarter. Shortages, Overages, Lost or Damaged goods and resultant product condition due to international ocean transportation and carriage, will be noted by Company's Transload facility and notification of exceptions provided to Amazon, allowing Amazon to pursue OS&D rules with Ocean vendor.
- 4. Failure to Meet SLAs. In the event of failure by Company to meet the service levels set forth in this Agreement, the parties agree to mutually consult regarding an action plan to improve performance. Repeated failure to meet these service levels will constitute a material breach of this Agreement.

EXHIBIT B

Carrier Services

1. Services

- 1.1. Definitions.
 - 1.1.]. "Transload Facility" means a facility owned, operated, or utilized by Company for cross docking shipments.
 - 1.1.2. "Shipment" means a set of items at container quantity moving from a Vendor to an Amazon FC, transportation of which is facilitated by Company.
- 1.2. Services. Company will provide the following services as required to transport and track Amazon Shipments from ports of entry specified by Amazon to Amazon FCs located in the United States, potentially going through Company's Transload Facility located in the United States, while meeting the Service levels described in Exhibit A
 - 1.2.1. Pickup, receiving, loading, sorting, segregating, transporting, labeling, tracking, unloading, route management, load management, load consolidation, reporting and other transportation and transportation-related services described in this Exhibit B.
 - 1.2.2.Set up and oversee the transportation organization and facilitation system
 - 1,2,3. Schedule, monitor and coordinate carriers and routing
 - 1.2.4. Monitor and coordinate cross dock functions
 - 1.2.5.Optimize volume
 - 1.2.6.Report exceptions
 - 1.2.7. Analyze transportation problems and missed metrics (defects)
- 1.3. Transload Services
 - 1.3.1. Company will arrange all Transload space, dock space, storage and other services as required to accommodate the transportation and volume of Shipments.
 - 1.3.1.1. The parties will mutually agree on Transload locations and facilities.
 - 1.3.1.2. Company will disclose to Amazon at the time of proposing a Transload facility whether such facility is operated by Company or contracted from another provider.
 - 1.3.2. Transload Services include, but are not limited to:
 - 1.3.2.1. Receive EDI ASN transmission from the freight forwarder;
 - 1.3.2.2. Dray the container from the port to the transload facility within 4 hours of release;
 - 1.3.2.3. Adhere to the Amazon.com Customs Compliance Receiving Process
 - 1.3.2.3.1. Verify the container seal against the seal # recorded on the House Bill of Lading (HBL)
 - 1.3.2.3.2. Verify quantity counts by ASIN against the container manifest
 - 1.3.2.3.3. Notify Amazon of any overages, shortages, or damages (OS&D);
 - 1.3.2.4. Using carton markings and/or instructions from Amazon.com, segregate cartons by destination FC;

- 1.3.2.5. Adhere to the shipment preparation guidelines in the Amazon.com Vendor Operations Manual for floor-loading or palletization of shipments to load shipments into intermodal containers;
- 1.3.2.6. Send EDI ASN to Amazon for newly created intermodal shipment;
- 1.3.2.7. Schedule delivery appointments using the Amazon.com appointment form for each intermodal container with Amazon FCs via email;
- 1.3.2.8. Coordinate transport and delivery of intermodal containers to meet the scheduled delivery appointments at Amazon FCs;
- 1.3.2.9. Upon request, provide 5 free days of in-transit storage and additional days as needed at prices specified in Exhibit A;
- Upon request, perform additional U.S. Customs compliance procedure of Net Verification of inner quantities at prices specified in Exhibit A;
- Upon request, perform ad-hoc transportation services as needed at rates to be mutually agreed upon by the parties.

2. System

Company will use a transportation management system ("TMS") to manage, monitor and control all Amazon Shipments in all phases of performing the Services. Company will configure a system which will provide a baseline evaluation for each transport activity and service element and provide a plan and time frame on how and when the Company will meet the terms of the Agreement. The TMS will include, but not be limited to:

- 2.1. A web-based system for scheduling and reporting transport activities, including:
 - 2.1.1.carrier assignment
 - 2.1.2. current Shipment status (carrier in-transit to pick up, freight loading, freight in transit, freight delivered, freight unloaded),
 - 2.1.3. status, summary and exception reporting
 - 2.1.4.problem anticipation providing sufficient time for escalation and resolution
 - 2.1.5.Shipment data
- 2.2. A system to respond to Amazon's pick up requests via electronic transactions (for example, EDI 204).
 - 2.2.1.A system to generate or retransmit shipment status via electronic transactions (for example, EDI 214). As a minimum, shipment status messages shall be transmitted daily or upon change in status.
 - 2.2.2.A system to list, sort and summarize active Shipment information (for example, identify all active loads that include books destined for an Amazon FC)
 - 2.2.3 A data collection system that tracks Shipment data, cost data, performance and key metric indicators for each transport activity.
- 2.3. Program. Company will use its best business judgment to design and implement proactive programs to facilitate the Carrier Services in each of the following areas, which will be approved by Amazon:

- 2.3.1 selecting and retaining Carriers
- 2.3.2. arranging for time critical and low defect transport
- 2.3.3.measuring key metrics such as carrier transit time, overages, shortages and damages
- 2.3.4.determining statistical performance level and variability of each key metric
- 2.3.5.communicating Shipment data and status
- 2.3.6.tracking capacity availability
- 2.3.7. generating savings against benchmark through optimal shipment planning
- 2.3.8 continuous improvement in each key metric
- 2.3.9.a strategy for meeting all SLAs

The purpose of each program is to improve performance, reduce Amazon's costs, and achieve continuous improvement in efficiency and savings to Amazon with this solution. The foregoing programs, and results within each program, will be reviewed quarterly by Company and Amazon in order to facilitate the improvement and efficiency of the Carrier Services.

3. Performance Expectations

- 3.1. Company will adhere to all performance expectations, including:
 - 3.1.1.Dray container from port to Transload Facility within 4 hours of release. For example, if a container is released at 10:00 AM on Tuesday, Company must arrange for the pick up of the Shipment prior to 2:00 PM on that Tuesday, unless otherwise mutually agreed by the Vendor and Company.
 - 3.1.2. Complete devan and load out at Transload Facility within 24 hours of arrival at Transload Facility. For example, if a container arrives at 10:00 AM on Tuesday, Company must complete the Transload of the Shipment prior to 10:00 AM the next Wednesday, unless otherwise mutually agreed by Vendor and Company.
 - 3.1.3. Delivery of Shipments to Amazon FCs within 30 minutes of scheduled delivery appointment time. For example, if the delivery appointment is scheduled for 3:00 PM on Tuesday, Company must arrange for the delivery of the Shipment to the Amazon FC between 2:30 PM and 3:30 PM, unless otherwise agreed by Amazon and Company.
 - 3.1.4. Company will process shipment status update messages from carrier and provide Shipment status messaging to Amazon for the following Shipment events
 - 3.1.4.1. Shipment pick up from Vendor
 - 3.1.4.2. Shipment delivery to Transload Facility
 - 3.1.4.3. Shipment pick up from Transload Facility
 - 3.1.4.4. Shipment delivery to Amazon FC
 - 3.1.5. Shipment messages will be transmitted to Amazon in the agreed upon format as soon as possible, but in no case later than 18 hours after the actual event.

4. Reports and Electronic Communications

- 4.1. Company will use it best business judgment to develop communications, reporting and data extracts, as required to facilitate Amazon's transportation needs.
 - 4.1.1.Company will provide weekly, monthly and quarterly reporting or data extract as required by Amazon to summarize all Shipment status, performance and costs.
 - 4.1.2. Company will submit all reports or data sets in a format specified by Amazon, which will allow evaluation and performance analysis by Amazon.
 - 4.1.3. Company will provide summary reports or data sets, which will summarize performance and costs with exceptions identified and the root cause for all problems and defects identified.
 - 4.1.4. Company's communications will comply with industry standards providing sufficient information to manage, monitor and control Shipment routing.
 - 4.1.5. Company's communications will be transmitted in a timely manner allowing sufficient time to accommodate planning and load processing.
 - 4.1.6. Company will provide Amazon with real time electronic information (raw data).
 - 4.1.7. Status reports will be made available via email and real-time EDI transmissions.
 - 4.1.8. Amazon will be able to access (either via Company's website or through customer service) the most recent status and physical location of a shipment.
 - 4.1.8.1. Inbound location shall be accurate within \pm 4 hours
 - 4.1.8.2. Outbound location shall be accurate within \pm 12 hours of most recent milestone.
 - 4.1.8.3. Company will update the status for each milestone (e.g., in transit, tendered for delivery, etc.), each time the status changes.

4.2. Carrier Services reporting:

- 4.2.1. Company will provide reporting or data extracts, to Amazon as requested, which is expected to include the following representative data:
 - 4.2.1.1. Containers picked up from port and transloaded;
 - 4.2.1.2. Cost of transload services by container;
 - 4.2.1.3. Intermodal container utilization by lane;
 - 4.2.1.4. Intermodal cost per lane;
 - 4.2.1.5. Recap of all Accessorial Charges by Vendor and destination Amazon FC.
 - 4.2.1.6. Company will provide cost by lane, by class and total transportation cost to each Amazon FC.
 - 4.2.1.7. Company will provide such reports via email or other mutually agreed method.
 - 4.2.1.8. All other information will be available via EDI reporting.
- 4.2.2. Performance for each transportation segment, including:
 - 4.2.2.1. Source, origin, destination, Carrier, pick up date / time, delivery date / time, miles, and load information (for example, pallet count and weight)

- 4.2.2.2. Compliance with SLAs
- 4.2.2.3. Performance against performance standards and key metrics
- 4.2.2.4. Exceptions identified and root cause of those exceptions identified
- 4.2.3. Recommend program changes.
- 4.3. Monthly and Quarterly statistical and summary reports or data extracts, will include, but not be limited to, the following items::
 - 4.3.1. Average transit time per route
 - 4.3.2. Transit time variability per route
 - 4.3.3.FC refusals of shipments and plans for improvement
 - 4.3.4.Loss and damage and plans for improvement
 - 4.3.5.SLA compliance and plans for improvement
 - 4.3.6. Appointment time versus arrival time and plans for improvement
 - 4.3.7.Billing issues and non payment
 - 4.3.8. Trouble shooting foreseeable problems
 - 4.3.9. Recommended route or process revisions

AMENDMENT No. 1 TO TRANSPORTATION AGREEMENT

This Amendment No. 1 to Transportation Agreement (this "Amendment") has an effective date of August 31, 2009 (the "Amendment Date"), and amends that certain Transportation Agreement with an effective date of August 13, 2007 (the "Agreement"), between Coyote Logistics LLC, (as successor in interest to General Freight Services, Inc., "Broker") and Amazon Fulfillment Services, Inc., a Delaware corporation, and its affiliates for which Carrier performs services under this Agreement (collectively "Amazon", and, together with Broker, the "Parties").

RECITALS

Broker and Amazon have entered into the Agreement with respect to the Broker's provision of common carrier logistics and transportation services to Amazon. Broker and Amazon desire to amend the Agreement to adjust the Rates, expand the Services and adjust the payment terms.

TERMS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Amendments.

- 1.1 Section 2.2 of the Agreement is deleted and replaced in its entirety with the following:
- "2.2 Invoices. Company will provide weekly electronic invoices that include fees for the prior week. Company will provide each invoice in a mutually agreeable format, provided that at Amazon's election, Company will issue separate invoices for each Amazon affiliate for which it provides Service (the parties agreeing that each such affiliate is solely responsible for payment for Broker Services provided to it under this Agreement); and (ii) each invoice will include sufficient information for Amazon to determine the accuracy of the amounts, including but not limited to, copies of the relevant bill of lading and proof of delivery (if applicable). Amazon will pay Company's properly submitted, and undisputed portions of, invoices within 40 days of receipt. Amazon has no obligation to pay any Fees or Expenses invoiced more than 60 days after they accrue ("Stale Fees"). If and to the extent Amazon directly causes Company to delay its provision of Company's properly submitted invoice to Amazon for the Stale Fees beyond 60 days from the date on which the Stale Fees accrued, then Amazon will pay undisputed portions of the Stale Fees on Company's properly submitted invoices, so long as Amazon receives Company's properly submitted invoice for the Stale Fees within 14 days of Amazon's cure of the cause for the delay in invoicing the Stale Fees."
- 1.2 The first sentence of <u>Section 3</u> of the Agreement is deleted and replaced in its entirety with the following:

"The term of this Agreement will begin on the Effective Date and will continue until August 31, 2010 ("Initial Term"); provided, however, Amazon may terminate this Agreement at any time without cause on 30 days advance notice to Company."

1.3 Exhibit A to the Agreement is hereby deleted and replaced in its entirety with Attachment A to this Amendment.



- 1.4 Section 9.2 of the Agreement is deleted and replaced in its entirety with the following:
- "9.2 Subcontractors. Notwithstanding the existence or terms of any subcontract, Company will remain responsible for the full performance of the Services. Company may contract subcontract with Carriers to perform Services under this Agreement. The terms and conditions of this Agreement are binding upon Company's agents, subcontractors (including Carriers) and affiliates ("Subcontractors"). Company (a) will ensure that all Subcontractors comply with this Agreement and (b) will be responsible for all acts, omissions, negligence and misconduct of such Subcontractors. Company will also ensure that all Subcontractors effectively and irrevocably: waive any lien upon (or other right with respect to) the products transported, regardless of whether such Subcontractor would otherwise be entitled to such lien or other rights pursuant to contract or applicable law; and waive any claim (including, without limitation, for amounts owed for delivery services) against Amazon and its affiliates. Without in any way limiting Company's obligations or Amazon's rights under Section 6 above, if any Subcontractor asserts any claim, demand, suit, or action ("Subcontractor Claim") against Amazon and/or its affiliates, and Company is undergoing any bankruptcy proceeding: Amazon may at its sole discretion, but is not obligated to, defend and/or settle such Subcontractor Claim at Company's cost and expense; and for the avoidance of doubt, if Amazon incurs or pays any damages, liabilities, losses, reasonable costs and expenses, or any other reasonable amounts relating to such Subcontractor Claim, Amazon may set off such amounts in full against any amounts Amazon owes to Company and/or demand immediate full reimbursement from Company."
- 2. Notice. As of the Amendment Date, the Company's notice address pursuant to Section 10.3 of the Agreement will be as follows (unless the Company subsequently changes its notice address pursuant to Section 10.3 of the Agreement):

"Coyote Logistics LLC

Attention: Transportation Director / Kelly Johnson

4400 Alexander Drive Alpharetta, GA 30022 Facsimile: 678-775-5195"

- 3. Consent to Transfer. Amazon consents to the Company's transfer of the Agreement pursuant to the operation of law from General Freight Services, Inc., to Coyote Logistics, LLC.
- 4. Defined Terms. Unless otherwise expressly defined in this Amendment, all capitalized terms herein have the meanings ascribed to them in the Agreement.
- 5. Effectiveness of Agreement. Except as expressly provided herein, nothing in this Amendment waives or modifies any of the provisions of the Agreement, or any amendment or addendum thereto. In the event of any conflict between the Agreement, this Amendment or any other amendment or addendum thereof, the document latest in time will prevail.
- 6. Other Terms. Except as provided in this Amendment, all other terms and conditions of the Agreement remain in full force and effect, and the Parties acknowledge that those terms and conditions are in full force and effect as of the date of this Amendment.
- 7. Counterparts and Facsimile Delivery. This Amendment may be executed in two or more counterparts, each of which will be deemed an original and all of which taken together will be deemed to constitute one and the same document. The Parties may sign and deliver this Amendment by facsimile transmission.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]



IN WITNESS WHEREOF, Carrier and Amazon have executed this Amendment.

"Broker"	"Amazon"
Coyote Logistics LLC	Amazon Fulfillment Services, Inc.
By (authorized signature) GREGIEN D. St. b. 11	By (authorized signature)
By: Name, Title (Print or Type)	By: Name, Title (Print or Type)
4400 Alexander Drive	
Address	Date Signed
Alpharetta, GA. 30022	
Address / 31/2671	
Date Signed	

IN WITNESS WHEREOF, Carrier and Amazon have executed this Amendment.

"Broker"	"Amazon"
Coyote Logistics LLC	Amazon Fulfillment Services, Inc.
By (authorized signature)	By (authorized signature) ALVISh Lakshman, VP-Transportation
By: Name, Title (Print or Type)	By: Name, Title (Print or Type)
4400 Alexander Drive	9.2-09
Address	Date Signed
Alpharetta, GA. 30022	
Address	
Date Signed	

EXHIBIT A

Transportation Fees & Expenses; SLA's

Definitions I.

- "Amazon FC" means an Amazon Fulfillment Center. 1.
- "Transload Facility" means a facility owned, operated, or utilized by Company for cross docking 2. Shipments.
- 3.
- "Transload" means the services described in Section 1.3 of Exhibit B.
 "Fuel Surcharge" means the fuel surcharge calculated in accordance with Section IV of this 4. Exhibit A.
- "Net Verification Service" means physical verification of the quantity of goods in a carton as 5. directed by Amazon.
- "Shipment" means a set of items at case or pallet quantity moving from a Vendor to an Amazon FC, transportation of which is provided by Company. 5.
- "Vendor" means a third party supplier to Amazon. 6.



II. Fees

A. "Door-to-Door" Domestic Line Haul Pricing**

Company will transport goods from the Transload Facility in the Origin City to the Amazon FC located in the applicable destination at the rates specified in the below table. Company will utilize Standard Intermodal 53' Service or Road-Rail Expedited 53' Service as directed by Amazon.

	Coyote Logistics - CLLQ 2009 - 2010 Rates					
From Tacoma, WA. to FC's						
FC Code	City	State	TRANSIT	MODE	RATE	СРМ
IND2	Plainsfield	IN	5 Days	Rail	\$1,692.00	\$0.760
PHL4	Carlisle	PA	7 Days	Rail	\$2,346.00	\$0.860
CVG2	Hebron	KY	5 Days	Rail	\$1,892.00	\$0.790
DFWI	Irving	TX	5 Days	Linehaul	\$2,663.00	\$1.260
PHIL5	The second second	PA	7 Days	Rail	\$2,362.00	\$0.860
IND1	Whitestown	IN	5 Days	Rail	\$1,692.00	\$0.760
SDF1	Campbellsville	ΚY	5 Days	Rail	\$2,181.00	\$0.880
PHX5	Goodyear	ΑZ	3 Days	Linehaul	\$1,998.00	\$1.370
RNOI	Femley	NV	2 Days	Linehaul	\$888.00	\$1.250
CVG3	Hebron	KY	5 Days	Rail	\$1,892.00	\$0.790
РНХ3	Phoenix	ΑZ	3 Days	Linehaul_	\$1,994.00	\$1.350
LEXI	Lexington	ΚY	5 Days	Rail	\$2,173.00	\$0.880
TULI	Coffeyville	KS	4 Days	Linehaul	\$2,444.00	\$1.230
PHL1	New Castle	DE	Service from	m Tacoma to F	C not required at	this time
AVP1	Hazelton	PA	Service from Tacoma to FC not required at this time			
CVGI	Hebron	KY	Service from Tacoma to FC not required at this time			

^{*} Tacoma, WA. Zone to include, Tacoma, WA., Fife, WA. Lakewood, WA.

Additional Amazon Fulfillment Center Locations may be added as mutually agreed in writing by the parties.

Door-to-Door Domestic Line Haul and Rail service rates specified above are effective from the Effective Date through March 31st, 2011. The parties will mutually agree in writing on revised rates for the above services provided after September 1st, 2009.

Company may adjust the above Door-to-Door Domestic Line Haul rates changed only if Company is subject to 5.2 additional mandatory surcharges and mandatory service charges resultant in increased cost to Company (e.g. increased port surcharges, railroad lane adjustments) in providing the Services, provided that, (i) Company will take all reasonable steps to mitigate and minimize the extent to which it is required to pay such surcharges and/or service charges, (ii) the resulting cost increase to Company, and no more, shall be passed on to Amazon, and (iii) Company will provide Amazon with copies of all documents establishing such surcharges and/or service charges.



^{**} Above rates subject to the Fuel Surcharge

B. Transload and Drayage Fees.

Company will provide the Transload and Drayage services at the rates specified in the below table.

Service	Fee
Transload Service (per 20' container with 1-750 cartons*)	\$294.00
Transload Service (per 40' container with 1-1500 cartons*)	\$370.00
Transload Service (per 45' container with 1-1500 cartons*)	\$390.00
Drayage from Port of Tacoma to Transload Facility*	\$135.00 per 40' container

^{*} Per carton additional charge when marine container exceeds above limit, = \$0.19 per carton

C. Additional Services and Fees

From time to time Amazon may request Company to perform the services described in the table below ("Additional Services"). Additional Services will be charged at the rates specified below.

Service	Fee
Storage at Transload Facility (up to 5 days)	No charge
Storage at Transload Facility (over 5 days)	\$1.75 per pallet for each day over 5 days
Printing and Affixing UCC 128 label	\$0.14 per carton
Drayage from Port of Seattle (excluding Terminal 18)*	\$ 178 per 40' container
Drayage from Terminal 18 at Port of Seattle*	\$ 235 per 40' container
Net Verification Service	\$0.35 per carton

^{*} Subject to Fuel Surcharge

^{*} Subject to Fuel Surcharge

III. Fuel Surcharge

The Weekly Retail On-Highway Diesel Prices' National U.S. Index, issued by the Department of Energy (DOE) each Monday, will be the weekly diesel fuel cost used for loads picking up the following Tuesday through Monday. If the fuel index is not issued on Monday, the next index issued will be used.

To determine the applicable fuel adjustment, multiply the applicable door-to-door domestic linehaul, rail or drayage rate specified in section II, by the applicable Adjustment Factor in Cents-Per-Mile from this item's table.

Table based off of the Weekly DOE National Index to all FC's except RNO1, PHX3 & PHX; where the use of the Weekly DOE West Coast Index will be used.

Fuel Surcharge Schedule

Highway Diesel Price		Surcharge	
When Fuel Range is:		is: (CPM)	
0	1.239	\$	
1.24	1.279	\$	-
1.28	1.319	\$	-
1.32	1.359	\$	0.005
1.36	1.399	\$	0.010
1.40	1.439	\$	0.015
1.44	1.479	\$	0.020
1.48	1.519	\$	0.025
1.52	1.559	\$	0.030
1.56	1.599	\$	0.350
1.60	1.639	\$	0.040
1.64	1.679	\$	0.045
1.68	1.719	\$	0.050
1.72	1.759	\$	0.055
1.76	1.799	\$	0.065
1.80	1.839	\$	0.070
1.84	1.879	\$	0.075
1.88	1.919	\$	0.080
1.92	1.959	\$	0.085
1.96	1.999	\$	0.090
2.00	2.039	\$	0.095
2.04	2.079	\$	0.100
2.08	2.119	\$	0.105
2.12	2.159	\$	0.110
2.16	2.199	\$	0.115
2.20	2.239	\$	0.120
2.24	2.279	\$	0.125
2.28	2.319	\$	0.130
2.32	2.359	\$	0.135



2.36 2.399 \$ 0.140 2.40 2.439 \$ 0.145 2.44 2.479 \$ 0.150 2.48 2.519 \$ 0.155 2.52 2.559 \$ 0.160 2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.180 2.72 2.759 \$ 0.180 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.215 3.00 3.039 \$ 0.225 3.08 3.119 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.255 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 <th></th> <th></th> <th>-</th> <th></th>			-	
2.44 2.479 \$ 0.150 2.48 2.519 \$ 0.155 2.52 2.559 \$ 0.160 2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.185 2.72 2.759 \$ 0.180 2.72 2.759 \$ 0.190 2.80 2.839 \$ 0.190 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.230 3.12 3.159 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 <td>2.36</td> <td>2.399</td> <td>\$</td> <td>0.140</td>	2.36	2.399	\$	0.140
2.48 2.519 \$ 0.155 2.52 2.559 \$ 0.160 2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.175 2.68 2.719 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.200 2.84 2.879 \$ 0.200 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.225 3.08 3.119 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.40 3.439 \$ 0.275 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 <td>2.40</td> <td>2.439</td> <td>\$</td> <td>0.145</td>	2.40	2.439	\$	0.145
2.52 2.559 \$ 0.160 2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.200 2.84 2.879 \$ 0.205 2.92 2.959 \$ 0.215 3.00 3.039 \$ 0.225 3.08 3.119 \$ 0.235 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 3.59 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	2.44	2.479	\$	0.150
2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.175 2.68 2.719 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.230 3.12 3.159 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 <td>2.48</td> <td>2.519</td> <td>\$</td> <td>0.155</td>	2.48	2.519	\$	0.155
2.56 2.599 \$ 0.165 2.60 2.639 \$ 0.170 2.64 2.679 \$ 0.175 2.68 2.719 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.230 3.12 3.159 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 <td>2.52</td> <td>2.559</td> <td>\$</td> <td>0.160</td>	2.52	2.559	\$	0.160
2.64 2.679 \$ 0.175 2.68 2.719 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.235 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 3.59 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300		2.599	\$	0.165
2.68 2.719 \$ 0.180 2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.220 3.04 3.079 \$ 0.225 3.08 3.119 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300 <td>2.60</td> <td>2.639</td> <td>\$</td> <td>0.170</td>	2.60	2.639	\$	0.170
2.72 2.759 \$ 0.185 2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.220 3.04 3.079 \$ 0.225 3.08 3.119 \$ 0.230 3.12 3.159 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	2.64	2.679	\$	0.175
2.76 2.799 \$ 0.190 2.80 2.839 \$ 0.195 2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.235 3.08 3.119 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.280 3.52 3.559 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	2.68	2.719	\$	0.180
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2.84 2.879 \$ 0.200 2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.225 3.08 3.119 \$ 0.230 3.12 3.159 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	2.76	2.799	\$	0.190
2.88 2.919 \$ 0.205 2.92 2.959 \$ 0.210 2.96 2.999 \$ 0.215 3.00 3.039 \$ 0.220 3.04 3.079 \$ 0.225 3.08 3.119 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.295 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	2.80	2.839	\$	0.195
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3.08 3.119 \$ 0.230 3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.00	3.039	\$	0.220
3.12 3.159 \$ 0.235 3.16 3.199 \$ 0.240 3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.04	3.079	\$	0.225
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3.20 3.239 \$ 0.245 3.24 3.279 \$ 0.250 3.28 3.319 \$ 0.255 3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.12	3.159	\$	0.235
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3.32 3.359 \$ 0.260 3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.24	3.279	\$	0.250
3.36 3.399 \$ 0.265 3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.28	3.319	\$	0.255
3.40 3.439 \$ 0.270 3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.32	3.359	\$	0.260
3.44 3.479 \$ 0.275 3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.36	3.399	\$	0.265
3.48 3.519 \$ 0.280 3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.40	3.439	\$	0.270
3.52 3.559 \$ 0.285 3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.44	3.479	\$	0.275
3.56 3.599 \$ 0.290 3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.48	3.519	\$	0.280
3.60 3.639 \$ 0.295 3.64 3.679 \$ 0.300	3.52	3.559	\$	0.285
3.64 3.679 \$ 0.300	3.56	3.599	\$	0.290
	3.60	3.639	\$	0.295
3.68 3.719 \$ 0.305	3.64	3.679	\$	0.300
	3.68	3.719	\$	0.305

^{*} Exception: From Transload Facility in Washington State to PHX3, PHX5, and RNO1-02, use DOE West Coast table

In the event that the Weekly Retail On-Highway Diesel Prices' National U.S. Index exceeds \$3.719, then the fuel surcharge will increase one-half cent for every \$0.04 increase in diesel fuel prices.



IV. Service Level Agreements (SLAs)

1. Transit Times from Pickup to Amazon FC: Subject to the rest of this section, Company will meet the transit time requirements for delivery of Shipments to the applicable Amazon FC as set forth in Section II of this Exhibit A ("Transit Time Requirements"). The transit times will be based on a direct route from the Transload Facility to the applicable Amazon FC location. The date on which the Shipment is picked up will be considered Day 0, regardless of time of pickup, and the number of days in the transit times are business days (Monday through Friday). Amazon requires that delivery of Shipments to Amazon FCs occur within 30 minutes of scheduled delivery appointment time. The minimum service level for this metric is 99% compliance.

Company will not be expected to meet the Transit Time Requirements to the extent that doing so is not practical in light of the business rules established, or other requests made, by Amazon. For example, Amazon may establish a rule regarding frequency of truck load departures from the Transload Facility, or Amazon may request that Company expedite a Shipment.

In addition, Amazon requires that pickups must occur within 120 minutes of the scheduled pickup. The minimum service level for this metric is 99.4% compliance.

2. Throughput Times for Drayage and Transload: Subject to the rest of this section, Company will meet the below time requirements for drayage and transload of containers ("Drayage and Transload Time Requirements").

Time	Service		
4 hours	Drayage of container, from time of release by freight forwarder to placement at Transload dock		
24 hours	Transload of product from ocean container into domestic equipment		

The minimum service level for this metric is 99% compliance.

Company will not be expected to meet the Drayage and Transload Requirements to the extent that doing so is not practical in light of other requests made by Amazon. For example, Amazon may require additional labeling or net verification quantity counts to maintain customs compliance.

- 3. Overage, Shortage &Damage (OS&D). Company agrees that the number of Shipments containing an overage or a shortage, or which are lost or damaged in domestic intermodal transportation, (in whole or in part) ("OS&D Shipments") will be no more than six-tenths of one percent (.6%) of the total number of Shipments tendered to Company per quarter. Shortages, Overages, Lost or Damaged goods and resultant product condition due to international ocean transportation and carriage, will be noted by Company's Transload facility and notification of exceptions provided to Amazon, allowing Amazon to pursue OS&D rules with Ocean vendor.
- 4. Failure to Meet SLAs. In the event of failure by Company to meet the service levels set forth in this Agreement, the parties agree to mutually consult regarding an action plan to improve performance. Repeated failure to meet these service levels will constitute a material breach of this Agreement.



KING COUNTY SUPERIOR COURT CASE ASSIGNMENT DESIGNATION and CASE INFORMATION COVER SHEET (cics)

In accordance with LCR82 (e), a faulty document fee of \$15 will be assessed to new case filings missing this sheet pursuant to King County Code 4.71.100.

CASE NUMBER:	ASE NUMBER:				
CASE CAPTION: Amazon.com, Inc. and Amazon Fulfillment Services, Inc. v. Coyote Logistics, LLC					
I certify that this case meets the case assignment criteria, described in King County LCR 82(e), for the:					
XX Seattle Area, define	ed as:				
	rth of Interstate 90 and including all of the Interstate 90 ties of Seattle, Mercer Island, Bellevue, Issaquah and Vashon and Maury Islands.				
Kent Area, defined	as:				
	All of King County south of Interstate 90 except those areas included in the Seattle Case Assignment Area.				
Signature of Petitioner/Plaintiff		Date			
or Classification of Attorney for Petitioner/Plaintiff	·.h.	<u>5/13/2011</u> Date			
20771					

WSBA Number

KING COUNTY SUPERIOR COURT

CASE INFORMATION COVER SHEET

Please check one category that best describes this case for indexing purposes. Accurate case indexing not only saves time but also helps in forecasting judicial resources. A faulty document fee of \$15 will be assessed to new case filings missing this sheet pursuant to Administrative Rule 2 and King County Code 4.71.100.

	ADOPTION/PATERNITY		DOMESTIC RELATIONS
	Adoption (ADP 5)		Annulment/Invalidity (INV3)*
	Challenge to Acknowledgment of Paternity (PAT 5)*	L	with dependent children? Y / N; wife pregnant? Y / N
	Challenge to Denial of Paternity (PAT 5)*		Committed Intimate Relationship (CIR 3)*
	Confidential Intermediary (MSC 5)		Dissolution With Children (DIC 3)*
	Establish Parenting Plan-Existing King County Paternity (MSC 5)*		Dissolution With No Children (DIN 3)*
	Initial Pre-Placement Report (PPR 5)		wife pregnant? Y / N
	Modification (MOD 5)*		Enforcement/Show Cause- Out of County (MSC 3)
	Modification-Support Only (MDS 5)*		Establish Residential Sched/Parenting Plan(PPS 3)* ££
	Paternity, Establish/Disestablish (PAT 5)*		Establish Support Only (PPS 3)* ££
	Paternity/UIFSA (PUR 5)*		Legal Separation (SEP 3)*
	Relinquishment (REL 5)		with dependent children? Y / N; wife pregnant? Y / N
	Relocation Objection/Modification (MOD 5)*		Mandatory Wage Assignment (MWA 3)
	Rescission of Acknowledgment of Paternity (PAT 5)*		Modification (MOD 3)*
	Rescission of Denial of Paternity (PAT 5)*		Modification - Support Only (MDS 3)*
	Termination of Parent-Child Relationship (TER 5)		Nonparental Custody (CUS 3)*
	•		Out-of-state Custody Order Registration (OSC 3)
			Out-of-State Support Court Order Registration (FJU 3)
			Relocation Objection/Modification (MOD 3)*
	APPEAL/REVIEW		DOMESTIC PARTNERSHIPS-REGISTERED
· .	Administrative Law Review (ALR 2)*		Dissolution of Domestic Partnership With Children (DPC 3)
	DOL Implied Consent—Test Refusal –only RCW 46.20.308 (DOL 2)*		Dissolution of Domestic Partnership- No Children- (DPN3)* pregnant? Y / N
			Invalidity of Domestic Partnership (INP 3)*
		L	with dependent children? Y / N; pregnant? Y / N
	CONTRACT/COMMERCIAL		Legal Separation of Domestic Partnership (SPD 3)*
X	Breach of Contract (COM 2)*		with dependent children? Y / N; pregnant? Y / N
	Commercial Contract (COM 2)*		
	Commercial Non-Contract (COL 2)*	_	DOMESTIC VIOLENCE/ANTIHARASSMENT
	Third Party Collection (COL 2)*		Certificate and Order of Discharge and for Issuance of a Separate No-Contact Order pursuant to RCW 9.94A.637.
			Civil Harassment (HAR 2)
			Confidential Name Change (CHN 5)
			Domestic Violence (DVP 2)
			Domestic Violence with Children (DVC 2)
			Foreign Protection Order (FPO 2)
			Sexual Assault Protection Order (SXP 2)
			Vulnerable Adult Protection (VAP 2)

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KING COUNTY SUPERIOR COURT CASE ASSIGNMENT DESIGNATION and

CASE INFORMATION COVER SHEET
Please check one category that best describes this case for indexing purposes.

	JUDGMENT		Guardian (GDN4)
	Confession of Judgment (MSC 2)*		Limited Guardianship (LGD 4)
	Judgment, Another County, Abstract (ABJ 2)		Minor Settlement (MST 4)
	Judgment, Another State or Country (FJU 2)		Notice to Creditors - Only (NNC 4)
	Tax Warrant (TAX 2)		Trust (TRS 4)
	Transcript of Judgment (TRJ 2)		Trust Estate Dispute Resolution Act/POA (TDR 4)
			Will Only—Deceased (WLL4)
	PROPERTY RIGHTS		
	Condemnation/Eminent Domain (CON 2)*		TORT, ASBESTOS
	Foreclosure (FOR 2)*	Ш	Personal Injury-Schroeter Goldmark (PIN 2)*
_	Land Use Petition (LUP 2)*		Personal Injury- Other (PIN 2)
	Property Fairness (PFA 2)*	<u> </u>	Wrongful DeathSchroeter Goldmark (WDE 2)*
	Quiet Title (QTI 2)*		Wrongful Death- Other (WDE 2)
	Unlawful Detainer (UND 2)		
			TORT, MEDICAL MALPRACTICE
	OTHER COMPLAINT/PETITION		Hospital (MED 2)*
	Action to Compel/Confirm Private Binding Arbitration (MSC 2)		Medical Doctor (MED 2)*
	Certificate of Rehabilitation (MSC 2)		Other Health Care Professional (MED 2)*
	Change of Name (CHN 2)		
	Deposit of Surplus Funds (MSC 2)		TORT, MOTOR VEHICLE
	Emancipation of Minor (EOM 2)		Death (TMV 2)*
	Frivolous Claim of Lien (MSC 2)		Non-Death Injuries (TMV 2)*
	Injunction (INJ 2)*		Property Damage Only (TMV 2)*
	Interpleader (MSC 2)		Victims Vehicle Theft (VVT 2)*
	Malicious Harassment (MHA 2)*		
	Other Complaint/Petition (MSC 2)*		TORT, NON-MOTOR VEHICLE
			Implants (PIN 2)
-	Petition for Civil Commitment (Sexual Predator) (PCC 2)	-	• • •
-	Public Records Act (PRA 2)*	\vdash	Other Malpractice (MAL 2)*
	Receivership (MSC 2)	-	Personal Injury (PIN 2)*
-	School District-Required Action Plan (SDR 2)	-	Products Liability (TTO 2)*
ļ	Seizure of Property from the Commission of a Crime (SPC 2)*	-	Property Damage (PRP 2)*
-	Seizure of Property Resulting from a Crime (SPR 2)*	L	Property Damage –Gang (PRG 2)*
	Structured Settlements (MSC 2)*		Tort, Other (TTO 2)*
	Subpoena (MSC 2)		
	PROBATE/GUARDIANSHIP		
	Absentee (ABS 4)	_	WRIT
	Disclaimer (DSC4)		Habeas Corpus (WHC 2)
	Estate (EST 4)		Mandamus (WRM 2)**
	Foreign Will (FNW 4)		Review (WRV 2)**

L/forms/cashiers/CICS rev.1/11

£ Paternity Affidavit or Existing/Paternity is not an issue and NO other case exists in King County * The filing party will be given an appropriate case schedule at time of filing. ** Case schedule will be issued after hearing and findings

L/forms/cashiers/CICS rev.1/11 4

11 MAY 13 PM 2:33

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 11-2-17491-3 SEA

SUPERIOR COURT OF WASHINGTON COUNTY OF KING

AMAZON.COM and AMAZON FULFILL

NO. 11-2-17491-3 SEA

VS

COYOTE LOGISTICS, LLC

CASE INFORMATION COVER SHEET AND AREA DESIGNATION

CAUSE OF ACTION

(COM) - CONTRACT/COMMERCIAL

AREA DESIGNATION

SEATTLE - Defined as all King County north of Interstate 90 and including all of Interstate 90 right of way, all of the cities of Seattle, Mercer Island, Issaquah, and North Bend, and all of Vashon and Maury Islands.

11 MAY 31 AM 10:15

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 11-2-17491-3 SEA

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8 AMAZON.COM, INC., and AMAZON FULFILLMENT SERVICES, INC., Delaware

COYOTE LOGISTICS, LLC, a Delaware limited

corporations,

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liability company,

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SUPERIOR COURT OF WASHINGTON IN AND FOR KING COUNTY
ON.COM, INC., and AMAZON | The Honorable Jim Rogers

NO. 11-2-17491-3 SEA

NO. 11-2-17491-3 SEA

NOTICE OF APPEARANCE

TO: Amazon. Com, Inc. and Amazon Fulfillment Services, Inc., Plaintiffs; and

Defendant.

Plaintiffs,

TO: Christopher W. Nicoll and Larry E. Altenbrun, their attorneys

PLEASE TAKE NOTICE that the appearance of defendant Coyote Logistics, LLC is hereby entered in the above-entitled action through the undersigned attorneys, without precluding the right to challenge lack of jurisdiction, insufficiency of process and insufficiency of service of process pursuant to CR 12(b). All further pleadings and papers, except original process, shall hereafter be served upon said attorneys.

DATED this 26th day of May, 2011.

RYAN, SWANSON & CLEVELAND, PLLC

John R. Ruhl, WSBA #8558

Attorneys for Defendant

NOTICE OF APPEARANCE - 1



11 MAY 31 AM 10:15

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 11-2-17491-3 SEA

SUPERIOR COURT OF WASHINGTON IN AND FOR KING COUNTY

AMAZON.COM, INC., and AMAZON FULFILLMENT SERVICES, INC., Delaware corporations,

Plaintiffs,

The Honorable Jim Rogers

NO. 11-2-17491-3 SEA

DECLARATION OF SERVICE

v.

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COYOTE LOGISTICS, LLC, a Delaware limited liability company,

Defendant.

Marcia M. Jacobson, declares and states as follows:

I am a citizen of the United States, over the age of 18 years, not a party in the foregoing action, and am competent to testify as a witness. I am employed by the law firm of Ryan, Swanson & Cleveland PLLC, and my business address is 1201 Third Avenue, Suite 3400, Seattle, Washington 98101.

On this day, I caused Coyote Logistics Notice of Appearance to be served as follows:

	By U.S. Mail	
22		
22	Christopher W. Nicoll	
23	Larry E. Altenbrun	
24	NICOLL BLACK & Feig	
- '	1325 Fourth Avenue, Suite 1650	
25	Seattle, WA 98101	
	Counsel for Plaintiffs	

DECLARATION OF SERVICE - 1



I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

(Date and Place)

Marcia M. Jacobson

DECLARATION OF SERVICE - 2

11 MAY 13 PM 2:33

KING COUNTY SUPERIOR COURT CLERK E-FILED

CASE NUMBER: 11-2-17491-3 SEA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KING

AMAZON.COM and AMAZON FULFILLMENT SERVICES, INC.	NO. 11-2-17491-3 Order Setting Civil Cas	SEA se Schedule (*ORSCS)
vs Plaintiff	f(s)	
COYOTE LOGISTICS, LLC	ASSIGNED JUDGE F	Rogers 45
	FILE DATE:	05/13/2011
Defendan	t(s) TRIAL DATE:	10/29/2012
A civil case has been filed in the King County Suon Page 3 as ordered by the King County Superi		aged by the Case Schedule
l.	NOTICES	
NOTICE TO PLAINTIFF: The Plaintiff may serve (Schedule) on the Defendant(s) along with the S Plaintiff shall serve the Schedule on the Defenda Summons and Complaint/Petition or (2) service Complaint/Petition, whether that response is a (CR 12) motion. The Schedule may be served by the form required by Civil Rule 5 (CR 5).	Summons and Complaint/Perant(s) within 10 days after the late of the Defendant's first resparance, a resparance, a resparance.	tition. Otherwise, the later of: (1) the filing of the conse to the ponse, or a Civil Rule 12
"I understand that I am required to give a cop	y of these documents to all	parties in this case."
1		
Print Name	Sign Name	

I. NOTICES (continued)

NOTICE TO ALL PARTIES:

All attorneys and parties should make themselves familiar with the King County Local Rules [KCLR] -especially those referred to in this Schedule. In order to comply with the Schedule, it will be necessary for attorneys and parties to pursue their cases vigorously from the day the case is filed. For example, discovery must be undertaken promptly in order to comply with the deadlines for joining additional parties, claims, and defenses, for disclosing possible witnesses [See KCLCR 26], and for meeting the discovery cutoff date [See KCLCR 37(g)].

CROSSCLAIMS, COUNTERCLAIMS AND THIRD PARTY COMPLAINTS:

A filing fee of \$230 must be paid when any answer that includes additional claims is filed in an existing

KCLCR 4.2(a)(2)

A Confirmation of Joinder, Claims and Defenses or a Statement of Arbitrability must be filed by the deadline in the schedule. The court will review the confirmation of joinder document to determine if a hearing is required. If a Show Cause order is issued, all parties cited in the order must appear before their Chief Civil Judge.

PENDING DUE DATES CANCELED BY FILING PAPERS THAT RESOLVE THE CASE:

When a final decree, judgment, or order of dismissal of all parties and claims is filed with the Superior Court Clerk's Office, and a courtesy copy delivered to the assigned judge, all pending due dates in this Schedule are automatically canceled, including the scheduled Trial Date. It is the responsibility of the parties to 1) file such dispositive documents within 45 days of the resolution of the case, and 2) strike any pending motions by notifying the bailiff to the assigned judge.

Parties may also authorize the Superior Court to strike all pending due dates and the Trial Date by filing a Notice of Settlement pursuant to KCLCR 41, and forwarding a courtesy copy to the assigned judge. If a final decree, judgment or order of dismissal of all parties and claims is not filed by 45 days after a Notice of Settlement, the case may be dismissed with notice.

If you miss your scheduled Trial Date, the Superior Court Clerk is authorized by KCLCR 41(b)(2)(A) to present an Order of Dismissal, without notice, for failure to appear at the scheduled Trial Date.

NOTICES OF APPEARANCE OR WITHDRAWAL AND ADDRESS CHANGES:

All parties to this action must keep the court informed of their addresses. When a Notice of Appearance/Withdrawal or Notice of Change of Address is filed with the Superior Court Clerk's Office, parties must provide the assigned judge with a courtesy copy.

ARBITRATION FILING AND TRIAL DE NOVO POST ARBITRATION FEE:

A Statement of Arbitrability must be filed by the deadline on the schedule if the case is subject to mandatory arbitration and service of the original complaint and all answers to claims, counterclaims and cross-claims have been filed. If mandatory arbitration is required after the deadline, parties must obtain an order from the assigned judge transferring the case to arbitration. Any party filing a Statement must pay a \$220 arbitration fee. If a party seeks a trial de novo when an arbitration award is appealed, a fee of \$250 and the request for trial de novo must be filed with the Clerk's Office Cashiers.

NOTICE OF NON-COMPLIANCE FEES:

All parties will be assessed a fee authorized by King County Code 4.71.050 whenever the Superior Court Clerk must send notice of non-compliance of schedule requirements and/or Local Civil Rule 41.

King County Local Rules are available for viewing at www.kingcounty.gov/courts/clerk.

II. CASE SCHEDULE

	DEADLINE		
or		Filing	
CASE EVENT	EVE	ENT DATE	Needed
Case Filed and Schedule Issued.	Fri	05/13/2011	*
Last Day for Filing Statement of Arbitrability without a Showing of Good	Fri	10/21/2011	*
Cause for Late Filing [See KCLMAR 2.1(a) and Notices on Page 2].			
\$220 arbitration fee must be paid	····		
DEADLINE to file Confirmation of Joinder if not subject to Arbitration.	Fri	10/21/2011	*
[See KCLCR 4.2(a) and Notices on Page 2].			
DEADLINE for Hearing Motions to Change Case Assignment Area.	Fri	11/04/2011	
[See KCLCR 82(e)]			
DEADLINE for Disclosure of Possible Primary Witnesses	Tue	05/29/2012	
[See KCLCR 26(b)].	······································		
DEADLINE for Disclosure of Possible Additional Witnesses	Mon	07/09/2012	
[See KCLCR 26(b)].		07/00/00/10	
DEADLINE for Jury Demand [See KCLCR 38(b)(2)].		07/23/2012	*
DEADLINE for Setting Motion for a Change in Trial Date	Mon	07/23/2012	*
[See KCLCR 40(d)(2)].			
DEADLINE for Discovery Cutoff [See KCLCR 37(g)].	Mon	09/10/2012	
DEADLINE for Engaging in Alternative Dispute Resolution [See KCLCR	Mon	10/01/2012	
16(b)].			
DEADLINE for Exchange Witness & Exhibit Lists & Documentary Exhibits	Mon	10/08/2012	
[See KCLCR 4(j)].			
DEADLINE to file Joint Confirmation of Trial Readiness	Mon	10/08/2012	*
[See KCLCR 16]			
DEADLINE for Hearing Dispositive Pretrial Motions [See KCLCR 56; CR	Mon	10/15/2012	
56].			
Joint Statement of Evidence [See KCLCR (4)(k)].		10/22/2012	
DEADLINE for filing Trial Briefs, Proposed Findings of Fact and	Mon	10/22/2012	*
Conclusions of Law and Jury Instructions (Do not file Proposed Findings of			
Fact and Conclusions of Law with the Clerk)			
Trial Date [See KCLCR 40].	Mon	10/29/2012	

III. ORDER

Pursuant to King County Local Civil Rule 4 [KCLCR 4], IT IS ORDERED that the parties shall comply with the schedule listed above. Penalties, including but not limited to sanctions set forth in Local Civil Rule 4(g) and Rule 37 of the Superior Court Civil Rules, may be imposed for non-compliance. It is FURTHER ORDERED that the party filing this action <u>must</u> serve this *Order Setting Civil Case Schedule* and attachment on all other parties.

DATED: 05/13/2011

PRESIDING JUDGE

Richard F. Modermost

IV. ORDER ON CIVIL PROCEEDINGS FOR ASSIGNMENT TO JUDGE

READ THIS ORDER BEFORE CONTACTING YOUR ASSIGNED JUDGE

This case is assigned to the Superior Court Judge whose name appears in the caption of this case schedule. The assigned Superior Court Judge will preside over and manage this case for all pretrial matters.

COMPLEX LITIGATION: If you anticipate an unusually complex or lengthy trial, please notify the assigned court as soon as possible.

APPLICABLE RULES: Except as specifically modified below, all the provisions of King County Local Civil Rules 4 through 26 shall apply to the processing of civil cases before Superior Court Judges. The local civil rules can be found at http://www.kingcounty.gov/courts/superiorcourt/civil.aspx.

CASE SCHEDULE AND REQUIREMENTS

Deadlines are set by the case schedule, issued pursuant to Local Civil Rule 4.

THE PARTIES ARE RESPONSIBLE FOR KNOWING AND COMPLYING WITH ALL DEADLINES IMPOSED BY THE COURT'S LOCAL CIVIL RULES.

A. Joint Confirmation regarding Trial Readiness Report:

No later than twenty one (21) days before the trial date, parties shall complete and file (with a copy to the assigned judge) a joint confirmation report setting forth whether a jury demand has been filed, the expected duration of the trial, whether a settlement conference has been held, and special problems and needs (e.g. interpreters, equipment, etc.).

The form is available at http://www.kingcounty.gov/courts/superiorcourt.aspx. If parties wish to request a CR 16 conference, they must contact the assigned court. Plaintiff's/petitioner's counsel is responsible for contacting the other parties regarding said report.

B. Settlement/Mediation/ADR

- a. Forty five (45) days before the trial date, counsel for plaintiff/petitioner shall submit a written settlement demand. Ten (10) days after receiving plaintiff's/petitioner's written demand, counsel for defendant/respondent shall respond (with a counter offer, if appropriate).
- b. Twenty eight (28) days before the trial date, a Settlement/Mediation/ADR conference shall have been held. FAILURE TO COMPLY WITH THIS SETTLEMENT CONFERENCE REQUIREMENT MAY RESULT IN SANCTIONS.
- **C. Trial:** Trial is scheduled for 9:00 a.m. on the date on the case schedule or as soon thereafter as convened by the court. The Friday before trial, the parties should access the King County Superior Cour website http://www.kingcounty.gov/courts/superiorcourt.aspx to confirm trial judge assignment. Information can also be obtained by calling (206) 205-5984.

MOTIONS PROCEDURES

A. Noting of Motions

Dispositive Motions: All summary judgment or other dispositive motions will be heard with oral argument before the assigned judge. The moving party must arrange with the hearing judge a date and time for the hearing, consistent with the court rules. Local Civil Rule 7 and Local Civil Rule 56 govern procedures for summary judgment or other motions that dispose of the case in whole or in part. The local civil rules can be found at http://www.kingcounty.gov/courts/superiorcourt/civil.aspx.

Nondispositive Motions: These motions, which include discovery motions, will be ruled on by the assigned judge without oral argument, unless otherwise ordered. All such motions must be noted for a date by which the ruling is requested; this date must likewise conform to the applicable notice requirements. Rather than noting a time of day, the Note for Motion should state "Without Oral Argument." Local Civil Rule 7 governs these motions, which include discovery motions. The local civil rules can be found at http://www.kingcounty.gov/courts/superiorcourt/civil.aspx.

Motions in Family Law Cases not involving children: Discovery motions to compel, motions in limine, motions relating to trial dates and motions to vacate judgments/dismissals shall be brought before the assigned judge. All other motions should be noted and heard on the Family Law Motions calendar. Local Civil Rule 7 and King County Family Law Local Rules govern these procedures. The local rules can be found at http://www.kingcounty.gov/courts/superiorcourt/civil.aspx.

Emergency Motions: Under the court's local civil rules, emergency motions will be allowed only upon entry of an Order Shortening Time. However, emergency discovery disputes may be addressed by telephone call and without written motion, if the judge approves.

B. Original Documents/Working Copies/ Filing of Documents

All original documents must be filed with the Clerk's Office. Please see information on the Clerk's Office website at www.kingcounty.gov/courts/clerk regarding the new requirement outlined in LGR 30 that attorneys must e-file documents in King County Superior Court. The exceptions to the e-filing requirement are also available on the Clerk's Office website.

The working copies of all documents in support or opposition must be marked on the upper right corner of the first page with the date of consideration or hearing and the name of the assigned judge. The assigned judge's working copies must be delivered to his/her courtroom or the Judges' mailroom. Working copies of motions to be heard on the Family Law Motions Calendar should be filed with the Family Law Motions Coordinator. On June 1, 2009 you will be able to submit working copies through the Clerk's office E-Filing application at www.kingcounty.gov/courts/clerk.

Service of documents. E-filed documents may be electronically served on parties who opt in to E-Service within the E-Filing application. The filer must still serve any others who are entitled to service but who have not opted in. E-Service generates a record of service document that can be e-filed. Please see information on the Clerk's office website at www.kingcounty.gov/courts/clerk regarding E-Service.

Original Proposed Order: Each of the parties must include an original proposed order granting requested relief with the working copy materials submitted on any motion. Do not file the original of the proposed order with the Clerk of the Court. Should any party desire a copy of the order as signed and filed by the judge, a pre-addressed, stamped envelope shall accompany the proposed order.

Presentation of Orders: All orders, agreed or otherwise, must be presented to the assigned judge. If that judge is absent, contact the assigned court for further instructions. If another judge enters an order on the case, counsel is responsible for providing the assigned judge with a copy.

Proposed orders finalizing settlement and/or dismissal by agreement of all parties shall be presented to the assigned judge or in the Ex Parte Department. Formal proof in Family Law cases must be scheduled before the assigned judge by contacting the bailiff, or formal proof may be entered in the Ex Parte Department. If final order and/or formal proof are entered in the Ex Parte Department, counsel is responsible for providing the assigned judge with a copy.

C. Form

Memoranda/briefs for matters heard by the assigned judge may not exceed twenty four (24) pages for dispositive motions and twelve (12) pages for nondispositive motions, unless the assigned judge permits over-length memoranda/briefs in advance of filing. Over-length memoranda/briefs and motions supported by such memoranda/briefs may be stricken.

IT IS SO ORDERED. FAILURE TO COMPLY WITH THE PROVISIONS OF THIS ORDER MAY RESULT IN DISMISSAL OR OTHER SANCTIONS. PLAINTIFF/PEITITONER SHALL FORWARD A COPY OF THIS ORDER AS SOON AS PRACTICABLE TO ANY PARTY WHO HAS NOT RECEIVED THIS ORDER.

PRESIDING JUDGE

Richard F. Modermost

King County
Department of Judicial Administration
Superior Court Clerk's Office

IMPORTANT NOTICE KING COUNTY SUPERIOR COURT HEARING LOCATIONS WILL CHANGE IF THE MALENG REGIONAL JUSTICE CENTER IN KENT IS CLOSED

The Maleng Regional Justice Center (MRJC) in Kent lies within the former Green River floodplain and is at risk of flooding if the Green River overtops its levies in a major flood event. The MRJC facility will likely be evacuated and closed if an imminent flood is predicted and operations normally located there will be forced to relocate.

If it becomes necessary to close the MRJC facility and relocate the courtrooms, some scheduled court proceedings at the King County Courthouse in Seattle will also be affected, with a changed location.

PLEASE NOTE: If you have a court proceeding scheduled at either the King County Courthouse in Seattle or the Maleng Regional Justice Center in Kent, please call (206) 296-9300 x '0' to learn if there is a flood related change to the location of your court proceeding. Call within two days of your scheduled court date for the current information.

Current MRJC flood status and proceeding location information will also be posted online here:

King County Superior Court's website: http://www.kingcounty.gov/courts/superiorcourt

King County Clerk's Office website: http://www.kingcounty.gov/courts/Clerk

The Clerk's Office and Superior Court remain committed to providing good customer service throughout the flood watch season and, if necessary, during a MRJC facility closure period. We thank you for your patience during this time.

*Please include a copy of this notice when providing copies of court documents to other parties.

Exhibit 2

Bruce Mitchell

From:

Jonathan Sisler [Jonathan.Sisler@Coyote.com]

Sent:

Tuesday, May 24, 2011 11:10 AM

To:

Bruce Mitchell

Subject:

FW: Notice of Service of Process

Jonathan Sisler
Chief Financial Officer
T: 847.235.7428
F: 847.810.5693
C: 404.374.0617
jonathan.sisler@coyotelogistics.com
960 North Point Parkway, Suite #150, Alpharetta, GA 30005
www.coyotelogistics.com





From: sop@cscinfo.com [mailto:sop@cscinfo.com]

Sent: Saturday, May 21, 2011 12:40 PM

To: Jonathan Sisler

Subject: Notice of Service of Process

Corporation Service Company ®

CSC SameDay SOP and CSC PowerBrief clients, click <u>here</u> to receive and view your Service of Process documents now. For more information on instant access to your SOP, click <u>Sign Me Up</u>.

NOTICE OF SERVICE OF PROCESS

Transmittal Number: 8752891

Date: 05/21/2011

Pursuant to client instructions, we are forwarding this summary and notice of Service of Process. The Service of Process document has been sent to the primary contact listed below.

Entity:

Coyote Logistics, LLC

Entity I.D. Number:

2451542

Entity Served:

Coyote Logistics, LLC

Title of Action:

Amazon.com, Inc. vs. Coyote Logistics, LLC

Document(s) type:

Summons/Complaint

Nature of Action:

Contract

Court/Agency:

King County Superior Court, Washington

Case/Reference No:

11-2-17491-3 SEA

Jurisdiction Served:

Georgia

Date Served on CSC:

05/20/2011

Answer or Appearance Due: 20 Days

Originally Served On:

CSC

How Served:

Personal Service

Sender Information:

Christopher W. Nicoll 206-838-7555

Primary Contact:

Jonathan Sisler Coyote Logistics, LLC

Information contained on this transmittal form is for record keeping, notification and forwarding the attached document(s). It does not constitute a legal opinion. The recipient is responsible for interpreting the document(s) and taking appropriate action.

Please visit www.cscglobal.com for more information on CSC's Litigation and Matter Management services, including service of process (SOP) history, online acknowledgement of SOP, fully electronic scanned SOP and SOP package tracking information.

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2711 Centerville Road Wilmington, DE 19808 (888) 690-2882