



**Ryder ChoiceLease Full Service
Tax Advantage**

**VEHICLE OPERATING & SERVICE AGREEMENT (VOSA)
SCHEDULE A**

Customer Lessee Name: D'Arrignan, Inc.	Customer Vehicle Domicile: Union, NJ	Customer Number: 42510
Ryder Maintenance Facility Number & Name: 3249 LONG ISLAND-7881 INDEN NJ	Schedule A No. MAIAG&446	Schedule A Date: April 10th, 2018
		VOSA Date: February 22nd, 2017

1. Vehicle: This Schedule A shall cover the following 1 Vehicle(s):

Vehicle Information			
Ryder Unit No.	Customer Unit No.	Date of Delivery	Serial Number
1803876		09/18/2018	JALE5W161K7301611
			Replaces Ryder Unit No.

The parties acknowledge and agree that certain information required to complete this Section may not be available upon execution of this Schedule and that Ryder will furnish any such information upon delivery of the Vehicle(s). Notwithstanding anything to the contrary in the Agreement or this Schedule A, (i) it is the sole responsibility of Customer to ensure that the condition of the Vehicle(s) is acceptable to Customer for its intended use, and that use of the Vehicle(s) will not result in any violation of any laws, regulations, or ordinances applicable to such use and (ii) Customer will return the Vehicle(s) and all accessory items clean, dry, and free of odor, debris, pests, insects, contamination, or infestation.

2. Terms: The following terms shall apply to each Vehicle listed on this Schedule A:

Original Value:	\$89,400	Term In Months:	48
Monthly Depreciation:	\$1,491.45	Fixed Charge Per Month:	\$2,069.77
Max GVW/GVW and/or Licensed Weight:	19,500		
Estimated Annual Mileage:	40,001	Mileage Rate per Mile:	\$ 0.0750
Estimated Annual Refrigeration Hours:	1,080	Refrigeration Hourly Rate:	\$0.0000

The Original Value at the end of the term shall be: \$17,810.

3. Vehicle Component Information: Each Vehicle listed on this Schedule A is comprised of the following components:

Component Information			
Component	Model Year	Description	Monthly Depreciation
Cab/Chassis	2019	Isuzu NRR NT2	\$935.29
Body	2019	Insulation Van	\$316.60
Reefer	2019	Supra 550(Carrier)	\$239.56

4. Vehicle Agreement: Each Vehicle listed on this Schedule A shall constitute a separate and independent agreement subject to the terms and conditions contained in: (i) the VOSA; (ii) any amendments to the VOSA; (iii) this Schedule A; and (iv) any other written

agreement between Ryder and you regarding that Vehicle (including, without limitation, any Vehicle Purchasing Customer proposal Specifications Sheets signed by Customer). Any reference to the VOSA contained in any of the foregoing documents shall be deemed to refer to such and every Vehicle agreement. Payments relating to an invoice for multiple Vehicles will be allocated on a pro-rata basis among the covered Vehicles. The terms of this Schedule A apply to all Vehicles listed on this Schedule A and are part of each respective Vehicle agreement. If there is a conflict between the terms of this Schedule A and any other terms of the VOSA, then the terms of this Schedule A will apply.

5. Investment: The Original Value, Monthly Depreciation and Fixed Charge Per Month listed above are based, in part, upon the manufacturer's quoted price as of the date you execute this Schedule A. If the manufacturer's quoted price increases prior to the Date of Delivery of a Vehicle, then you agree that for each \$50 increase in price (or fraction thereof), Original Value shall be increased by \$50.00, Monthly Depreciation shall be increased by \$0.65, and the Fixed Charge per Month shall be increased by \$1.30.

6. Original Identification Cost: \$1000. If this amount varies by \$50.00 or more in price, the Original Value, Monthly Depreciation and Fixed Charge per Month will be adjusted as indicated in (5) above.

7. Estimated Annual Mileage: You may not operate any Vehicle more than 20% in excess of the Estimated Annual Mileage in any 12-month period. If during any 12-month period, the actual miles on any Vehicle exceeds the Estimated Annual Mileage listed on this Schedule A by 20 %, then, in addition to all other rights and remedies hereunder, Ryder will assess a surcharge of \$0.0500 per mile for all miles over the Estimated Annual Mileage and you agree to pay this surcharge in addition to all other amounts due Ryder within the time provided in the T.T.S.A. You will not be entitled to a credit or carry forward if actual annual miles is less than the Estimated Annual Mileage.

8. Estimated Annual Engine Hours for Refrigerated Trailers and Straight Trucks ("Refrigerated Vehicles"): You may not operate any Vehicle more than 10% in excess of the Estimated Annual Refrigeration Hours during any 12-month period. If during any 12-month period, the actual refrigeration hours on any Vehicle exceeds the Estimated Annual Refrigeration Hours by 10%, then Ryder will assess a surcharge of 40% of the Refrigerated Hourly Rate for all hours in excess of the Estimated Annual Refrigeration Hours and you agree to pay this surcharge in addition to all other amounts due Ryder within the time provided in the VOSA. You will not be entitled to a credit or carry forward if actual annual hours are less than the Estimated Annual Refrigeration Hours listed above.

9. Estimated Annual Standby Refrigeration: Not Applicable.

10. The CPI Base Index: Is (to be determined). The Base Index shall be the current index as of the Date of Delivery. Exposure %: Notwithstanding anything in the VOSA to the contrary, 50 % of the Fixed Charge Per Month and 100 % of the Mileage Rate Per Mile and 100 % of the Refrigerated Maintenance Rate Per Hour on the Vehicles listed on this Schedule A shall be subject to adjustment in accordance with the VOSA.

Effective Date of Adjustments: January first and July first

11. Per Vehicle Annual Allowances: The allowances described below are included in the Fixed Charge Per Month. If the actual cost of any item(s) listed below, including any costs incurred in states other than those listed, exceeds the annual allowance amount for that item, then you agree to pay Ryder the excess, in addition to all other charges.

Description	Annual Allowance Amount
Vehicles listed on this Schedule A operate in State(s) of: NJ	
State Motor Vehicle License, Registration and Inspection fees	\$179
FTA / Mileage Tax Permits	\$0
Federal Heavy Vehicle Use Taxes	\$0
Personal Property Taxes	\$0

12. Vehicle Related Services:

Vehicle Related Services	Provided By/Comments
Substitute Vehicles	Ryder also provided during PMs
Exterior Washing	Ryder (at Ryder's standard intervals)
Safety Services	Ryder
Licensing	Ryder Base Plate
IFTA/Mileage Tax Permitting & Reporting	You

13. Fuel: Ryder will provide fuel for the Vehicles and charge you for any fuel it provides in accordance with the terms of the VOSA and in addition to all other charges. You will be responsible for the cost of any fuel obtained from sources other than Ryder or Ryder's designated facilities. If your account is past-due, Ryder may elect to stop providing fuel to you 3 days from the date that Ryder sends written notice to you. All fuel used in the Vehicle that is obtained from a third party other than Ryder shall be of a type and grade that meets all manufacturers' recommendations and the requirements of applicable law.

14. Party Responsible for Liability Insurance: You. Combined Single Limits \$1,000,000 per occurrence. Ryder Truck Rental L.P. and Ryder Truck Rental, Inc. shall each be an additional insured under your Liability Insurance policy and a beneficiary of your indemnities in accordance with the VOSA.

15. Party Responsible for Physical Damage: You shall be responsible for all loss or damage to the Vehicles in accordance with the VOSA. Charges will not abate while the Vehicle is being repaired for Physical Damage during the lease term or at expiration. If a vehicle is lost, stolen or damaged beyond economic repair, then you agree to pay Ryder its purchase price at the time of loss and related costs and expenses as determined under the VOSA. At the expiration of a Vehicle's Term in Months (or upon earlier termination if you are not required to purchase the Vehicle), you shall pay Ryder the cost to de-identify each Vehicle and return the Vehicle to the Ryder service location listed on this Schedule A in good and working order without Physical Damage (normal wear and tear excepted). If you fail to do so, you shall continue to be liable for all obligations under this Agreement until you return the Vehicle to Ryder in accordance with this provision.

16. Other:

Inspections: Customer shall conduct pre and post inspections of the Vehicle, complete required reports, and promptly notify Ryder of any Vehicle condition issues. Ryder will not be liable for any Federal Motor Carrier Safety Administration ("FMCSA") violations or other citations for which Ryder was not provided notice.

Guaranteed Residual During the Term and at the End of the Term: If either party terminates the Agreement during the term of any Vehicle listed on this Schedule A (the "Scheduled Vehicle(s)") for any reason, and at the expiration of the term of each Scheduled Vehicle, you shall either: (a) purchase all such Scheduled Vehicles with respect to which termination notice has been given or with respect to which the full term has expired (as the case may be), at its Schedule A Value on the effective date of termination or the term expiration date (as the case may be), or (b) no later than 30 days before the termination date of the term expiration date (as the case may be), you shall request Ryder to determine the "Net Realizable Sales Proceeds" (as defined below) for each Scheduled Vehicle and shall then pay all amounts provided in this paragraph. Ryder shall determine the "Net Realizable Sales Proceeds" for each Scheduled Vehicle by selecting, at Ryder's option, one of the following two methods: (1) Making a bona fide cash sale of each Scheduled Vehicle; or (2) Obtaining 3 bona fide wholesale cash bids for each Scheduled Vehicle. The amount that Ryder receives from a sale of a Scheduled Vehicle pursuant to (1) above, less all expenses incurred by Ryder in making such sale (including any sales commission paid by Ryder) and less all taxes resulting from the sale, or the highest of the 3 bids under (2) above, shall constitute the "Net Realizable Sales Proceeds". If the Net Realizable Sales Proceeds for a Scheduled Vehicle exceed that Scheduled Vehicle's Schedule A Value, then Ryder shall remit the excess to you, provided, however, that prior to remitting the excess to you, Ryder shall subtract an amount equal to any of your unpaid obligations under the Agreement. If, on the other hand, the Net Realizable Sales Proceeds for a Scheduled Vehicle are less than that Scheduled Vehicle's Schedule A Value, then you agree to remit that deficiency to Ryder within 10 days of the date of Ryder's invoice. Notwithstanding anything in the Agreement (or the definition of Schedule A Value or the purchase price therein), after the expiration date of the term for each Vehicle listed on this Schedule A, the depreciated Original Value for each Vehicle shall never be an amount which is less than 20% of its Original Value.

Tax Treatment: The parties intend that this Agreement and Schedule A constitute a conditional sale and service agreement between the parties for federal and state income tax purposes. The parties understand and intend that for federal and state income tax purposes, Customer, and not Ryder, has the depreciable interest in each Vehicle. Customer expressly declines to provide the certification provided by Section 7701(b)(2)(C) of the Internal Revenue Code of 1986, as amended, relating to certain "qualified motor vehicle operating agreements." Ryder and Customer agree that Customer is the owner of each Vehicle for federal income tax purposes, and Ryder agrees not to claim depreciation deductions in respect of any such Vehicle or otherwise take any position on any income tax return inconsistent with such treatment.

General: This Schedule A contains information regarding each Vehicle selected by you and is a part of the VOSA. When you sign this Schedule A, you authorize Ryder to obtain the Vehicle(s) listed on this Schedule A and agree to take delivery of them. The Term for the Vehicle(s) will begin when Ryder tenders it to you and will continue for the period specified on this Schedule A unless the Term is terminated earlier as permitted by the VOSA.

Additional Services: Except for the charges listed on this Schedule A, all charges for goods and services under the VOSA, including any services subcontracted by Ryder, will be billed per Ryder's retail sales and service procedures and charges then in effect.

Disclaimer of Warranties: RYDER MAKES NO EXPRESS OR IMPLIED WARRANTY REGARDING THE VEHICLES, CHARGES OR ANY OTHER MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A SPECIAL OR PARTICULAR PURPOSE.

Waivers. EACH PARTY WAIVES AND RELEASES THE OTHER PARTY FROM ANY CLAIMS OR LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS. BOTH RYDER AND CUSTOMER WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY SUIT RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS VOSA.

Default on Rental or Return: If you are in default under any rental agreement with Ryder, you will also be in default under the VOSA. If you are in default under the VOSA, you will also be in default under any rental agreement with Ryder.

Confidentiality: You agree to maintain the confidentiality of the terms and rates contained in the VOSA and agree not to disclose our rates and terms unless required by law.

Indemnity Survival: All of the defense, release, indemnification, insurance and hold harmless provisions in the VOSA shall survive the termination or expiration of the VOSA for any reason.

RYDER TRUCK RENTAL, INC., d/b/a
RYDER TRANSPORTATION SERVICES
(Ryder)

By:

Tim Myhaver

Name:

Tim Myhaver

Title:

Group Director National Sales (GDNS)

Date:

4/19/18

D'Artagnan, Inc.

(Customer/Vendor)

By:

Robert Zivkovic

Name:

Robert Zivkovic

Title:

CFO

Date:

4/10/18