EXHIBIT "B"

TRANSPORTATION SERVICES AGREEMENT DEDICATED CONTRACT CARRIER

THIS TRANSPORTATION SERVICES AGREEMENT (the "Agreement") is made and executed on this ninth day of January, 2000 by and between by and between FLEMING COMPANIES, INC., an Oklahoma corporation, whose principal place of business is 6301 Waterford Blvd., Oklahoma City, Oklahoma 73118 and whose post office address is P. O. Box 26647, Oklahoma City, Oklahoma 73126 (hereinafter "FLEMING"), and HAWAII TRANSFER CO., LTD., a Hawaii corporation, whose principal place of business is 94-1420 Moaniani Street, Waipahu, Hawaii 96797, and whose post office address is P.O. Box 665, Pearl City, Hawaii 96782 (hereinafter "HTC").

1. <u>TERM/TERMINATION</u>

1A. The term of this Agreement shall commence on January 10, 2000 and shall continue for a period of sixty (60) months, unless terminated sooner pursuant to the terms hereof. Either party may terminate this Agreement upon sixty (60) days advance written notice.

In the event that this Agreement is not terminated prior to the expiration of the initial term, this Agreement shall be automatically renewed for an additional one (1) year period.

2. SERVICE

- 2A. Subject to the terms and conditions contained in this Agreement, HTC agrees to furnish ground freight services required by FLEMING on the Island of Oahu, State of Hawaii, for the term of this Agreement and during said term, FLEMING agrees exclusively to use HTC to provide all ground freight services to service FLEMING's retail grocery business on the Island of Oahu. Such services are referred to hereinafter as the "Cartage Services". Notwithstanding the foregoing, however, if HTC is unable for any reason to provide certain Cartage Services as and when required by FLEMING within a reasonable time after notice of FLEMING's requirements, FLEMING may make any other temporary ground freight service arrangements (for the Cartage Services which HTC is unable to provide) as FLEMING deems appropriate under the circumstances. In such event, the parties shall meet within fourteen (14) days to mutually resolve such matter or to amend this Agreement with respect to the particular Cartage Service.
- 2B. HTC agrees, upon instruction from FLEMING and within the scope of HTC's operating authority, to arrange for and make pickups from vendors who ship goods to FLEMING, to transport and carry such goods with reasonable dispatch, and to deliver such goods in the same order and condition as received to the destination directed by FLEMING.

3. <u>EQUIPMENT</u>

3A. HTC agrees to provide and keep available during the term of this Agreement those tractors and trailers and other vehicles and items of equipment (hereinafter "Vehicles and Equipment") necessary for the performance of this

Agreement. HTC agrees that all Vehicles and/or Equipment provided by HTC under the terms of this Agreement shall be used exclusively to provide the Cartage Services described herein, unless the prior approval of FLEMING shall be obtained.

- 3B. The parties agree that in order to provide the Cartage Services required by FLEMING, HTC may enter into the Truck Lease and Service Agreement, dated February 24, 1995 with RYDER TRANSPORTATION SERVICES, INC. (hereinafter "RYDER") attached hereto as Exhibit "A" for the lease of certain Vehicles and Equipment to be used for such Cartage Services. If necessary and appropriate, HTC may also enter into a truck lease and service agreement(s) with any other company, provided that FLEMING shall have given its prior written approval. Provided that FLEMING has approved the truck lease and service agreement(s), FLEMING will make monthly payments to HTC, consistent with the payment schedule (included in the Schedule "A" attached hereto) agreed upon between RYDER (and/or any other leasing company) and HTC, in amounts equal to HTC's payments due to RYDER (and/or any other leasing company), as incurred by HTC monthly, in connection with the truck lease and service agreement; excluding, however, any charges resulting from HTC's own default(s).
- 3C. The parties agree that in order to provide the Cartage Services required by FLEMING, HTC may enter into the Programmed Maintenance Agreement, dated February 24, 1995 with RYDER TRANSPORTATION SERVICES, INC. attached hereto as Exhibit "B" for the maintenance and service of additional Vehicles and Equipment provided by HTC to be used for such Cartage Services. If necessary and appropriate,

HTC may also enter into a maintenance and service agreement(s) with any other company, provided that FLEMING shall have given its prior written approval. Provided that FLEMING has approved of the maintenance and service agreement(s), FLEMING will make monthly payments to HTC, consistent with the payment schedule (included in the Schedule "A" attached hereto) agreed upon between RYDER (and/or any other maintenance and service company) and HTC, in amounts equal to HTC's payments due to RYDER (and/or any other maintenance and service company), as incurred by HTC monthly, in connection with the maintenance and service agreement(s), excluding, however, any charges resulting from HTC's own default(s). After the termination of this Agreement for any reason, FLEMING shall reimburse to HTC, upon demand, any charges related to said maintenance and service agreement(s) incurred in connection with this Agreement.

3D. Any and all expenses for placement and removal of FLEMING's name and/or other designated markings and restoration of additional Vehicles and Equipment not provided by RYDER or another leasing company back to HTC's color scheme and markings at termination of this Agreement shall be paid by FLEMING.

3E. Equipment Buy Out.

(i) Upon termination of this Agreement for any reason, FLEMING shall obtain RYDER's consent to have HTC immediately assign to FLEMING all of HTC's rights under the Programmed Maintenance Agreement between HTC and RYDER TRANSPORTATION SERVICES, INC. dated February 24, 1995, and the Truck Lease

and Service Agreement between HTC and RYDER dated February 24, 1995. Prior to such assignment, HTC shall cure any defaults by HTC under the Agreement. FLEMING shall have no liability for performance of any of HTC's payment obligations under such Agreements that accrue prior to the effective date of such an assignment, and HTC shall indemnify and hold FLEMING harmless from all loss, damage, judgments, expenses (including, without limitation, attorneys' fees and court costs), actions and claims relating to such obligations of HTC; provided however, that FLEMING shall have fulfilled all of its obligations to HTC under this Agreement. FLEMING shall indemnify and hold HTC harmless from all loss, damage, judgments, expenses (including, without limitation, attorneys' fees and court costs), actions and claims arising after such assignment.

(ii) At the termination of this Agreement, FLEMING shall have the option to purchase the additional Vehicles and Equipment furnished by HTC to provide Cartage Services for FLEMING. The purchase price for each Vehicle and/or piece of Equipment shall be based upon the Vehicle and Equipment depreciation schedule attached hereto as Exhibit "C", provided, however, that in no event shall the purchase price for each Vehicle and/or piece of Equipment be less than its book value. Payment shall be in cash unless otherwise mutually agreed by the parties.

PERSONNEL

4A. The parties agree that HTC will employ and provide FLEMING with the necessary D.O.T. qualified drivers required to service FLEMING's inbound and outbound Oahu ground transportation requirements. To provide for efficient capacity during peak

activity periods, HTC shall make every effort to supply FLEMING with a combination of full-time and part-time drivers; provided that the predominant work force shall be comprised of at least 90% full-time labor and the balance to be part-time labor.

4B. Neither HTC nor its employees shall be employees or agents of FLEMING. At all times HTC shall be an independent contractor engaged by FLEMING, HTC shall have sole control over its employees and designate such matters as loads, routes, helpers, assistants and other matters with respect thereto. HTC shall be solely responsible for the security and safety of all persons engaged by or on behalf of HTC in the performance of the services rendered hereunder and any activities thereto, whether such agents or employees are on FLEMING's premises or otherwise. HTC shall immediately remove any employee deemed to be in violation of performance as determined by FLEMING.

5. <u>COMPENSATION</u>

- 5A. As full compensation for the transportation services performed by HTC, FLEMING shall pay HTC as follows:
- (i) <u>Personnel</u>. HTC shall bill FLEMING for the drivers it provides for Cartage Services on a weekly basis in accordance with the rates and provisions set forth in the attached Schedule "A".

The parties agree that there shall be an annual containment cap of five percent (5%) on increases affecting the rate charged for labor with the exception of regulatory increases which will be passed on to FLEMING directly. The parties further agree that should said increase in labor costs exceed the "cap" during the term of this

Agreement or any extensions thereof, the labor costs shall be subject to negotiation in good faith between the parties.

hereinabove, FLEMING agrees to fully reimburse HTC for all costs incurred in providing and keeping the Vehicles and Equipment available for the movement of goods during the term of this Agreement. Such costs may include, but are not limited to, those set forth in the attached Schedule "A", attorneys' fees and costs for enforcing rights under the Vehicles and Equipment lease(s) and/or maintenance agreement(s) described herein, and the costs of providing substitute Vehicles and Equipment when necessary. HTC shall bill FLEMING for Vehicles and Equipment costs at the beginning of each month, and FLEMING shall pay each billing within seven (7) days after receipt thereof.

FLEMING shall be responsible to provide fuel for the operation of the Vehicles and Equipment during the term of this Agreement.

(iii) Overhead.

a. FLEMING agrees to pay HTC a fixed charge for overhead expenses (fixed and variable) in accordance with the rates and provisions set forth in the attached Schedule "A". Such expenses shall be pro-rated over a twelve (12) month period and shall be billed to FLEMING monthly. HTC shall bill FLEMING for overhead at the beginning of each month, and FLEMING shall pay each billing within seven (7) days after receipt thereof. In the event this Agreement is terminated prior to the expiration of any twelve (12) month proration period, FLEMING will reimburse HTC for

all overhead costs directly related to this Agreement for which HTC will remain liable for the remainder of the twelve (12) month period.

- b. The charges for fixed overhead costs shall not be adjusted during the term of this Agreement, except in the event of a "significant change" in HTC's delivery schedule for the transportation of FLEMING's goods. In such event, the fixed overhead costs shall be subject to negotiation in good faith by the parties within fourteen (14) days after written notice of such change. Under this Agreement, "significant change" shall be defined as an increase or decrease of fifteen percent (15%) or more in the number of stops in the delivery schedule.
- c. In order to cover increases in variable overhead costs, not later than August 1 of each year during the term of this Agreement, HTC shall submit a schedule reflecting actual increases in variable overhead costs, expenses and charges to be incurred in connection with the continuation of this Agreement for the next twelve (12) months (or fraction thereof). Based upon the actual increase in costs, the parties shall in good faith establish an amended schedule of variable overhead costs for the next twelve (12) month period (or fraction thereof) during the following thirty (30) days.

 During this period, HTC shall also inform FLEMING of any anticipated increases in variable overhead costs which are expected to occur during the next twelve (12) months (or fraction thereof). Once HTC is aware of the actual increase in costs, HTC shall inform FLEMING and the actual increase will be incorporated into the schedule of variable overhead costs.

- Assumptions, either party may request that the affected rates and charges on Schedule "A" be adjusted in a manner appropriate to the change. The parties shall negotiate this adjustment in good faith and the adjustment shall be effective by mutual agreement. If after thirty (30) days the parties have been unable to agree on the adjustment, then either party may terminate this Agreement upon sixty (60) days prior written notice to the other. Such notice of termination must be given, if at all, within ninety (90) days after the date of the material change in the Operating Assumptions.
- 5C. HTC shall deliver to FLEMING (at an address specified by FLEMING) invoices for the services performed under this Agreement and FLEMING shall pay each invoice within seven (7) days after receipt of each invoice.

In the event of a disagreement between the parties regarding loss or damage to any goods transported by HTC or other dispute between the parties, FLEMING shall not make any deductions or offsets from payments made in accordance with this paragraph and any such dispute shall be resolved separately between the parties by mutual agreement within seven (7) days after written notice between the parties and otherwise by arbitration pursuant to Paragraph 11 herein. Notwithstanding the above, FLEMING may make a deduction or offset against payments made in accordance with this paragraph only upon mutual agreement of the parties or after an arbitration decision in favor of FLEMING against HTC.

5D. In addition to all payments set forth above, FLEMING shall pay to HTC an amount equal to the amount payable by HTC by reason of the general excise tax on gross income imposed by the law of the State of Hawaii, as such law may be amended from time to time, and all other similar taxes imposed on HTC with respect to said payments in the nature of a gross receipts tax, sales tax, privilege tax or the like (excluding net income taxes), whether imposed by the United States, the State of Hawaii, City and County of Honolulu, or any other governmental body, assessed or based upon gross income actually or constructively received by HTC under or in connection with this Agreement.

6. <u>LICENSES</u>

- 6A. As a part of the overhead expenses described hereinabove, FLEMING shall pay to HTC all costs and expenses incurred by HTC to procure and maintain all licenses and permits and pay all taxes and fees imposed by governmental authorities and applicable to the Cartage Services to be provided under this Agreement. HTC shall comply with all laws and regulations controlling the performance of the Cartage Services.
- 6B. HTC shall perform the transportation services provided for in this

 Agreement as an independent contractor and shall have exclusive control and direction of
 the persons operating the equipment or otherwise performing such transportation
 services. HTC assumes exclusive liability for the payment of local, state, and federal
 payroll taxes or contribution for unemployment insurance, workers compensation,
 pensions, social security and/or similar obligations however titled for each person

engaged in the performance of such transportation services and agrees to comply with all applicable rules and regulations pertaining to such obligations.

7. INSURANCE

- 7A. HTC shall procure and maintain, at FLEMING'S pro rata cost and expense, Vehicles & Equipment liability insurance, property damage liability insurance and comprehensive general liability insurance with insurance companies authorized by the insurance regulatory authorities for the State of Hawaii, in an amount not less than \$1,000,000 combined single limit coverage for each occurrence. Such insurance policy shall provide (unless prohibited by applicable statute) that written notice of cancellation shall be given to FLEMING at least thirty (30) days prior to such cancellation.
- 7B. Prior to the commencement date of the initial term of this Agreement and upon request thereafter, HTC shall provide to FLEMING a Certificate of Insurance confirming that the insurance coverages and benefits required above are in place and continuing.
- 7C. HTC shall indemnify and hold FLEMING and the officers, employees and agents of FLEMING harmless from and against all loss, damage, judgments, expense (including reasonable attorneys' fees and court costs), actions and claims for injury to persons, including injury resulting in death, and damage to property (collectively "Claims") arising out of HTC's negligence or willful misconduct in connection with HTC's performance of this Agreement, excluding, however, any Claims to the extent

arising out of the negligence or willful misconduct of FLEMING or their agents, servants, subcontractors or employees.

In the event HTC is made a party to any litigation involving title to the goods by reason of handling the goods, or any portion thereof, FLEMING shall pay all attorney's fees and costs, if any, incurred by HTC in connection therewith.

8. CARGO LIABILITY

- 8A. HTC shall be liable for any loss, damage, or injury to the goods occurring while the goods are in the possession or under the control of HTC resulting from HTC's negligence or willful misconduct or other cause. However, HTC shall not be liable for any loss, damage or injury to goods arising out of the acts or omissions of FLEMING or their agents, servants, subcontractors or employees, FLEMING's packing or packaging or the loading and unloading of the goods by FLEMING. The liability of HTC shall be measured by the actual cost of the goods to FLEMING plus five percent (5%), but in no event shall HTC's liability exceed the amount of \$50,000.00 per trailer load.
- 8B. HTC shall not be liable for any damage to, or loss of, goods caused by any unusual force of nature or Act of God not covered, or required to be covered, by the insurance under this Agreement, or any damage or loss to such goods resulting from a cause inherent in the manufacturing of said goods, or war, or any strikes or labor disputes or any other cause for which HTC and its agents, servants, subcontractors or employees are not responsible.

9. FORCE MAJEURE

9A. Neither party shall be liable under this Agreement for its failure or delay in fulfilling its obligations if such failure or delay is the result of federal, state, or local laws, rules or regulations, including, but not limited to, injunctions, temporary restraining orders, or any other restriction of service resulting from court orders or decrees, invasions, insurrections, strike by employees of HTC and/or FLEMING, or acts of God, but the affected party shall use diligence in curing such cause and in resuming performance.

10. DEFAULT

obligations under this Agreement, in addition to all other rights and remedies available under law (except as limited below), HTC may terminate this Agreement without further notice or demand. Default by FLEMING shall mean: (i) FLEMING's failure to pay an invoice within fifteen (15) days after receipt of written notice that HTC did not receive payment when due, or (ii) any other material failure of performance by FLEMING which remains uncured twenty (20) days after FLEMING's receipt of written notice of the failure. In no event shall HTC assert or exercise any right of offset or lien with respect to FLEMING's products and HTC hereby waives all such rights. At all times HTC shall return all product to FLEMING upon demand.

10B. <u>Default By HTC</u>. HTC shall be in default under this Agreement if:

(i) HTC fails to perform any of its transportation obligations after fifteen (15) days

written notice of such failure by FLEMING, or (ii) HTC fails to comply with any of its other obligations under this Agreement after twenty (20) days notice of such failure from FLEMING. FLEMING may, in addition to all other remedies available under law, immediately terminate this Agreement by written notice to HTC.

10C. Acts of Insolvency. Either party may terminate this Agreement immediately by written notice to the other, and may regard the other party as in default of this Agreement, if the other party becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or becomes subject to any proceeding under any bankruptcy or insolvency law (provided there is no dismissal or discharge within thirty (30) days), whether domestic or foreign, or has wound up or liquidated, voluntarily or otherwise.

11. ARBITRATION

11A. All disputes between HTC and FLEMING including any dispute relating to this Agreement shall be resolved by arbitration as provided in this Section 11. This agreement to arbitrate shall survive the rescission or termination of this Agreement. All arbitration shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association, except as may otherwise be provided in this Agreement. The Arbitrators used will be selected from, if available, the "Food Industry Panel" employed by the American Arbitration Association, and the decision of the arbitrators shall be final and binding on all parties. All arbitrations shall be undertaken

pursuant to the Federal Arbitration Act, where applicable, and the decision of the arbitrators shall be enforceable in any court of competent jurisdiction.

- arbitrators shall be employed. All cost attendant to the arbitration, excluding attorneys' and experts' fees, shall be borne equally between the parties. Each party shall bear its own expert's fees. In resolving all disputes between the parties, the arbitrators shall apply the law of the State of Hawaii, except as may be modified by this Agreement. The arbitrators are by this Agreement directed to conduct the arbitration hearing in Honolulu, Hawaii no later than three (3) months from the service of the statement of claim and demand for arbitration unless good cause is shown establishing that the hearing cannot fairly and practically be so convened.
- 11C. Except as needed for presentation in lieu of a live appearance, depositions shall not be taken. Parties shall be entitled to conduct document discovery by requesting production of documents. Responses or objections shall be served twenty (20) days after receipt of a request. The arbitrators shall resolve any discovery disputes by such prehearing conferences as may be needed. All parties agree that the arbitrators and any counsel of record to the proceeding shall have the power of subpoena process as provided by law.
- 11D. The parties recognize that the relationship created by this Agreement could give rise to the need by one of the parties for emergency judicial relief. Therefore, either party may pursue emergency or preliminary injunctive relief in any court of competent

jurisdiction, and each party agrees that it shall consent to the stay of such judicial proceedings on the merits of both this Agreement and the related transactions pending arbitration of all underlying claims between the parties immediately following the initial adjudication of any such request for emergency or injunctive relief.

12. IN-BOUND SHIPMENTS; TRANSFER OF GOODS; REMOVAL OF GOODS

12A. HTC shall follow the instructions of FLEMING with regard to effectuating, documenting and handling in-bound shipments, transfer and removal of goods (including contaminated goods).

13. CONFIDENTIAL AND PROPRIETARY INFORMATION

emanating from the other's business, in any form including any compilations of otherwise public information is "Confidential and Proprietary Information," and each party agrees that it will not, during or after the term(s) of this Agreement, permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than an employee, agent or representative who must have such information for the performance of its obligations hereunder), unless such duplication, use or disclosure is specifically authorized by the other party. Each party shall be responsible for any unauthorized disclosure made by any of its employees, servants or agents and shall take reasonable precautions to prevent such disclosures. For the purposes of this subsection, the term "Confidential and Proprietary Information" shall not include: any information which, at the time of disclosure, is generally known by the public and any competitors of

either party; information disclosed to the other party by third parties having a right to do so and who have not imposed upon the other party obligations of confidentiality in respect thereof; or information which is known to the other party prior to disclosure.

14. DEMURRAGE AND OTHER CHARGES FOR DELAY

charges in connection with goods shipped, and it shall be the joint responsibility of FLEMING and HTC to plan to avoid unreasonable bunching or other unloading problems. It shall be the responsibility of HTC to contact the carrier (e.g. Matson Navigation Company) and FLEMING upon the occurrence or likelihood of any demurrage, and to maintain accurate records and documentation of the facts relating to such demurrage, detention or delays, including any actions taken by HTC to alleviate such demurrage, detention or delays in order to assist FLEMING in processing any objection to carrier's imposition of such charges.

15. GENERAL

15A. All notices, claims, requests, demands and other communications under this Agreement shall be in writing (whether by letter, telecopy, telex, or other commercially reasonable means of written communication) and shall be deemed to have been duly given upon receipt as follows:

(a) if to FLEMING

Fleming Companies, Inc. P.O. Box 26647 Oklahoma City, Oklahoma 73126 Attention: Steve Davis Fax (405-840-7281)

(b) if to HTC
Hawaii Transfer Co., Ltd.
P.O. Box 665
Pearl City, Hawaii 96782
Attention: Clyde Ikeno
Fax (808-671-1585)

or to such other address as the parties to whom notice is to be given may have previously furnished to the other in writing in the manner set forth above.

- 15B. This Agreement and its terms will not be altered by any oral agreement or informal writing, nor by failure to insist upon performance, or failure to exercise any rights or privileges. Alterations, additions or changes in this Agreement will only be accomplished by written endorsements, amendments, or additional Schedules to this Agreement executed by both parties, provided that this paragraph shall not affect any agreements between the parties which pertain to the operational aspects of the Cartage Services. This Agreement shall be governed by the laws of the State of Hawaii.
- 15C. In any litigation or arbitration between the parties of matters arising under this Agreement, the prevailing party shall be entitled to its attorneys' fees and court costs.
- 15D. Neither party may assign its rights or delegate its obligations under this Agreement without prior consent of the other party, which consent shall not be

unreasonable withheld. Any permitted assignment shall not relieve the assignor from liability under this Agreement.

- 15E. The section headings contained herein are for convenience or reference only and shall not control the interpretation of any term or condition hereto.
- 15F. Invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other of its provisions.
- 15G. All remedies available to either party for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 15H. Any waiver, express or implied, of any breach of any term, covenant, or condition of this Agreement shall not be, or be construed to be, a waiver of any subsequent breach of any term, covenant or condition hereof on either the part of HTC or FLEMING.
- 15I. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original agreement, and all counterparts of any such document together shall constitute one and the same instrument.
- 15J. The parties hereto agree to execute and deliver any and all additional documents necessary or appropriate to carry out and implement the provisions of this Agreement and the transactions contemplated hereby.

15K. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, legal representatives and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and do each hereby warrant and represent that their respective signatory whose signature appears below has been and is on the date of this Agreement duly authorized by all necessary and appropriate corporate action to execute this Agreement.

FLEMING COMPANIES, INC.

Its Vice President of Logistics

HAWAII TRANSFER CQ., LTD.

Its President

STATE OF OKLAHOMA) .
) SS.
COUNTY OF CLEVELAND)
On this / S day of	May, 2000, before me appeared RON own, who, being by me duly sworn, did say that he is the
SPENCER, to me personally known	own, who, being by me duly sworn, did say that he is the
	OMPANIES, INC., an Oklahoma corporation, and that
	med on behalf of said corporation by authority of its
~ ~ ~	cer acknowledged said instrument to be the free act and
deed of said corporation.	A
ded of said corporation.	()
	Patric L. Mairi
	Notary Public in and for the above-named
	State and County
	My Commission expires:

STATE OF HAWAII)) SS.
CITY AND COUNTY OF HONOLULU	,
say that he is the President of HAWAII T and that the foregoing instrument was signits Board of Directors, and said officer act and deed of said corporation.	, 2000, before me appeared ally known, who, being by me duly sworn, did RANSFER CO., LTD., a Hawaii corporation, ned on behalf of said corporation by authority of knowledged said instrument to be the free act Notary Public, State of Hawaii Print Name: Legic N. Woji
·	- Jan

RYDER TRUCK RENTAL, INC. TRUCK LEASE AND SERVICE AGREEMENT

THIS AGREEMENT is made as of the day of	, 19	, between
RYDERTRUCK RENTAL, INC., 545 Lagoon Dr. Honolulu, HI. 96819		(Ryder) and
Hawaii Transfer Co. LTD.		whose address is
94-1420 Moaniani St. Waipahu, HI. 96707		(Customer).

1. EQUIPMENT COVERED AND TERM:

A. Ryder agrees to lease to Customer and Customer agrees to lease from Ryder the Vehicles on Schedules A hereafter made a part of this Agreement (Vehicle(s)). Execution of a Schedule A constitutes Customer's authorization to Ryder to acquire the Vehicles selected by Customer. The Agreement will become effective with respect to each Vehicle on the date tendered by Ryder and continue for the term specified on Schedule A unless terminated earlier as provided in this Agreement.

B. Acceptance of Vehicles in service constitutes Customer's acknowledgement of compliance with Customer's specifications. Customer agrees to pay for any structural alterations (not to be made without Ryder's prior written consent). special equipment, or material alteration in painting, lettering or art work thereafter required by Customer. In the event that, subsequent to the date of execution of this Agreement by Ryder, any federal, state or local law, ordinance, or regulation requires the installation of any additional equipment, Customer will be responsible for all costs including installation expenses. Ryder agrees to either install or arrange for such installation and Customer agrees to pay Ryder the full cost.

C. Where a Vehicle is operated by Customer with a trailer or other equipment not included on a Schedule A, or not

maintained by Ryder under a separate agreement, Customer agrees that such trailer and/or equipment will be in good operating condition. Notwithstanding any other provision of this Agreement, Customer will indemnify and hold Ryder

harmless from any claim or loss or damage caused by such trailer and/or equipment.

2. OPERATION OF VEHICLES:

A. The Vehicles will be used and operated by Customer only in the normal and ordinary course of Customer's business, not in violation of any laws or regulations (including legal weight and size limits) and Customer will indemnify and hold Ryder harmless from any claim or loss or damage arising out of any such violation.

B. Each Vehicle will be promptly returned by Customer to Ryder's facility specified on Schedule A at the end of its lease term unless Customer purchases the Vehicle as provided for hereinafter.

3. MAINTENANCE AND REPAIRS TO VEHICLES:

A. Ryder agrees to provide at its sole cost: (1) Lubricants, tires, tubes and all other operating supplies necessary for the Vehicles; (2) Maintenance and repairs including all labor and parts required to keep the Vehicles in good operating condition; (3) Painting and lettering at the time the Vehicles are placed into service; (4) Exterior washings; and (5) Road service for mechanical or tire failure.

B. Customer agrees that only Ryder or parties authorized by Ryder will make any repairs or adjustments to Vehicles. When repairs are necessary, Customer will notify Ryder immediately. Ryder will not be responsible for the cost of repairs or

services not expressly authorized by Ryder. Customer must submit acceptable vouchers for such repairs or services.

C. Customer agrees to return each Vehicle to Ryder for ordinary maintenance and service at the facility stated on Schedule A for a minimum of 8 hours each week at such scheduled times as agreed to by the parties.

FUEL:

A. When Ryder is designated on the Schedule A:

(1) Ryder will provide fuel for Vehicles from its own or other designated facilities. The charge for fuel will vary over time and be billed to Customer in addition to the other charges provided for on applicable Schedule A

(2) If Customer purchases fuel from sources other than Ryder's facilities or other designated facilities, Customer

will be responsible for the charges for all such fuel.

(3) Ryder will, where permitted by law, apply for fuel tax permits, prepare and file fuel tax returns, and pay the taxes imposed upon the purchase and consumption of fuel by Customer provided: (a) Customer provides Ryder weekly with all documentation necessary to prepare the fuel tax returns and will reimburse Ryder for all charges incurred or credits disallowed as a result of untimely or improper furnishing of such documents, and (b) Customer will reimburse Ryder all such fuel taxes paid on Customer's behalf in excess of those which would have been payable had the fuel consumed been purchased in the state of consumption.

B. When Customer is designated on the Schedule A: Customer will hold Ryder harmless from any claims or loss resulting from Customer's failure to pay fuel taxes.

5. LICENSES:

A. Ryder agrees to pay for the state motor vehicle license for the licensed weight shown on Schedule A, personal property taxes and Vehicle inspection fees for each Vehicle in the state of domicile, and Federal Heavy Vehicle Use Tax, all at the rates and method of assessment in effect on the date of execution of each Schedule A. Customer will be responsible for any increases or changes in assessment of these items thereafter.

B. Where legal, Ryder will apply for vehicle licenses and prorate or state reciprocity plates at Customer's request and

Customer agrees to pay for any special license or pay any taxes resulting from the operation and use of the Vehicles including mileage taxes, ton mileage taxes, highway or bridge tolls. Ryder shall have the right to settle any claim or lien involving any Vehicle as a result of Customer's failure to pay any such taxes and Customer will immediately reimburse Ryder.

SUBSTITUTION:

Ryder agrees to furnish a substitute vehicle at no extra charge for any Vehicle, other than those excepted below, which may be temporarily inoperable because of mechanical failure, the substitute to be as nearly as practicable the same size as the Vehicle. The substitute will be furnished to Customer where the Vehicle was disabled and will be returned by Customer to the Ryder facility that provided it. Ryder will not furnish a substitute for any Vehicle that is out of service for ordinary maintenance and service time; or is out of service for repair of any form of physical damage resulting from causes including fire, collision, or upset; or is lost or stolen; or is out of service for repair of damage resulting from Customer's violation of any provisions of this Agreement; or is out of service for repair or maintenance of special equipment for which Ryder is not responsible. Ryder's failure to furnish a substitute vehicle within a reasonable time when required will cause the charges for the inoperable Vehicle to abate until the Vehicle is returned to Customer's service or a substitute is available. Ryder's liability in the event of such a failure will be limited to abatement of charges for the inoperable Vehicle. A substitute vehicle, while in Customer's service, will be subject to all the terms and conditions of this Agreement. While a Vehicle is out of service because of damage resulting from any form of physical damage, Ryder will rent Customer a replacement vehicle, if available, at a rate equal to the charge for the inoperable Vehicle. Irrespective of whether or not Customer rents a vehicle from Ryder while a Vehicle is out of service for repair of physical damage, the charges applicable to it will not abate.

DRIVERS:

A. Customer agrees that each Vehicle will only be operated by a properly licensed driver, at least 18, who is the employee or agent of Customer, subject to Customer's exclusive direction and control, and that Vehicles will not be operated by a driver in possession of or under the influence of alcohol or any drug which may impair the driver's ability. Customer agrees to reimburse Ryder in full for loss or damage to Vehicles, including related expenses, if Vehicles are operated by drivers under 18. Upon receipt of a written complaint from Ryder specifying any reckless, careless or abusive handling of a Vehicle or any other incompetence by or of any driver, and requesting the driver's removal as an operator of Vehicles, Customer will immediately remove such individual as a driver of Vehicles. In the event that Customer fails to do so, or is prevented from so doing by any agreement with anyone on the driver's behalf: (1) Customer will, notwithstanding any other provisions of this Agreement, reimburse Ryder in full for any loss and expense sustained by Ryder for damage to any Vehicle when being operated by such individual and Customer will indemnify and hold Ryder completely harmless from any claims or causes of action for death or injury to persons or loss or damage to property arising out of the use or operation of any Vehicle by such individual notwithstanding that Ryder may be designated on applicable Schedules A as responsible for furnishing and maintaining Liability Insurance; and (2) Ryder may at its election and at any time thereafter upon 30 days notice to Customer, terminate any Liability Insurance coverage extended by Ryder, and may, at its election, with respect to each Vehicle, increase the amount of Customer's physical damage responsibility to an amount equal to the agreed value calculated in accordance with Paragraph 11D as of the time of damage or loss.

B. Ryder agrees, at Customer's request, to assist Customer in developing a driver education and safety program. Customer agrees that the Vehicles will not be operated in a reckless or abusive manner, or off an improved road, or on a flat tire, or improperly loaded, or loaded beyond the manufacturer's recommended maximum gross weight, or to transport any property or material deemed extra hazardous by reason of being poisonous, inflammable, explosive, or fissionable. Notwithstanding any other provision of this Agreement, and irrespective of which party is responsible for physical damage to Vehicles pursuant to Paragraph 10B, Customer agrees to reimburse Ryder in full for damage to any Vehicle, including expenses, resulting from a violation of this provision. Customer will be responsible for all expenses of towing any mired

Vehicle when not in Ryder's possession or on Ryder's premises.

8. CHARGES:

A. Customer agrees to pay Ryder for all charges within 10 days of the date of Ryder's invoice without deduction or setoff. Unless Ryder is notified that any charge is incorrect within 180 days of the date of any invoice, that invoice will be conclusively presumed to be correct.

B. Mileage will be determined from odometer readings. If the odometer fails to function, Customer will immediately report it to Ryder. The mileage for the period in which the failure existed may then be determined at Ryder's option from (1) Customer's trip records; or (2) the amount of fuel consumed and the miles per gallon record of Ryder averaged for the previous 30 days.

C. Customer agrees to promptly provide Ryder with current financial statements and other financial information as

requested.

9. ADJUSTMENT:

A. The charges in this Agreement are based on Ryder's current cost of labor, parts, and supplies. These costs may fluctuate after the date of execution of this Agreement. Customer agrees that for each rise or fall of 1% in the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers (1967 base period, published by U. S. Bureau of Labor Statistics), above or below the base index figure on Schedule A, charges for each Vehicle will be adjusted upward or downward as follows:

1% of 50% of the Fixed Charge and 1% of 100% of the Mileage Rate 1% of 60% of the Mileage Rate (including Mileage Guaranty) for Mileage only Rated Vehicles 1% of 100% of the hourly charge (refrigeration equipment only)

B. Adjustments will be based on the original charges stated on Schedule A and be effective on the first day of January and July based on the latest index published prior to such effective date. If the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers is discontinued, another mutually acceptable cost adjustment index will be chosen.

C. Customer agrees to pay for (1) any sales, use, gross receipts or similar tax now or hereafter imposed upon the use of the Vehicle or on the rental or other charges accruing hereunder; (2) any increase in license or registration fees, Federal Heavy Vehicle Use Taxes, vehicle inspection fees, fuel tax permits, and personal property tax; or (3) any new or additional tax or governmental fees, adopted after the date of the execution of the applicable Schedule A. Liability Insurance Responsibi

(1) A standard policy of automobile liability insurance (hereafter Liability Insurance) with limits specified on each Schedule A will be furnished and maintained by the party designated on Schedule A at its sole cost, written by a company satisfactory to Ryder, covering both Ryder and Customer as insureds for the ownership, maintenance, use or operation of the Vehicles and any substitute vehicle. Such policy will provide that the coverage is primary and not additional or excess coverage over insurance otherwise available to either party and that it cannot be cancelled or materially altered without 30 days prior written notice to both parties. The party designated will furnish to the other certificates to evidence compliance with the provision.

(2) Upon not less than 30 days prior written notice to Customer, Ryder may terminate Liability Insurance coverage maintained by Ryder and Customer will be obligated to procure and maintain Liability Insurance in the limits set

forth on Schedule A as of the effective date of termination and the charges will be adjusted accordingly.

(3) If Customer is obligated to procure and maintain Liability Insurance and fails to do so, or fails to promptly furnish Ryder the required evidence of insurance, Customer agrees to indemnify and hold Ryder harmless from and against any claims or causes of action for death or injury to persons or loss or damage to property arising out of or caused by the ownership, maintenance, use, or operation of any Vehicle, and Ryder is authorized but not obligated to procure such Liability Insurance without prejudice to any other remedy Ryder may have, and Customer will pay Ryder, as additional rental, the amount of the premium paid by Ryder.

(4) Customer agrees to release, indemnify, and hold Ryder harmless from and against any claims or causes of action for death or injury to persons or loss or damage to property in excess of the limits of Liability Insurance, whether provided by Ryder or Customer, arising out of or caused by the ownership, maintenance, use or operation of any Vehicle or substitute vehicle, and any such claims or causes of action which Ryder may be required to pay as a result of any statutory requirements of insurance or as a result of the insolvency of Customer's insurance company and for which Ryder would not

otherwise pursuant to the terms hereof be required to pay.

(5) Ryder will, where required and legal, at Customer's request, file evidence of automobile liability insurance required by federal or state governmental authorities when Ryder is designated as responsible for Liability Insurance. Customer agrees to indemnify, defend and hold Ryder harmless from all claims, causes of action, suits and damages arising out of filing such documents for vehicles other than the Vehicles.

(6) Customer further agrees to release and hold Ryder harmless for death or injury to Customer, Customer's employees, drivers or agents, arising out of the ownership, maintenance, use or operation of any Vehicle or substitute vehicle.

B. Physical Damage Responsibility

The party designated on Schedule A will pay for loss or damage to any Vehicle subject to the following:

(1) When Ryder is designated:

a. Ryder will assume and pay for all loss (including theft) or damage to each Vehicle in excess of the deductible amount specified on Schedule A EXCEPT (1) any willful damage to the Vehicle, specifically including but not limited to damage arising out of or in connection with any labor dispute to which Customer is a party; (2) conversion of any Vehicle by an agent or employee of Customer; and (3) the loss of tools, tarpaulins, accessories, spare tires and other such appurtenances. Customer agrees to pay up to the amount specified on Schedule A for loss (including theft) or damage to each Vehicle, including related expenses, from each occurrence and will pay for all loss (including theft) or damage to any Vehicle resulting from any perils specifically excepted in this Paragraph.

b. Upon not less than 30 days prior written notice to Customer, Ryder may designate Customer as responsible for all physical damage to Vehicles. In such event, Customer will be obligated to procure and maintain complete physical damage insurance coverage reasonably acceptable to Ryder. Ryder's charges to Customer will be decreased to reflect the change in designation of the responsibility for physical damage. Whenever Customer is obligated to procure and maintain physical damage insurance coverage and fails to do so, or fails to promptly furnish Ryder with complete certificates evidencing such coverage, Customer agrees to pay Ryder for all loss (including theft) or damage to any Vehicle or substitute vehicle

pursuant to Paragraph 10B(2)a.
(2) When Customer is designated:

a. Customer will be responsible and pay for all loss (including theft) or damage to any Vehicle or substitute vehicle, including related expenses arising from any cause and regardless of how, including Ryder's negligence, or where, including Ryder's premises, the loss or damage occurred. Customer's liability for any Vehicle will not exceed the purchase price for the Vehicle computed according to Paragraph 11D at the time of such loss or damage.

b. Customer agrees to furnish Ryder with evidence of physical damage insurance coverage reasonably

acceptable to Ryder with Ryder listed as a named insured or endorsed as a loss payee.

C. Notice of Accident Customer agrees to immediately notify Ryder of any accident, collision, loss (including theft), or damage involving a Vehicle or substitute vehicle; to cause the driver to make a detailed report in person at Ryder's office as soon as practicable; and to render all other assistance reasonably requested by Ryder and the insurer in the investigation, defense, or prosecution of any claims or suits.

D. <u>Cargo Insurance Responsibility</u>

Ryder will have no liability for loss of or damage to any goods or other property in or carried on any Vehicle or substitute vehicle whether such loss or damage occurs in a Ryder facility or elsewhere, occurs due to any negligence on Ryder's part, or occurs as a result of any other failure on Ryder's part. Customer hereby assumes all such risk of loss or damage, waives any claim it may have against Ryder, and agrees to release, indemnify, defend, and hold Ryder harmless from all liability for such loss or damage to cargo. Customer agrees to reimburse Ryder for loss of any tools, tarpaulins, spare tires, or other similar equipment furnished by Ryder. E. Vehicle Theft or Destruction

If a Vehicle is lost or stolen and remains so for 30 days after Ryder has been notified, the lease as to such Vehicle will then terminate provided all charges for the Vehicle have been paid to that date and provided any amounts due Ryder pursuant to Paragraph 10B have been paid. Ryder will not be obligated to provide a substitute vehicle during this 30 day period. If a Vehicle is, in Ryder's opinion, damaged beyond repair, Ryder will notify Customer within 30 days after Ryder has been advised of the loss. Upon receipt of Ryder's notice that the Vehicle has been damaged beyond repair, provided all charges for the Vehicle have been paid to that date and provided any amounts due Ryder pursuant to Paragraph 10B hereof have been paid, the lease as to such Vehicle will then terminate.

11. TERMINATION:

A. Either party may terminate th. ase of any Vehicle prior to expiration of its arm on any anniversary date of its Date of Delivery indicated on the Schedule A by giving to the other party at least 60 days prior written notice. If termination is effected by Ryder, Customer will have the right, but not the obligation, to purchase in accordance with Paragraph 11D all Vehicles with respect to which termination notice has been given on the termination date(s). If termination is effected by Customer, Customer will at Ryder's option purchase in accordance with Paragraph 11D all Vehicles with respect to which termination notice has been given on the termination date(s).

B. If Customer becomes insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors, is adjudicated a bankrupt, permits a receiver to be appointed for its business, or permits or suffers a material disposition of its assets, the lease of Vehicles will terminate at Ryder's option. Upon termination, Ryder may at its option demand that Customer purchase the Vehicles within 10 days in accordance with Paragraph 11D.

C. Breach or Default

(1) If Customer breaches or is in default of any provision of this Agreement and that breach or default is not cured within 7 days after written notice has been mailed to Customer, Ryder may immediately, without further notice or demand, take possession of the Vehicles. Ryder will be entitled to enter upon any premises where the Vehicles may be and remove them and refuse to redeliver them to the Customer until such breach or default is cured without any of such actions being deemed an act of termination and without prejudice to the other remedies Ryder may have under this Agreement and at law. Customer will continue to be liable for all charges accruing during the period the Vehicles are retained by Ryder.

(2) In the event Ryder takes possession of any Vehicle and there is any property in or upon the Vehicle which belongs to or is in the custody or control of Customer, Ryder may take possession of such items and either hold them for Customer until Customer claims them or place them in public storage for Customer at Customer's expense.

(3) If Customer's breach or default continues for 7 days after written notice has been mailed to Customer, Ryder may terminate the Agreement. Upon termination, Ryder may demand that Customer purchase within 10 days of termination any or all Vehicles in accordance with Paragraph 11D without prejudice to other remedies Ryder may have under this Agreement and at law.

(4) Customer agrees to pay Ryder all Ryder's costs and expenses, including reasonable attorney's fees, incurred in

collecting amounts due from Customer or in enforcing any rights of Ryder hereunder.

D. In the event Customer (pursuant to Paragraph 11A) shall be required to purchase any Vehicle, or should Ryder (pursuant to Paragraph 11B or 11C) demand of Customer that it purchase any Vehicle, Customer agrees to purchase each such Vehicle for cash within the time provided for in this Agreement for its Original Value as shown on Schedule A, less the total depreciation which has accrued for such Vehicle in accordance with Schedule A. Additionally, Customer agrees to pay Ryder for the amount of any unexpired licenses, applicable taxes, including personal property taxes and Federal Heavy Vehicle Use Taxes, and other prepaid expenses previously paid by Ryder for the Vehicles prorated to the date of sale and will be responsible for any sales or use tax arising from the purchase. Customer will have no obligation or right to purchase any Vehicle as to which the term on Schedule A has expired.

12. ASSIGNMENT OF LEASE:

This Agreement will be binding on the parties hereto, their successors, legal representatives and assigns. Customer agrees to promptly notify Ryder in writing prior to all substantial changes in ownership or any material disposition of the assets of Customer's business. Customer does not have the right to sublease any of the Vehicles, nor to assign this Agreement or any interest therein without Ryder's prior written consent, which consent will not be unreasonably withheld, and any attempt to do so will be void.

13. FORCE MAJEURE:

Ryder will incur no liability to Customer for failure to supply any Vehicle, provide a substitute vehicle, repair any disabled Vehicle, or provide fuel for Vehicles, if prevented by a national emergency, wars, riots, fires, labor disputes, federal, state, or local laws, rules, regulations, shortages (local or national), or fuel allocation programs, or any other cause beyond Ryder's control whether existing now or hereafter. Notwithstanding Ryder's inability to perform under these conditions, Customer's obligations hereunder will continue.

14. GENERAL:

Notices provided for herein will be in writing and mailed to the parties at their respective addresses set forth above. This Agreement will not be binding on Ryder until executed by a person duly authorized and will then constitute the entire agreement and understanding between the parties concerning the Vehicles, notwithstanding any previous writings or oral undertakings, and its terms will not be altered by any oral agreement or informal writing, nor by failure to insist upon performance, or failure to exercise any rights or privileges, but alterations, additions, or changes in this Agreement will only be accomplished by written endorsements, amendments, or additional Schedules A to this Agreement executed by both

RYDER TRUCK RENTAL, INC. (RYDER)	Hawaii Transfer Co. LTD.
By: ATTIME	By: _ lyde in / keno
Name/Title:	Name/Title: CLYAE IKENO. V. PRES.
Date: 5/21/95	Date:
Witness:	Witness:

9-52(3/87)

AMENDMENT TO TRUCK LEASE AND SERVICE AGREEMENT

THIS AMENDMENT, entered into this day of February 1995, by and between RYDER TRUCK
RENTAL, INC. ("Ryder") and HAWAII TRANSFER CO., LTD. ("Customer") to amend, change and
modify the Truck Lease and Service Agreement between Ryder and Customer dated February, 1995 (the
"Agreemeni").

WITNESSETH:

Notwithstanding anything in the Agreement to the contrary, Ryder and Customer agree as follows:

- 1. At Paragraph 3C, line 2, after the phrase, "agreed to by the parties," insert the phrase, "which shall correspond to the Vehicles' availability after meeting Customer's delivery schedule at that location. Ryder's liability for delay in performance or failure to perform under the Agreement shall be limited to the reasonable value of the services Ryder fails to provide and shall not include liability for consequential damages resulting from failure or delay in performance."
- At Paragraph 6, line 8, after the phrase, "for which Ryder is responsible", insert the following:
 "except if due to Ryder's negligence or willful misconduct."
- 3. At Paragraph 7A, line 6, after the phrase, "other incompetence by or of any driver", insert the phrase, "provided, however, that such written complaint shall specify a reasonable basis for requesting that driver's removal".
- 4. At Paragraph 7A, line 7, <u>delete</u> the phrase "Customer will immediately remove such individual as a driver of Vehicles. In the event that the Customer fails to do so," and lieu thereof <u>substitute</u> the following:

"Customer, as the sole employer of the driver, will immediately investigate Ryder's request and may decide whether or not to remove the driver even though Ryder has requested a driver's removal. However, if Customer does not immediately remove the driver for any reason whatsoever."

5. At Paragraph 7C, <u>delete</u> the first sentence in its entirety, and in lieu thereof <u>substitute</u> the following sentence:

"Customer agrees that the Vehicles will not be operated: (i) in a reckless or abusive manner; (ii) off an improved road; (iii) on a flat tire; (iv) improperly loaded or loaded beyond the manufacturer's recommended maximum gross weight; or (v) to transport any petroleum based fuel (including but not limited to gasoline, kerosine, diesel fuel and fuel oil), or to transport any property or material for which the United States Department of Transportation requires liability insurance coverage in excess of \$1,000,000."

Add the following to the end of Paragraph 8A;

"At Customer's request, Ryder will transmit an invoice for charges under the Agreement to Fleming Companies, Inc. Ryder will also transmit a copy of each invoice to Customer. Ryder shall be entitled to only one (1) payment of the full amount of each invoice. Notwithstanding the foregoing, Customer

shall remain primarily liable for payment of all charges under the Agreement, and nothing herein shall modify or amend Customer's obligation to remit full payment to Ryder within the time period provided in the Agreement."

- Delete Paragraph 8C in its entirety.
- At Paragraph 10A(1), line 4, after the phrase "substitute vehicle", insert the following:
 - "except to the extent caused by Ryder's negligence or willful misconduct".
- At Paragraph 10A(3), line 4, after the phrase "of any Vehicle," insert the phrase "or substitute vehicle
 except to the extent caused by Ryder's negligence or willful misconduct".
- 10. At Paragraph 10A(4), line 4, after the phrase "substitute vehicle", insert the following:
 - "except to the extent caused by Ryder's negligence or willful misconduct".
- 11. At Paragraph 10A(6), add the following to the end thereof:
 - "except to the extent caused by Ryder's negligence or willful misconduct."
- 12. At Paragraph 10B(2)a, <u>delete</u> the paragraph in its entirety, and in lieu thereof <u>substitute</u> the following paragraph:

"Customer will be responsible for and will pay for all loss, theft and damage to any Vehicle or substitute vehicle, including related expenses, arising from any cause whatsoever except to the extent caused by Ryder's negligence or willful misconduct. Customer's liability for any Vehicle in the event of a total loss will be equal to the Ryder's depreciated book value for the Vehicle or substitute vehicle computed in accordance with generally accepted accounting principles (GAAP)."

13. <u>Delete</u> Paragraph 10D in its entirety, and in lieu thereof <u>substitute</u> the following:

"Customer agrees to release, indemnify and otherwise hold Ryder completely harmless from and against all liability for loss of or damage to any goods or other property in or carried on any Vehicle or substitute vehicle, whether such loss or damage occurs in a Ryder facility or elsewhere, unless due to Ryder's sole negligence in failing to properly maintain any Vehicle or substitute vehicle. In the event of any loss or damage due to Ryder's sole negligence in failing to properly maintain any Vehicle or substitute vehicle, Customer agrees that Ryder will have no liability in excess of \$50,000.00 per vehicle per occurrence, and will have no liability in excess of \$50,000.00 in any single occurrence regardless of the number of vehicles involved, for any loss of or damage to any goods or other property in or carried in such vehicle, whether such loss or damage occurs in a Ryder facility or elsewhere, occurs due to any negligence on Ryder's part, or occurs as a result of any other failure on Ryder's part. Customer hereby assumes all such risk of loss and damage, waives any claim it may have against Ryder, and agrees to release, indemnify, defend, and hold Ryder harmless from all liability for such loss and damage to cargo in excess of \$50,000.00 per vehicle per occurrence, and \$50,000.00 in any single occurrence regardless of the number of vehicles involved. Customer agrees to reimburse Ryder for loss of any tools, tarpaulins, spare tires or other similar equipment furnished by Ryder."

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- 14. At Paragraph 11A, lines 1 and 2, delete the phrase, "on any anniversary date of its Date of Delivery indicated on the Schedule A".
- 15. At Paragraph 11A, lines 4 and 5, after the phrase, "If termination is effected by Customer", insert the phrase, "except for the reasons set forth in Paragraph 11C(6) of this Agreement".
- 16. At Paragraph 11C(1), delete the first sentence in its entirety, and in lieu thereof substitute the following sentence:

"If Customer breaches or is in default of any provision of this Agreement and that breach or default is not cured (i) within 7 days after written notice has been received by Customer for Customer's failure to carry any required insurance, or (ii) within 14 days after written notice has been received by Customer for any other breach or default, then Ryder may immediately, without further notice or demand, take possession of the Vehicles."

- 17. At Paragraph 11C(1), line 6, delete the last sentence of the Paragraph in its entirety.
- 18. At Paragraph 11C(4), delete the paragraph in its entirety, and in lieu thereof substitute the following paragraph:

"If either party resorts to litigation to enforce its rights under this Agreement, the prevailing party in such litigation will be entitled to receive all reasonable attorney's fees and costs. Venue for any litigation relating to this Agreement shall be in Honolulu, Hawaii, and this Agreement shall be construed and interpreted in accordance with the laws of the State of Hawaii."

19. Add a new Paragraph 11(C)5 as follows:

"In the event that Ryder permanently terminates its business operations in Hawaii, the Agreement shall terminate, and Customer shall have the right, but not the obligation, to purchase any Vehicle in accordance with Paragraph 11D of the Agreement. Customer shall remain liable for all charges under the Agreement which arise or accrue prior to termination. Nothing herein shall release or discharge Customer or its insurance carrier from any obligation or liability under the Agreement that arises or accrues from any act or event that occurs prior to termination, including but not limited to the liability or obligation to insure, release, indemnify, or hold Ryder harmless for, from or against any claim, cause of action, liability, or damage resulting from or related to any act or event that occurs on or prior to termination hereunder."

20. Add a new Paragraph 11C(6) as follows:

"In the event that Ryder fails to furnish Customer with a substitute vehicle as described in Paragraph 6 of the Agreement, if Ryder does not correct any service or maintenance problem brought to its attention by Customer in writing as to any specific Vehicle, then Customer may, within seven (7) days after such notification, schedule a meeting between Ryder and Customer to discuss such service problem and to adopt a mutually acceptable method of resolving such service problem. If Ryder does not cure the service problem within seven (7) days of such meeting, then Customer may terminate the lease of the specific, affected Vehicle(s) on three (3) days written notice to Ryder without any purchase obligation. Customer will be liable for all charges through the date that the lease of the Vehicle is

terminated. In no event will Ryder be liable for any damages or lost profits that Customer incurs as a result of Ryder's failure to correct any service or maintenance problem for the specific, affected Vehicle(s), provided that Ryder shall have used reasonable commercial efforts to correct such problem(s). Customer shall have no termination rights under this Paragraph if Ryder has furnished Customer with a substitute vehicle as described in Paragraph 6 of the Agreement"

- 21. Add a new Paragraph 11C(7) as follows:
 - "Notwithstanding the foregoing, if the anticipated initial Transportation Services Agreement between Customer and Fleming Companies, Inc. is not executed, Customer shall have no obligation or liability relating to this Agreement, including any and all costs incurred by Ryder for the acquisition, transportation and/or modification of Vehicles and equipment."
- 22. At Paragraph 13, <u>delete</u> the last sentence in its entirety, and in lieu thereof <u>substitute</u> the following sentence:

"During the period of time that Ryder is unable to perform any of its obligations under these conditions, Customer's obligations hereunder will continue to the extent that Ryder is able to perform, but will abate to the extent that Ryder is unable to perform."

23. Add a New Paragraph 15 as follows:

""Ryder shall advise all of its employees that the information regarding Customer's general business operations and any specific item of information identified to Ryder by Customer are confidential, and Ryder shall use reasonable commercial efforts to cause its employees to keep such information confidential."

All other terms and conditions of the Agreement, except those expressly modified herein, shall remain in full

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

RYDER TRUCK RENTAL, INC. ("Ryder")

(Nyuei)

Title:

HAWAII TRANSFER CO., LTD. ("Customer")

By: elyhin Kino

Title: VV. Pres

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Programmed Maintenance Agreement

	· .	
THIS AGREEMENT is made as	of the day of	, 19, between
Ryder Truck Rental, Inc.,	545 Lagoon Drive, Honolulu Hawaii 96819	(hereafter Ryder) and
	Hawaii Transfer Co. LTD.	
94-14	20 Moanian Street, Waipahu Hawaii 96707	, whose address is(hereafter Customer).
1. PROPERTY COVERED AND TER	RM	, (nortainer Custorner).
parts on the Vehicles which Ryde become the property of Ryder. Ryd	d service Customer's vehicles (hereafter Vehicle(s)) described or ess sooner terminated as provided herein. Ryder will furnish er deems necessary for proper maintenance and service. Pa der will not be obligated to repair or replace any detachable ac inguishers, ropes, tarpaulins or tire chains.	and install new or replacement
DETAILED IN PARAGRAPH 2C HERI condition; (3) scheduled mechanics	from its facilities (1) oil, lubricants, tires, tubes and all other operations; (2) maintenance and repairs, SUBJECT TO THE EXCEPTEDF, including all labor and parts which may be required to keep all preventive maintenance inspections at the Ryder facility designed service due to mechanical or tire failure; and (5) other vehicles.	TIONS BY TYPE OF EQUIPMENT eep Vehicles in good operating
Vehicles, and to comply with Ryder'	ases where emergency maintenance repairs or adjustments to communication available, describe the nature of the problem if pis instructions concerning emergency repairs and service. Ryde cement tires, while Vehicles are away from Ryder's maintena	possible, and the location of the

- Vehicles, and to comply with Ryder's instructions concerning emergency repairs and service. Ryder will not be responsible for any repairs or service, including replacement tires, while Vehicles are away from Ryder's maintenance facilities, unless expressly authorized by Ryder and unless Customer submits an acceptable voucher covering the repairs or services. However, if emergency repair or service costing less than \$25.00 is required, Customer need not give prior notice or obtain prior authorization from Ryder. Customer agrees to return each Vehicle to the Ryder service location specified on side two of the Schedule E for service and maintenance of the Vehicles for a minimum of 8 hours each week during Ryder's normal business hours. Customer further agrees that no one other than Ryder or parties specifically authorized by Ryder will make any repairs or adjustments to Vehicles. Customer will be responsible for delivery and pick-up of the Vehicles to Ryder at the service location specified on the Schedule E.
- C. Customer will be solely responsible for the following maintenance and repairs and Ryder will have no responsibility therefor under this Agreement for repair, replacement or repainting due primarily to physical deterioration (including rust and corrosion), age, use or damage or replacement of any non-mechanical components. The foregoing shall apply, without limitation to cab, chassis, body, main rails, cross members, side posts, outer sheet metal, roof and roof bows, floors, FRP panels, doors, and

3. FUEL; FUEL TAX REPORTING

- A. The party designated on Schedule E will provide the grade of fuel recommended by the manufacturer of the Vehicles.
- (1) When Ryder is designated, fuel will be provided from Ryder's facilities or at authorized service stations. Ryder's charge for such fuel, which will vary over time and will be billed to Customer in addition to the other charges specified on applicable Schedules E. If Customer obtains fuel from sources other than Ryder's facilities or authorized facilities, Customer will be responsible for all charges for such fuel.
- (2) When Customer is designated, Customer agrees to be responsible for properly checking oil, water, and all other services at fueling times. The cost of such services, other than at times when Ryder performs service and maintenance on the Vehicles hereunder, will be Customer's responsibility. Customer will also be responsible for maintaining proper tire pressure and performing fuel island and safety inspections when Ryder is not responsible for fueling the Vehicles. Customer will reimburse Ryder for loss or destruction to any Vehicles or substitute vehicles provided by Ryder or tires thereon due to Customer's failure to perform its obligations hereunder.

- 3. The party designated on Sonequie E will be responsible for feel tax permits, preparing and filling fuel tax returns, and taying taxes imposed upon the purphase and consumption of feel by Customer with respect to the Vehicles.
- Fig. When Ayder is designated. Customer will provide Ayder will all documentation and information necessary for the preparation and filing of fuel tax returns on Customer's benaff and will reimburse Ryder for (a) all charges incurred or credits disallowed as a result of untimety or improper furnishing of such documentation and information and (b) all fuel taxes paid on Customer's behalf in excess of those taxes which would have been payable had the fuel consumed been purchased in the state of consumption.
- (2) When Customer is designated. Customer will note Ryder harmless from any claims, losses, damages and expenses resulting from Customer's failure to report or day fuel taxes with respect to the Vehicles.

4. SUBSTITUTE VEHICLES

The party designated on Schedule E will be responsible for substitute vehicles. When Ryder is designated, and except as otherwise provided in this Paragraph. Ryder will furnish a substitute vehicle at no extra charge for any Vehicle which may be temporarily inoperable due to mechanical failure, subject to any limitations specified on the Schedule E. Substitute vehicles will be from Ryder's rental fleet and will be as nearly as practicable the same size and appearance as the inoperable Vehicle, except that no special painting, lettering or other alterations need be made by Ryder to the substitute vehicle. Customer will pick-up Substitute vehicles from a Ryder location and Substitute vehicles will be returned by Customer at the Ryder location from which they are provided. Each substitute vehicle, while in the service of Customer, will be subject to all of the terms and conditions of this Agreement applicable to the related inoperable Venicle. Ryder will have no obligation to furnish a substitute vehicle if the inoperable Venicle is out of service for ordinary maintenance and service time, or is out of service because of damage resulting from collision or upset, or is specialized, or is of a type Ryder does not have in its rental fleet, or is a Vehicle for which a Commencement Date has not been assigned or is out of service for repair or maintenance of special equipment or accessories for which Ryder is not responsible. Ryder's failure to furnish a substitute vehicle within a reasonable period of time when required will cause the fixed charges for the inoperable Vehicle to abate until it is returned to Customer's service or until a substitute vehicle is furnished, whichever comes first, and Byder will have no other liability to Customer for such failure. Where Ryder is not obligated to furnish a substitute vehicle. Bycer will rent Customer a replacement vehicle at commercial rates subject to availability.

5. LICENSES

When Ryder is designated on Schedule E, Ryder will pay for the state motor vehicle license for the licensed weight indicated on Schedule E, and inspection fees for each Vehicle in its state of domicile, and Federal Heavy Vehicle Use Tax, all at the rates and method of assessment in effect on the date of execution of each Schedule E. Customer will be responsible for any increases or changes in assessment of such items thereafter. Where permitted by law, Ryder will apply for vehicle licenses and prorate or state reciprocity plates at Customer's request and cost.

6. OTHER VEHICLE RELATED SERVICES

Other vehicle related services will be the responsibility of the party designated on Schedule E. Services for which Customer is responsible, which Customer chooses to obtain from Pyder, will be performed at Ryder's prevailing rates and charges, which will vary over time. Ryder's performance of any services for which Customer is responsible will at all times be at Ryder's option.

7. DRIVERS

Customer agrees that each Vehicle and each substitute vehicle provided by Ryder will be operated only by a safe, careful, properly licensed driver who will be the employee or agent of Customer only, paid by and subject to Customer's exclusive direction and control. Upon receipt of a written complaint from Ryder specifying any reckless, careless or abusive handling of a Vehicle or any other incompetence by a driver of the Vehicles, and requesting the removal of that driver as an operator of Vehicles, Customer will immediately remove such driver as an operator of Vehicles. In the event Customer fails to do so, or is prevented from so doing by any agreement with anyone on the driver's behalf, Customer will be responsible for all maintenance, repairs or service required as a result of the driver's operation of the Vehicles.

8. ABUSIVE HANDLING

The Vehicles will be used and operated by Customer only in the normal and ordinary course of Customer's business. Ryder will not be responsible for maintenance or service resulting from reckless, careless or abusive handling of the Vehicles, which includes, but is not limited to, any act or omission which deviates from reasonable treatment or the loading of Vehicles, including exceeding the manufacturer's maximum gross vehicle weight (GVW) or gross combined weight (GCW), by any person other than Ryder, its employees or agents. In the event that the Vehicles require maintenance, repairs or service due to reckless, careless or abusive handling as above described. Ryder will perform the required maintenance or service, but Customer will pay Ryder for same in addition to all other charges provided for in this Agreement.

9. WARRANTY CLAIMS

Ryder agrees to assist C: other in documenting, completing and collecting on any warranty claim on the Vehicles. Customer agrees to furnish or soon to Ryder, when permitted by manufacturers, all warranties applicable to the Vehicles and to assist Ryder in obtaining the solarity of such warranties. Byder will be entitled to receive and retain all monies paid to Customer or Ryder on any warranty or solarity of such warranties and documents for Ryder necessary to carry out the intent of this Paragraph.

10. CHARGES: PAYMENT

A. Customer agrees to pay Ryder the fixed charge for each Vehicle, as indicated on the Schedule E, in advance, pro-rated for portions of a month/week lupon receipt of Ryder's include for same and to pay variable charges and all other charges, provided for under this Agreement, within 10 days of the date of Ryder's invoice, without deduction or setoff. Mileage will be determined from

adometer or hubometer readings. Hours will be determined from hour meter readings. If the odometer, hubometer, or hour meter fails to function, which failure Customer well report to Ryder, the miles or hours operated during the period of failure may be - determined at Ryder's option from (1) Customer's trip records, or (2) the amount of fuel consumed and the average miles per gailon and/or hours per gallon for the previous 30 days, according to Ryder's records.

B. Customer agrees to promptly provide Ryder with current financial statements and other financial information requested from time to time and to notify Ryder in writing prior to any substantial change in ownership or material disposition of Customer's assets.

11. ADJUSTMENT OF CHARGES

- A. The parties recognize that the charges provided for in this Agreement are based on Ryder's current cost of facilities, labor, parts and supplies which will fluctuate over time. Customer agrees that for each rise or fall of 1% of the Revised Consumer Price Index For Urban Wage Earners and Clerical Workers (using a 1967 base period), published by the United States Bureau of Labor Statistics, above or below the base index figure on Schedule E, the fixed charge and variable charges for each Vehicle will be adjusted upward or downward by 1%. If the Schedule E provides for incremented variable charges, the adjustment will be based on the average charge per mile or hour indicated on Schedule E.
- B. Any and all subsequent adjustments for Vehicles will be based on the original charges stated on Schedule E, will be effective on each January 1 and July 1 and will be based on the latest index which has been published prior to such effective date. In the event the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers is discontinued, another mutually acceptable cost adjustment index will be chosen.

12. INSURANCE

A. Liability

(1) Customer will maintain, in full force and effect and at its sole cost and expense, a standard policy of automobile liability insurance (hereafter Liability Insurance) with limits as specified on Schedule E covering the Vehicles and any substitute vehicle provided by Ryder, written by a company or companies (hereafter Insurer) satisfactory to Ryder and will provide that coverage afforded cannot be canceled or materially altered by the Insurer or Customer without 30 days prior written notice to Ryder. Customer will deliver to Ryder certificates evidencing compliance with the provisions of this Paragraph.

(2) Customer agrees to release and hold Ryder harmless from and against any claim or cause of action for death or injury to Customer, Customer's employees, drivers, passengers or agents arising out of the ownership, maintenance, use or

operation of the Vehicles or any substitute vehicle provided by Ryder.

(3) Customer agrees to release, indemnify and hold Ryder harmless from and against any claim or causes of action for death or injury to persons, or loss of or damage to property, in excess of the limits of Liability Insurance provided by Customer, or otherwise not covered by such Liability Insurance, arising out of or caused by the ownership, maintenance, use or operation of any substitute vehicle provided by Ryder.

B. Physical Damage

Customer will be responsible for all loss (including theft) or damage to any Vehicle arising from any and all causes whatsoever and hereby agrees to release and hold Ryder harmless from any such loss or damage provided, however, that Ryder will reimburse Customer for loss or damage to the Vehicles resulting from Ryder's sole negligence while in Ryder's sole care, custody and control. Ryder's liability to Customer for such loss or damage will be limited to Customer's book value or the fair market value for the Vehicles, whichever is less, as of the date of the loss. Customer will be responsible for any and all loss (including theft) or damage to any substitute vehicle provided by Ryder.

C. Cargo

Ryder will have no liability for loss of or damage to any goods or other property in or carried on any Vehicle serviced or maintained by Ryder including, but not limited to, whether such loss or damage occurs in Ryder's facilities or elsewhere, or occurs due to any negligence on Ryder's part, or occurs as a result of any other failure on Ryder's part whatsoever. Customer expressly assumes all such risk of loss or damage and waives any claim it may have against Ryder for such loss or damage, and further agrees to indemnify, defend and hold Ryder harmless from all such liability. Customer agrees to reimburse Ryder for loss of any tools, tarpaulins, spare tires or other similar equipment furnished by Ryder.

TERMINATION

- A. Either party may terminate this Agreement as to any Vehicle effective any time after the first anniversary date of the Beginning of Term for such Vehicle by giving the other party 60 days prior written notice of its intent to do so.
- B. If a Vehicle is lost or stolen and remains so for 30 days after Customer has notified Ryder, this Agreement will terminate as to such Vehicle as of the date of loss or theft provided all charges for the Vehicle have been paid to that date. Furthermore, if a Vehicle is damaged to the extent that it is economically impractical for Customer to repair, this Agreement will terminate as to such Vehicle as of the date the damage occurred provided all charges for the Vehicle have been paid to that date.
- C. Ryder may, at its option, after having given Customer 7 days prior written notice, and regardless of the provisions of Part A of this Paragraph, terminate this Agreement if Customer:
- (1) Fails or refuses to deliver Vehicles covered by this Agreement to Ryder in accordance with the provisions hereof and for the purposes set forth herein,

(2) Fails or refuses to pay any charges provided for hereunder or refuses to perform any other obligation imposed upon it hereunder,

(3) Becomes insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors, is adjudicated a bankrupt by any court of competent jurisdiction, permits a receiver to be appointed for its business or permits or suffers a material disposition of its assets.

- D. As of the termination date for any Vehicle. Ryder agrees that the Vehicle will be equipped with tires with a minimum of 50% tread depth (Vehicle average). Recapped carcasses may be on the drive wheels and on trailer wheels only.
- E. Customer agrees to pay all of Ryder's costs and expenses, including reasonable attorney's fees, incurred in collecting amounts due from Customer or in enforcing Ryder's rights hereunder.

14. VEHICLE EVALUATION AND TAKE OVER

- A. Ryder has made an initial inspection and evaluation of the Vehicles described on Schedule E. The results of that inspection and evaluation were recorded and furnished to Customer on an RPM Or Takeover Vehicle Evaluation Form (hereafter Form) for the purpose of providing Customer with an estimate of the cost Customer would incur to have the Vehicles brought up to Ryder's minimum standards of acceptability for service and maintenance under this Agreement.
- B. Execution of this Agreement and Schedules E will constitute Customer's authorization to Ryder to perform a complete, detailed Vehicle inspection and evaluation of the Vehicles on the Schedule E. Such inspection will consist of a Ryder Programmed Maintenance Inspection (hereafter Inspection) for the Vehicles. If the Inspection reveals that the cost of bringing any Vehicle up to Ryder's standards of acceptability for service and maintenance under this Agreement (hereafter Ryder's Standards) will exceed, exclusive of Ryder's charge to Customer for the Inspection, the cost to customer shown on the Form by more than \$100, Ryder will contact Customer for written authorization to complete the Inspection and make the necessary repairs. In the event that Customer determines not to have the repairs made to bring the Vehicle up to Ryder's Standards, that Vehicle will be returned to Customer without further work being done on it by Ryder and the Vehicle will be deleted from Schedules E. Even though a Vehicle is deleted from Schedule E, Customer will pay Ryder, for all charges, including the Inspection, incurred up to the time Customer determines that it does not desire that such Vehicle be brought up to Ryder's Standards. Ryder will not be obligated to obtain from Customer any additional authorization for repairs that do not exceed, exclusive of Ryder's charge for the Inspection, the cost approximation on the Form by more than \$100 and Ryder will repair, cause to be repaired, or replace all parts of Customer's Vehicles so that, when completed, Customer's Vehicles will meet or exceed Ryder's Standards. Customer will be responsible for the total cost, including the appropriate Inspection, incurred by Ryder in bringing the Vehicles up to Ryder's Standards.
- C. The Inspection, and all repairs required to bring the Vehicles up to Ryder's Standards as determined by the Inspection, will be performed by Ryder within a reasonable period of time after the execution of this Agreement and applicable Schedule E. Contemporaneous with the completion of the Inspection and repairs, Ryder will be authorized to enter that date on the Schedule E for the Vehicles in the space provided for Beginning of Term. Thereafter, this Agreement will be in full force and effect as to those Vehicles.
- D. Customer will be responsible for delivery of the Vehicles to Ryder at the service location of the Vehicles specified on the Schedule E. Customer will be responsible for pick-up of the Vehicles after notice from Ryder that the Vehicles are ready.
- E. Ryder agrees to rent Customer a vehicle from its rental fleet according to the terms of its standard rental agreement form and at rates in effect at that time while Customer's Vehicles will be in Ryder's possession for the inspection and repairs.

15. FORCE MAJEURE

Ryder will incur no liability to the Customer for failure to perform hereunder if prevented by a national emergency, wars, riots, fires, labor disputes, Federal, state or local laws, rules, regulations, shortages (local or national), or fuel allocation programs, or any other cause beyond Ryder's control whether existing now or hereafter. If, for any other reason, Ryder fails to perform or delays in the performance of any of its obligations under this Agreement, its liability to Customer will be limited to the reasonable of the services it fails to provide. Ryder will not be liable to Customer for consequential damages resulting from failure or delay in its performance.

16. GENERAL

This Agreement will be binding on the parties hereto, their successors, legal representatives and assigns. Customer may not assign this Agreement or any interest herein without Ryder's prior written consent, which consent will not be unreasonably withheld, and any attempt to do so will be void. All notices provided for herein will be in writing and mailed to Ryder or Customer at their respective address as set forth above or at such other addresses designated in writing by either party. This Agreement constitutes the entire agreement and understanding between the parties concerning the Vehicles serviced and maintained hereunder, regardless of any previous writings or oral undertakings, and its terms will not hereafter be altered by any oral agreement or informal writing, nor by-failure-to-insist upon performance, or failure to exercise any rights or privileges. Schedules E duly executed by both parties.

RYDER TRUCK RENTAL, INC. (Ryder)	Hawaii Transfer Co. LTD.
By: Kolfmy	(Customer) By: flepole Vn . kerno
Name/Title:	Name / itle CLYDE IICEUD, V. Pres.
Date: 5/21/95	Date: 2/04/95
Witness:	Witness:

9-83(4/92)

AMENDMENT TO PROGRAMMED MAINTENANCE AGREEMENT

THIS AMENDMENT, entered into this	day of February, 1995, by and between RYDER
TRUCK RENTAL, INC. ("Ryder") and HA	WAU TRANSFER CO., LTD. ("Customer") to amend
change and modify the Programmed Maintena	nce Agreement between Ryder and Customer dated
February, 1995 (the "Agreement").	·

WITNESSETH:

Notwithstanding anything in the Agreement to the contrary, Ryder and Customer agree as follows:

- 1. At Paragraph 2A, line 4, after the word, "condition", <u>add</u> the phrase "and in material compliance with all federal, state, and local laws governing the maintenance of motor vehicles, including but not limited to vehicle inspections".
- 2. At Paragraph 2B, line 8, after the phrase, "Ryder's normal business hours", insert the following:

"which shall correspond to the Vehicles' availability after meeting Customer's delivery schedule at that location. Nothing contained in this Paragraph shall change, modify, or increase Ryder's liability for delay in performance or failure to perform under the Agreement, and said liability shall be limited to the reasonable value of the services Ryder fails to provide and shall not include liability for consequential damages resulting from failure or delay in performance."

3. Add a new Paragraph 2D as follows:

"Provided that all parts necessary to complete repairs are reasonably available to Ryder, no more than five percent (5%) of Customer's powered fleet can be out off service at any given time except for normal preventative maintenance and physical damage repairs. If more than five percent (5%) of Customer's powered fleet is out off service at any given time except for normal preventative maintenance and physical damage repairs, and provided that all parts necessary to complete repairs are reasonably available to Ryder, a credit will be issued to Customer for out-of-service units in excess of five percent (5%), on a daily or weekly basis for the portion of fixed charges noted on the Schedule E. For example, a tractor with a fixed cost of \$1450.00 per month would equate to a daily credit of \$47.67 and a weekly credit of \$333.70. This credit shall be applicable to only those inoperable vehicles in the powered fleet in excess of five percent (5%) of the powered fleet. Except as specifically provided in this Paragraph, nothing contained in this Paragraph shall change, modify, or increase Ryder's liability for delay in performance or failure to perform under the Agreement, and said liability shall be limited to the reasonable value of the services Ryder fails to provide and shall not include liability for consequential damages resulting from failure or delay in performance."

Delete Paragraph 3A(2) in its entirety and in lieu thereof substitute the following:

"When Customer is designated, Customer shall provide its own fuel for the Vehicles. Ryder shall be responsible for properly checking oil, water, and all other services for the Vehicles at Ryder's expense, subject to Paragraph 8 of this Agreement. Ryder will also be responsible for maintaining proper tire pressure and performing safety inspections as specified by Ryder."

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- Add the following to the beginning of Paragraph 4: "Ryder agrees to enter into Ryder's standard rental agreement with Customer to rumish Customer a maximum of two (2) power units for Customer's peak periods of business at Ryder's then Prevailing Rental Rate for a Comparable Vehicle Less 20%.
- ó At Paragraph 7, line 2, after the word, "paid", insert the word, "for",
- At Paragraph 7, line 5, after the phrase, "other incompetence by a driver of the Vehicles", insert the phrase, "provided, however, that such written complaint shall specify a reasonable basis for requesting that driver's removal".
- At Paragraph 7, line 5, delete the following: "Customer will immediately remove such driver as an operator of Vehicles. In the event Customer fails to do so", and in lieu thereof substitute the following:

"Customer, as the sole employer of the driver, will immediately investigate Ryder's request and may decide whether or not to remove the driver even though Ryder has requested a driver's removal. However, if Customer does not immediately remove the driver for any reason whatsoever".

9. Add the following to the end of Paragraph 10A:

> "At Customer's request, Ryder will transmit an invoice for charges under the Agreement to Fleming Companies, Inc. Ryder will also transmit a copy of each invoice to Customer. Ryder shall be entitled to only one (1) payment of the full amount of each invoice. Notwithstanding the foregoing, Customer shall remain primarily liable for payment of all charges under the Agreement, and nothing herein shall modify or amend Customer's obligation to remit full payment to Ryder within the time period provided in the Agreement."

- 10. Delete Paragraph 10B in its entirety.
- 11. At Paragraph 12A(2), line 3, after the phrase, "substitute vehicle provided by Ryder", insert the phrase, "except to the extent caused by Ryder's negligence or willful misconduct."
- At Paragraph 12A(3), line 4, after the phrase, "substitute vehicle provided by Ryder", insert the phrase, "except to the extent caused by Ryder's negligence or willful misconduct."
- Delete Paragraph 12B in its entirety and in lieu thereof, substitute the following paragraph: 13.

"Customer will be responsible and pay for all loss (including theft) or damage to any Vehicle arising from any and all causes whatsoever and hereby agrees to release and hold Ryder harmless from any such loss or damage except to the extent caused by Ryder's negligence or willful misconduct. Ryder will reimburse Customer for loss or damage to the Vehicles to the extent caused by Ryder's negligence or willful misconduct. In the event of a total loss, Ryder's liability to Customer for such loss or damage will be limited to Customer's depreciated book value for the Vehicle as of the date of the damage or loss computed in accordance with generally accepted accounting principles (GAAP). Customer will be responsible and pay for all loss (including theit) or damage to any additional or substitute vehicle provided by Ryder except to the extent caused by Ryder's negligence or willful misconduct. Customer agrees to reimburse Ryder in full for all such loss or damage on Ryder's demand, but Customer's liability therefor shall be limited to Ryder's depreciated book value for the additional vehicle or substitute vehicle as of the date of the damage or loss computed in accordance with generally accepted accounting principles (GAAP)."

14. <u>Delete Paragraph 12C in its entirety, and in lieu thereof substitute</u> the following:

"Customer agrees to release, indemnify and otherwise hold Ryder completely harmless from and against all liability for loss of or damage to any goods or other property in or carried on any Vehicle or substitute vehicle, whether such loss or damage occurs in a Ryder facility or elsewhere, unless due to Ryder's sole negligence in failing to properly maintain any Vehicle or substitute vehicle. In the event of any loss or damage due to Ryder's sole negligence in failing to properly maintain any Vehicle or substitute vehicle. Customer agrees that Ryder will have no liability in excess of \$50,000,00 per vehicle per occurrence, and will have no liability in excess of \$50,000.00 in any single occurrence regardless of the number of vehicles involved, for any loss of or damage to any goods or other property in or carried in such vehicle, whether such loss or damage occurs in a Ryder facility or elsewhere, occurs due to any negligence on Ryder's part, or occurs as a result of any other failure on Ryder's part. Customer hereby assumes all such risk of loss and damage, waives any claim it may have against Ryder, and agrees to release, indemnify, defend, and hold Ryder harmless from all liability for such loss and damage to cargo in excess of \$50,000.00 per vehicle per occurrence, and \$50,000.00 in any single occurrence regardless of the number of vehicles involved. Customer agrees to reimburse Ryder for loss of any tools, tarpaulins, spare tires or other similar equipment furnished by Ryder."

15. At Paragraph 13A, insert the following at the end of the paragraph:

"Customer may cancel the terms or conditions of the Agreement with respect to the Vehicles for the following reasons:

- In the event that one or more of the Vehicles is rendered permanently inoperable or is damaged beyond economic repair. Customer shall have the right to terminate the Agreement with respect to that or those Vehicles by providing Ryder with seven (7) days prior written notice.
- 2. If Ryder breaches any term or provision of the Agreement and fails to cure that breach within thirty (30) days after receiving written notice thereof from Customer, Customer shall have the right to terminate the Agreement with respect to the specific Vehicles listed in Customer's written notice and affected by Ryder's default by giving Ryder fourteen (14) days prior written notice and paying all charges due, or that become due under this Agreement until the termination date.
- If Customer permanently closes or sells the service location where the vehicles are domiciled, Customer shall have the right to terminate the Agreement with respect to the Vehicles domiciled at that location by giving Ryder ninety (90) days prior written

notice, and during such period. Customer shall pay all charges due, or that become due under the Agreement for the canceled service location until the termination date."

- At Paragraph 13C, line 1, delete the number "7", and in lieu thereof substitute the number "14"
- 17. At Paragraph 13E, <u>delete</u> the paragraph in its entirety, and in lieu thereof <u>substitute</u> the paragraph;

"If either party resorts to litigation to enforce its rights under this Agreement, the prevailing party in such litigation will be entitled to receive all reasonable attorney's fees and costs. Venue for any litigation relating to this Agreement shall be in Honolulu, Hawaii, and this Agreement shall be construed and interpreted in accordance with the laws of the State of Hawaii."

18. Add a New Paragraph 13F as follows:

"This Agreement will terminate effective three (3) days from the date of Ryder's receipt of written notice from Customer or Fleming Companies, Inc. that the Dedicated Service Agreement between Customer and Fleming Companies, Inc. dated Jan 10 1997 has been terminated for any reason unless otherwise mutually agreed in writing by the parties. Customer shall remain liable to Ryder for payment for all services rendered by Ryder hereunder prior to the effective date of termination."

Add a New Paragraph 13G as follows:

"Notwithstanding the foregoing, if the anticipated initial Transportation Services Agreement between Customer and Fleming Companies, Inc. is not executed, Customer shall have no obligation or liability relating to this Agreement."

20. Delete Paragraph 15 in its entirety and in lieu thereof, substitute the following paragraph:

"Neither Ryder nor Customer will incur liability to the other for failure to perform under this Agreement if prevented by national emergency, wars, riots, fires, labor disputes, Federal, state or local laws, rules, regulations or shortages (local or national), or any other cause beyond such party's reasonable control whether existing now or hereafter. If, for any reason, Ryder fails to perform or delays in the performance of any of its obligations under this Agreement, its liability to Customer will be limited to the reasonable value of the services it fails to provide. Ryder will not be liable to Customer for consequential damages resulting from failure or delay in its performance. In the event that Customer is prevented from performing under this Agreement by a national emergency, wars, riots, fires, labor disputes, Federal, state or local laws, rules, regulations or shortages (local or national), or any other cause beyond Customer's reasonable control, then Customer shall not be liable to Ryder for consequential damages resulting from failure or delay in its performance. Notwithstanding anything in this Paragraph to the contrary. if a party is rendered unable to perform under this Agreement by one of the causes set forth in this paragraph for a period of thirty (30) consecutive days, then the other party may terminate this Agreement by providing seven (7) days written notice to the non-performing party, provided however that nothing herein shall release or discharge the party terminating this

Agreement from any liability or obligation that arises or accrues from any act or event that occurs prior to termination."

21. Add the following to the end of Paragraph 16:

"Ryder is an independent contractor and is not an employee, agent or representative of Customer. Ryder shall have no authority to bind Customer by any representative's statements, agreements, or in any manner whatsoever."

22. Add a New Paragraph 17 as follows:

*Ryder shall advise all of its employees that the information regarding Customer's general business operations and any specific item of information identified to Ryder by Customer are confidential, and Ryder shall use reasonable commercial efforts to cause its employees to keep such information confidential."

All other terms and conditions of the Agreement, except those expressly modified herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

RYDER TRUCK RENTAL, INC. ("Ryder")

HAWAII TRANSFER CO., LTD. ("Customer")

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Title: