Proposal for Mercedes Benz USA

November 22, 2020

Mercedes Benz team,

Thank you for the opportunity to earn your business. We are pleased to provide this proposal for your consideration.

The objective is to provide Mercedes Benz with a visibility solution that will provide Real-Time Predictive visibility of your Ocean shipments to your planning, logistics and operations teams.

Our pricing and recommendations for the FourKites Visibility Cloud offers a set of core features designed to help view, track and predict your loads in real-time. You will also have premium features such as Insights API access, SKU tracking, custom notifications, user groups and Advanced Mobile App. In addition you will have access to the Insights suite, including: Foundations, Analytics & Advanced Analytics, and Recommendation Engine.

The FourKites Visibility Cloud leverages the largest network, with the widest carrier base to provide a single pane of glass to view, track and predict all of your loads. We are confident that our proposed solutions will enable Mercedes Benz USA to address the current need of a visibility solution in order to solve the need for real-time tracking and ETAs in planning and operations.

Our pricing is valid through *January 15, 2020* is quoted to you based on a three-year non-cancelable service agreement and is subject to the parties executing a mutual written agreement.

Thanks again for the opportunity. We look forward to partnering with you!

Regards,

Greg Colvin

What Makes FourKites Unique

A. We have the largest, and strongest network

FourKites provides the most expansive network in the real-time tracking and visibility space, with 325 Shipper customers, over 4K carriers onboarded, over 200 EDl/telematics integrations, and over 4MM connected devices. We track over 600K shipments each day. Customer derive network benefits from the FourKites community through increased visibility into their supply chains, continued investments in enriching the core offering, and a discipline to deliver customer-focused innovation at a rapid pace. We've grown our product through strong customer collaboration, and all participants in the network reap those benefits.

B. Our solutions are designed for enterprise customers

From the ground-up, the FourKites product has been designed with large shippers and 3PLs in mind, to deliver real-time tracking data and predictive analytics that scales across your entire organization and across your transportation network. We provide world-class orchestration tools to empower your teams to manage by exception across all your shipments and modes, creating better visibility, improving efficiency and delivering exceptional customer service.

As an example, a large clothing retail customer of ours once experienced a warehouse fire. The FourKites solution allowed them to quickly identify, and re-route in-transit freight to ensure inventory levels in the affected region remained at appropriate levels. This would not have been possible without real-time (minutes, not hours) information and exception management tools native to the solution.

One of the methods in which FourKites enables our users to manage by exception is with the Executive Dashboard.

This dashboard provides a summary overview of live loads and various impacting-events that can alter the status of a load. Each metric on the dashboard can be clicked on, allowing you to drill-down into the applicable loads and statuses that you are interested in digging into.

Across the top, you have a multitude of filters that you can apply to find the exact subset of loads you are looking for. These filters include: Carrier, Mode, Customer, Pickup, Delivery, and Tags.

3

In the middle section, you have 3 main buckets: At Risk Details, ETA Details, and Loads Snapshot. Within each bucket, there are various statuses that you can click on to view all of the loads for that particular status. For example, if you only want to view all of your loads that have an ETA of "Late", you can click on the "Late" box under ETA Details and you will be taken to a page displaying all of your Late loads.

C. We provide a single pane of glass across all modes

Transportation departments often have individual teams managing Ocean, Rail, and OTR freight. Much of the track and trace experience is fragmented, and reliant on multiple systems with varied user experiences and feature set limitations. This makes it difficult to view the end-to-end freight movement experience via a single offering.

FourKites provides one single solution to track loads and containers across all modes: Over the road, Rail, Ocean, and Parcel.

All loads, all modes, anywhere in the world

Over-the-road tracking

When looking at transportation visibility solutions, it is important to understand how a solution provides visibility across each mode of transportation, how updates are being obtained (EDI, ELD/GPS, cell phone, etc.), at what frequency the updates are being provided, and what types of "early warning" alerts can be generated to be able to take action.

FourKites offers door-to-door real-time tracking through an extensive set of integrations with carriers, telematics device providers, and carrier dispatch systems.

While receiving location updates via ELD telematics devices is the most preferred method for the most accurate and timely location updates, we know that the large enterprise shipper is working with a complex network of carriers and 3PLs, who all have varying levels of technological sophistication; some may have entire fleets outfitted with ELD devices, while some may still be using legacy devices and dispatch systems. That's why FourKites employs a comprehensive data collection strategy in order to capture ALL location data points—in any form or fashion it may exist. By directly integrating to both the ELD device as well as the carrier dispatch systems, we

are working to reduce data latency while expanding the breadth of data in which we use to power our predictive ETAs.
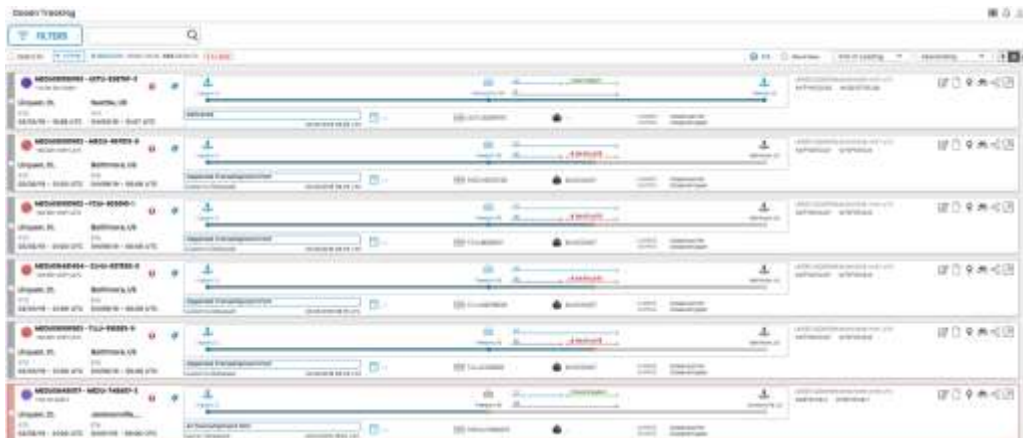
International

FourKites is tracking globally, with live shipments across Europe, Africa, and South America. With over 200+ direct integrations to international telematics devices, 100+ international carriers, and 5 TMS providers, we are positioned to bring real-time visibility and predictive analytics to large shippers across the globe.
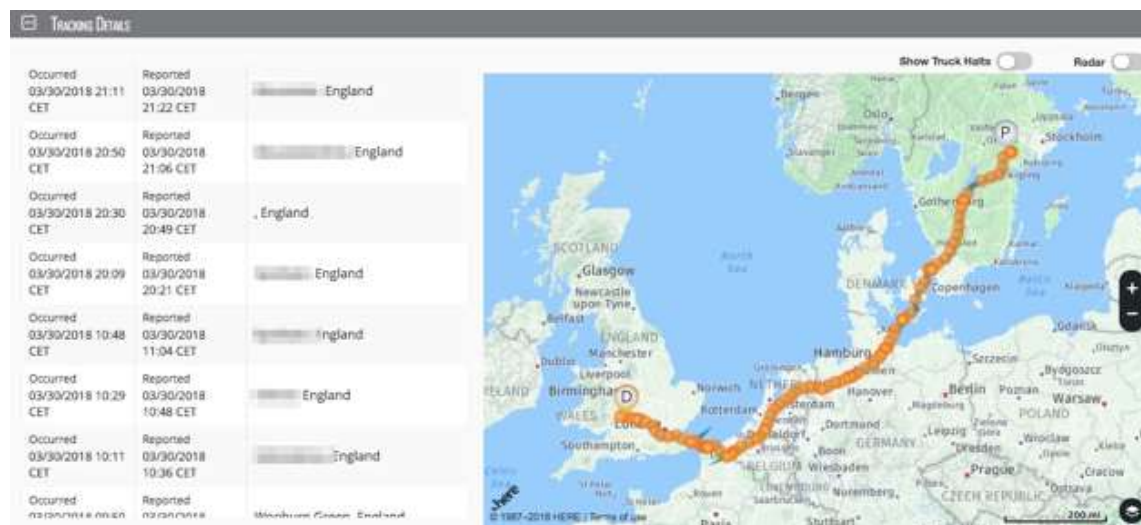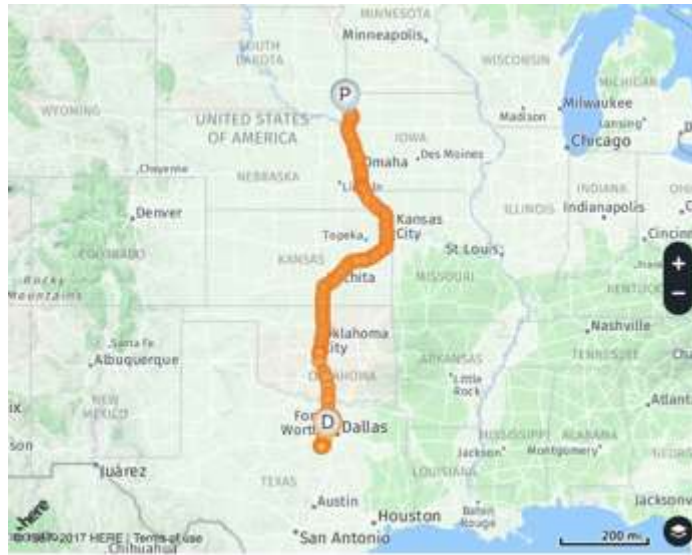
Intermodal and Ocean

For Rail tracking, we partner with Railinc to provide status updates, and we integrate directly with drayage carriers to provide true door-to-door intermodal visibility.

FourKites ocean tracking capabilities are driven by comprehensive and near real-time updates from AIS terrestrial and satellite data, as well as port in/out updates directly from carriers. Combined with marine weather data overlays and predictions, the FourKites ocean tracking solution is powered by the innovation that has helped us create a world-class OTR visibility and analytics product.

While powerful on its own, our ocean tracking solution is only part of the unique end-to-end visibility that FourKites can offer: because of our real-time tracking across ocean, rail, and OTR segments internationally, FourKites is the first in the industry to provide a unified solution for true door-to-door global visibility.

D. Breadth and depth of our product offering is unmatched

FourKites provides the most comprehensive product feature set in the industry. Our team consists of over 175 engineers, and we release new features and innovations to the platform every 2 weeks. Our product roadmap is built entirely upon customer feedback, and we work extensively with our customers to ensure they are extracting the most value out of the platform.

E. Best-in-class ETA

Knowing the actual location of a shipment is useful, but the true value of a visibility solution lies in the ability to accurately identify potential shipment delivery problems by using continually updated, predictive ETAs.

We are best in class because:
1. FourKites provides the only ETA built from B2B shipment Shipper, Carrier behavior, rather than consumer applications such as Google Maps, which are not designed for variability experienced within the shipping industry.
2. Our ETA predictions are fine tuned through automatic retraining, and direct data science review to dynamically adjust for seasonal slow downs, shifting operations and variable carrier routes.
3. We have a strong Data Science team dedicated to deployment, testing and monitoring of machine learning algorithms

Our ETA algorithm learns from terabytes of historical trip data to improve on results by taking into account factors such as:
- Stop level dwell times
- Lane level transit times
- Customer level appointment times
- Seasonal attributes

Hours of service (HOS) data incorporated
While the ETA algorithm uses a default assumption to account for rest periods due to HOS requirements, the system is configured to include driver-specific HOS data when available.

Predictive weather and traffic impacts
Our algorithms account for real-time changes to drive and transit times due to traffic and weather conditions.
- As traffic conditions change in real-time along a truck's likely route, the FourKites ETA algorithm factors those fluctuations into arrival time estimates.
- Automatically factors road condition changes into ETAs based on historical data showing the time impact of weather conditions.

Location-specific operating hours
Stop-specific business hours are factored into delivery time calculations, enabling significantly greater ETA precision. Customers can choose to configure these or not.
- Built-in specific hierarchy allows our customers to specify opening and closing times at shipper/customer/stop levels.

F. World class implementation/onboarding
In addition to a dynamic real-time visibility and predictive analytics product, you are also receiving a world-class implementation and onboarding team, dedicated to making sure that your company finds success with FourKites, and that value is achieved quickly. Serving over 100+ shipper and 3PL customers, comprising of Fortune 500 companies, we have a demonstrated history of successful onboarding and implementation that is repeatable and scalable.

G. Why is FourKites the right visibility partner?

FourKites is **uniquely positioned** in the transportation visibility market. We have built a vast network of shippers, carriers, and technology providers that we believe can continue to scale and provide network-effect benefits to everyone in it.

In addition, we believe our comprehensive data collection strategy provides the most accurate ETAs and is superior to other visibility solutions in the market. Older visibility solutions revolve around EDI tracking, which is typically nowhere near real-time and often fraught with errors. Similarly, more recent entrants to the transportation visibility market built their solutions on cell phone tracking of "hot loads" on trucks. Their platforms were not designed with the extensive amount of integration required to support the variety of tracking/dispatch sources that are inherent with modern means of tracking such as ELD, ocean AIS data and temperature data. FourKites was designed with integration in mind, which is why we continue to lead the industry in terms of breadth and depth of integration across systems, modes, and other sources of tracking data.

FourKites was designed for shippers and 3PLs. This focus has resulted in a solution that is very unique in the following regards:

- **Comprehensive data collection strategy.** With preferred ability to connect directly to ELD device, or carrier dispatch system to receive location updates. Utilizing both of these methods ensures a more reliable approach and results in much better ETAs.
- **Most accurate ETAs**. We utilize the best available routing, traffic and weather solutions in our ETA algorithms.
- **Support wide variety of shipment types and tracking requirements in one solution**: multimodal (OTR (TL/LTL), Intermodal, Rail and Ocean, ~~with Air coming soon~~), multi-stop, cross border, temperature monitoring, tracking before pickup, etc.
- **Extreme ease of use with robust filtering, alerting, ability for non-users to track loads, etc.**
- **Robust and customizable geo-fence capability**. By utilizing circular or custom-drawn geo-fences, we are ensuring that arrival/departure times can be tracked accurately for detention claim management and verification, and real-time notification to all parties.
- **Customer-centric innovation**. FourKites is the first to offer GPS/ELD-based tracking, real-time Rail, real-time Temperature tracking, port-to-door, and many other features. We are constantly innovating our product to suit the needs for our customers and stakeholders in the transportation industry.
- **Advanced analytics and comprehensive reporting**. FourKites Insights, our analytics and reporting suite, is built upon a transportation-specific data model. While anyone can bolt-on or develop a BI tool to their tracking product, we've taken the time to develop a robust data model in our solution that supports aggregation and analysis of data within a transportation context. This approach provides speed and flexibility for both users and our development team as this solution continues to expand into exciting areas over the coming months.

Because of all of these factors, we are confident that FourKites Visibility Cloud is the best visibility solution in the industry, and the right partner to help you optimize your transportation and supply chain network. An overwhelming majority of large enterprise shippers and 3PLs are choosing FourKites over the competition, and we look forward to showing you why.

Hear it from our customers

Leading food manufacturer on implementation

"What stood out for us with FourKites was their implementation plan. They were very clear on their process and standards and how they would interact with our carriers, which is obviously a critical partner of ours in implementation. They had flexibility in integrating with our TMS and management systems."

- **Sr. Director, Transportation and Logistics**

Global 3PL and supply chain solutions provider

"Freight visibility and true, actionable visibility has long been a priority for us. We chose FourKites because they've proven to provide the breadth and depth of capabilities that give us a 'control tower' view we need for our customers and our business."

- **VP of Transportation Management**

Global provider of food and agricultural services

"We have thousands of trucks on the road, and FourKites helped us take manual work out of the system and make it automated."

- **Global Process Manager, Transportation and Logistics**

Industry leading transportation and supply chain services provider

"You can't improve something if you don't track it. FourKites was critical for helping us have the visibility of our assets, our shipments, and our loads."

- **VP of Supply Chain Excellence**

Insights Included

Insights

Actionable analytics and data-driven intelligence

FourKites Insights is the data analytics and reporting suite that provides the customer with comprehensive dashboards, notifications, alerts and recommended actions at various levels of their supply chain. Your Insights package includes 4 core modules:

1. Foundations
2. Analytics
3. Advanced Analytics
4. Recommendation Engine

With FourKites Insights, we're providing data-driven insights and recommendations for enterprise shippers to reduce inefficiencies and to optimize their supply chain. We are equipping users with the tools to become experts in their supply chain performance.

Foundations

Foundations includes core reporting modules, such as Tracking Consistency and Carrier Onboarding. Tracking Consistency explains how well loads are tracking by providing insights at both summary and individual carrier views. By offering metrics such as loads tracked with consistency, loads with infrequent pings, loads assigned late and unassigned loads, users can identify potential areas of operational and technical improvement for themselves and their carriers in terms of tracking capabilities. Carrier Onboarding, on the other hand, assists customers with monitoring the progress of their carrier onboarding efforts. You can see how many carriers are up and running on the platform and how many are still pending so you can effectively prioritize your project management efforts.

Analytics

The Analytics capability of the Insights product suite consists of dashboards that provide enhanced historical metrics at the key entities within your supply chain. Customers can analyze their historical performance to identify trends and areas for improvement.

- My Lanes
- My Stops
- My Carriers
- My Customers
- My Load Details
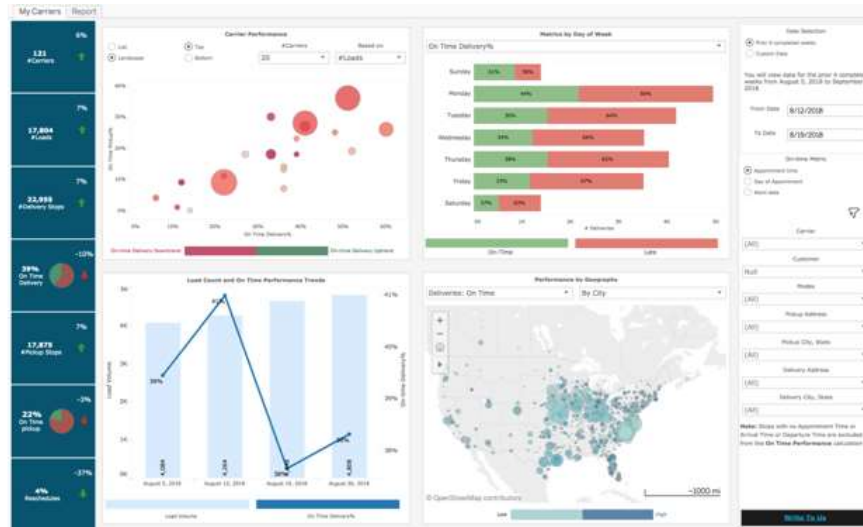
Advanced Analytics

The Advanced Analytics capability is an enhanced extension of the Analytics platform, adding a layer of intelligence to help customers derive additional insights. We offer the following dashboards to help you understand your supply chain performance and estimate real costs you are incurring based on actual tracking and delivery data:

- Required Delivery Date
- Detention Costs
- Appointment Reschedules

Recommendation Engine

The Recommendation Engine is a set of features that proactively identifies potential issues and exceptions in your team's daily work, and prescriptively recommends actions to mitigate them. We take into account both historical data (i.e. average dwell time at a facility by day of week and time of day) and real time transit conditions (i.e. traffic and weather) to make recommendations irrespective of what's been planned. For example, your pickup appointment time might be noon, but we know traffic is bad on your route so will proactively recommend an earlier pickup in order to make the delivery on time! We offer the following recommendations:

- Stop Arrival Time
- Stop Departure Time
- Appointment Reschedules
- Transit Alerts: Off-Route, Red-Zone and Traffic/Weather Risk

11
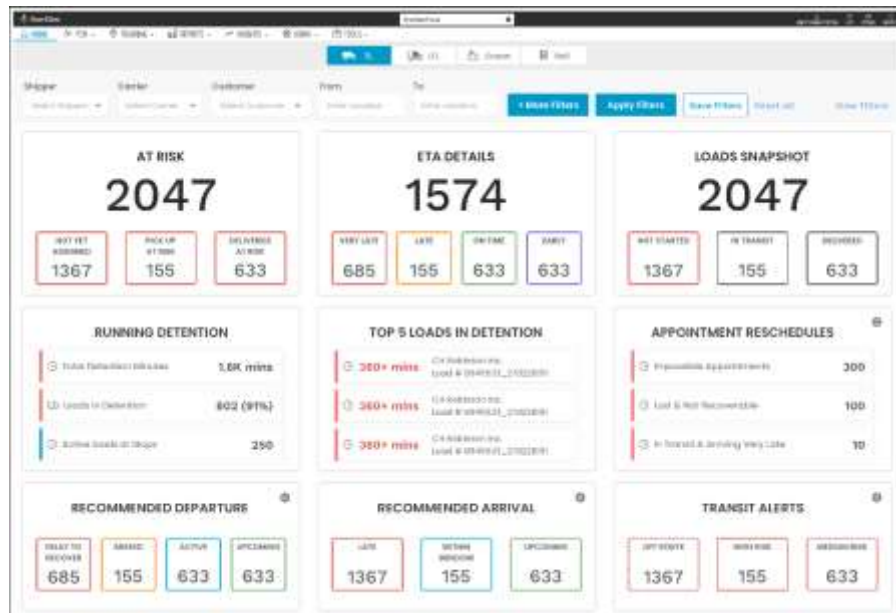
Late Reason Codes Included

As part of the Visibility Cloud Premium Tier, LRCs included in the Load Tracking page for all users.

<u>Late Reason Codes</u>

Data-driven, diagnostic measures that surface on your late loads instantly at delivery
It's now possible to gain insights into the operational and environmental conditions that caused a load to be late.
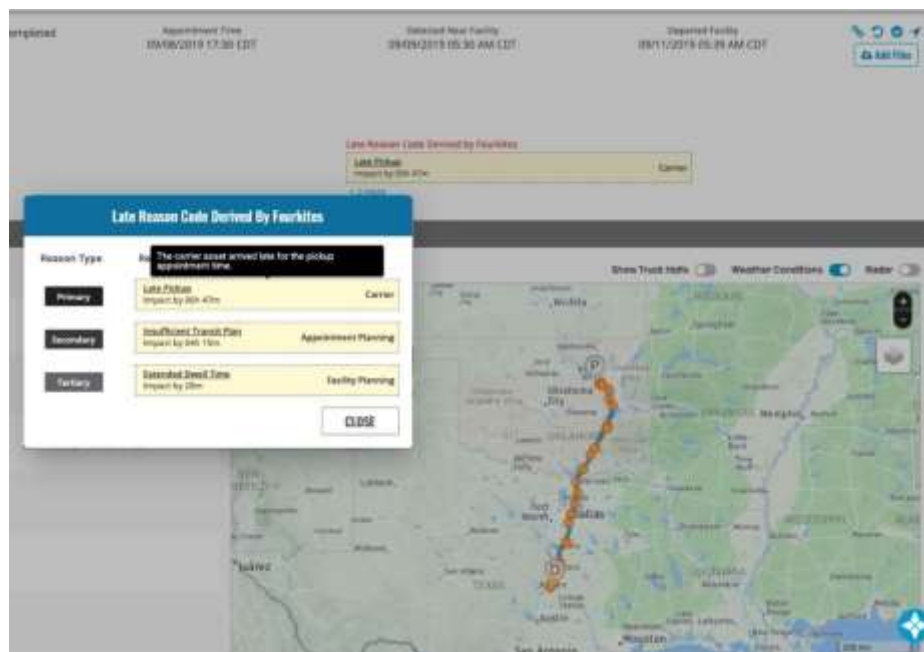
Product Features

The following set of features come with the Visibility Cloud Subscription.

Location Tracking Platform	
Load Management	
Load Creation	Via SAP
Encrypted URL for Status/Location	Included
ETA Model	Dynamic ETA
Address Manager with customizable Geofence	Included
Export to Excel Tools	Included
SKU Visibility	Included
Insights	
Foundations	Included (up to 5 users)
Analytics	Included (up to 5 users)
Advanced Analytics	Included (up to 5 users)
Recommendation Engine	Included (up to 5 users)
Custom Reports	Included (up to 5 users)
Late Reason Codes	Included (all users)
User Management	
Number of Users	100
Single Sign On	Included
User Groups	Included
Access Management	Included
Notifications & Alerts	
Custom Notification Rules	Unlimited
Email Notifications	Unlimited
SMS Notifications	Up to 20,000 per month
Mobile	
CarrierLink Mobile App	Included
FourKites Manager App	Included
Advanced Mobile Package	Not Included
Weather	
Predictive Weather and Real-time Severe Weather Alerts	Included

Service Volume

Product Modules	Months 1 - 12	Months 13 - 24
Location Tracking (TL)	Up to 4,000 Loads	Up to 4,000 Loads
Location Tracking (LTL)	Not included	Not included
Location Tracking (Parcel)	Not included	Not included
Location Tracking (Rail)	Up to 2,000 Loads	Up to 2,000 Loads
Location Tracking (Ocean)	Up to 8,000 Containers	Up to 8,000 Containers
Analytics & Advanced Analytics API	Up to 1 API request per 5 seconds. Each API request can provide load details of up to 200 Loads.	Up to 1 API request per 5 seconds. Each API request can provide load details of up to 200 Loads.
Analytics	Up to 5 Users	Up to 5 Users
Advanced Analytics	Up to 5 Users	Up to 5 Users
Recommendation Engine	Up to 5 Users	Up to 5 Users

Platform Fee

Annual Platform Fee (includes all the features and ongoing customer success post implementation for the package identified above) is outlined below.

| Service Period	Platform Fee
Months 1 – 12	*$125,000 minimum fee / Discounted fee $70,000*
Months 13 – 24	*$125,000 minimum fee / Discounted fee $70,000*

Implementation Fee

Implementation services of $15,000 include integration to SAP, training and carrier on-boarding.

FourKites Carrier on-boarding team will onboard up to 5 Ocean carriers and/or forwarders in this initial project.

Service	Based on scope to date
Implementation	Included
Carrier onboarding	Included
Training	Included
TMS/ERP integration	Included
Change Management	Included

High Level Implementation Overview

Working alongside our Implementation team, the image below shows a high-level timeline for a successful implementation of FourKites. Please note that this is a general guideline and may vary depending on your TMS configuration.
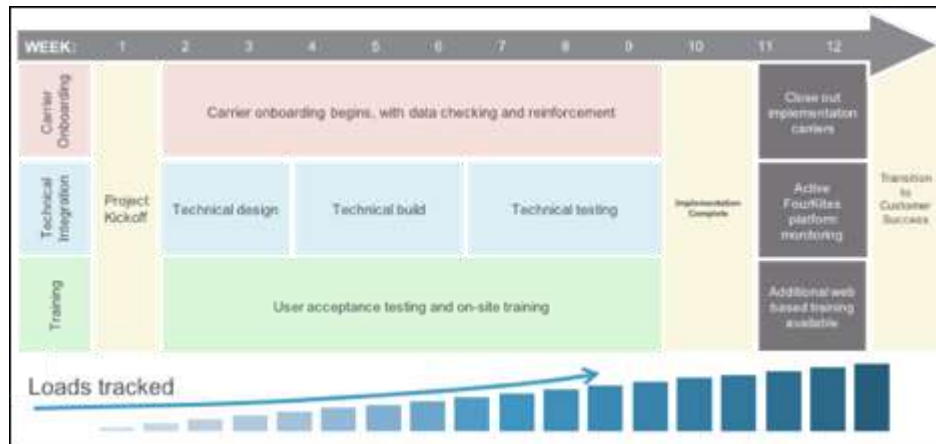
ERP/TMS Integration:

FourKites takes a design, build, test, deploy approach in the setup and configuration of customers' ERP/TMS integration with the Platform. FourKites offers both one and two-way integration options. Through a one-way integration, load data is sent to the Platform directly from Company's ERP or TMS. Through a two-way integration, load data is sent to the Platform directly from Company's ERP/TMS and the Platform pushes specific data points back into Company's ERP/TMS.

Description of Service:
- Week 1 = Design Phase
  - FourKites works directly with Company to ensure business requirements are defined.
- Weeks 2-3 = Build Phase
  - Dependent on integration type, FourKites works directly with technical contact on the Company side and/or main point of contact at the TMS provider to build integration, based on defined requirements.
- Weeks 3-4 = Test Phase
  - Company works closely with FourKites to troubleshoot and test integration configuration and setup.
- Week 5 = Deploy Phase
  - Configuration is deployed and users begin to utilize the Platform, in alignment with training schedule.

Carrier Onboarding:
 Description of Service:
- Week 1 = Carrier introduction to FourKites
  - FourKites and Company collaborate on communication with the carrier base in scope for implementation via email, webinars, etc. The outreach efforts highlight the partnership with FourKites and enforces carrier compliance with setup on the Platform.
- Weeks 2-12 = Ongoing carrier onboarding, escalation + reinforcement
  - Weekly progress reports are provided to Company, indicating current status of the carrier-onboarding efforts.

- ○ FourKites is responsible for the technical set up with carriers, and Company owns carrier engagement.
- ○ For unresponsive and/or uncooperative carriers, FourKites follows a streamlined escalation process, in which Company is immediately alerted to the escalation of a particular carrier. Included in the escalation is the suggested action item for Company to take, in order to resolve the carrier discrepancy. Carriers not actioned within thirty (30) days will be removed the scope of the implementation Services, as described above.

On-going Customer Success Services

Mercedes Benz USA would receive the services of a Customer Success Manager post go-live. As part of the Visibility Cloud Premium Tier, the following services would be offered during the term of the subscription:

Services	Details
Customer Success Manager	Included
Regular Business Review (Platform usage, trends and product enhancements)	Monthly
On-demand web-based training	Included
Phone and e-mail support	24x5 (Monday – Friday)

Pricing Validity

Our pricing is valid through January 15, 2020 and is quoted based on a three-year non-cancelable service agreement. Prices for any other proposed contract arrangement will affect the terms discussed in this proposal.

Summary

Thank you again for the opportunity to earn your business. We are confident that FourKites will provide the right solution for **Mercedes Benz USA** to provide Real-Time Predictive Tracking to your operations and planning teams. We look forward to partnering with you!