



TRANSPORTATION BROKERAGE CONTRACT

(Broker – Carrier)

THIS TRANSPORTATION BROKERAGE AGREEMENT made this ____ day of _____, 20__, by and between _____ a licensed Motor Carrier, US DOT No. _____ hereinafter referred to as "CARRIER" and Manning Logistics, Inc., a Registered Property Broker (MC 502271-B) hereinafter referred to as "BROKER". CARRIER and BROKER are the Parties and individually each a Party.

WHEREAS, Broker is licensed as a property broker by the Federal Motor Carrier Safety Administration ("FMCSA"), and as a licensed Property BROKER arranges for motor carrier freight transportation under its contracts with consignors and consignees ("Customer"); and

WHEREAS, CARRIER is registered with FMCSA as a motor contract carrier in interstate, intrastate, and/or foreign commerce and is in all respects qualified to transport freight as required by BROKER; and

WHEREAS, BROKER, to satisfy some of its transportation needs, desires to engage CARRIER to perform transportation within the limits of CARRIER's contract operating authorities according to this Agreement's terms and conditions, and CARRIER desires to perform such transportation.

NOW, THEREFORE, intending to be legally bound, the parties agree as follows.

1. This Agreement's term shall be one year subject to earlier termination by either party giving thirty (30) days written notice to the other. Absent such notice, it shall automatically renew for successive one-year periods.

2. CARRIER warrants (1) it is legally qualified to perform the contemplated transportation, (2) it does not have a "conditional" or "unsatisfactory" FMCSA safety rating, (3) it will comply with all applicable laws regarding the contemplated transportation, and (4) it shall immediately communicate to BROKER either verbally or in writing (but if verbally, promptly followed up in writing) of any adverse change in its safety rating or any suspension or revocation of its operating authorities. Under no circumstances is CARRIER allowed to provide services under this contract if their safety rating falls to "unsatisfactory."

3. There is no minimum volume of freight contemplated by this Agreement. BROKER is not restricted against tendering its freight to other carriers; CARRIER is not restricted against performing transportation for other shippers. BROKER is not required to tender any shipments or loads to CARRIER.

4. CARRIER's services under this Agreement are specifically designed to meet the needs of BROKER under the specified rates and conditions set forth herein. CARRIER shall transport all

Initial Here _____

shipments provided under this Agreement without delay, and CARRIER shall immediately communicate all occurrences that would be probable or certain to cause delay to BROKER. This Agreement does not grant CARRIER an exclusive right to perform the transportation-related services for BROKER or its Customer(s).

5. Each shipment hereunder shall be evidenced by a Uniform (Standard or Short Form) Bill of Lading naming the CARRIER as the transporting carrier. Under no circumstances shall CARRIER prepare a freight document which lists BROKER as "Carrier" or "Shipper." If Customer tenders to CARRIER a freight document showing BROKER in any capacity other than BROKER or a "Bill To" party, the parties agree that for all purposes, they will treat such document as though it showed BROKER as "Broker" and CARRIER as "Carrier." Upon delivery of each shipment made hereunder, CARRIER shall obtain a receipt showing the kind and quantity of product delivered to the consignee of such shipment at the destination specified by BROKER or the Customer, and Carrier shall cause such receipt to be signed and dated by the consignee. Any terms conditions and provisions of the bill of lading, manifest or other form of receipt or contract shall be subject and subordinate to the terms, conditions and provisions of this Agreement.

CARRIER shall notify BROKER immediately of any exception made in the bill of lading or delivery receipt. All signed delivery receipts and bills of lading will be sent to BROKER via mail, facsimile or other communication method specified by BROKER, within twenty-four (24) hours of pickup or delivery.

6. CARRIER shall have the sole and exclusive care, custody and control of the Customer's property from the time it is delivered to CARRIER for transportation until delivery to the consignee accompanied by the appropriate receipts as specified in paragraph 5. Except as stated below as to CARRIER's additional liability to indemnify BROKER for consequential damages and economic losses, CARRIER assumes the liability of a common carrier for loss, delay, damage to or destruction of any and all of Customer's goods or property while under CARRIER's care, custody or control. In addition, CARRIER shall be liable to BROKER for all amounts of economic loss including, indirect, special or consequential damages, or other special economic losses, that might be awarded against BROKER on any Customer's claim therefore that are incurred by BROKER for any freight loss, damage, destruction, or delay claim.

CARRIER shall not accept any shipment with a declared or actual value greater than CARRIER's cargo insurance coverage.

7. If BROKER requests CARRIER to transport any shipment required to be placarded under DOT rules as a hazardous material, the additional provisions in Appendix A, including additional insurance requirements, shall apply for each such shipment.

8. CARRIER at its sole cost and expense shall maintain compliance during the term of this Agreement, with all applicable federal, state and local laws relating to the provision of its services including, but not limited to: training of drivers, transportation of Hazardous Materials, (including the licensing and training of Haz Mat qualified drivers), as defined in 49 C.F.R. 172.800, 173 and 397 et seq. to the extent that any shipments hereunder constitute Hazardous Materials; security regulations; owner/operator lease regulations; loading and securement of freight regulations; implementation and maintenance of driver safety regulations including, but not limited to, hiring, controlled substances, and hours of service regulations; sanitation, temperature, and contamination requirements for transporting food, perishable, and other products, qualifications and licensing and training of drivers; implementation and maintenance of

equipment safety regulations; maintenance and control of the means and method of transportation including, but not limited to, performance of its drivers; all applicable insurance laws and regulations including but not limited to workers compensation. Furnish all equipment required for its services hereunder and shall maintain all equipment in good repair and condition. CARRIER at its sole cost and expense, shall employ for its services hereunder only competent and legally licensed personnel.

9. The relationship of CARRIER to BROKER shall, at all times, be that of an independent contractor, except that BROKER shall be the agent for CARRIER for the collection and payment of charges to CARRIER. Nothing in this agreement shall be construed to give either party the power to direct or control of the daily activities of the other party, or to constitute the parties as principal and agent, employer and employee, franchiser and franchisee, partners, joint venturers, co-owners, or otherwise as participants in a joint undertaking. The parties understand and agree that, except as specifically provided in this agreement, neither party grants the other party authority to make or give any agreement, statement, representation, warranty, or other liability or obligation, express or implied, on behalf of the other party, or to transfer, release, or waive any right, rule, or interest of such other party. The employees of each party shall not be considered employees of the other and shall not be eligible for any benefits given by the other to its employees. CARRIER shall be responsible for all required F.I.C.A. taxes and unemployment contributions due on behalf of itself or its employees.

10. CARRIER, on behalf of itself and its successors and assigns, shall indemnify BROKER (and all of its past, current, and future directors, officers, employees, representatives, administrators, attorneys, advisors, affiliates, agents, contractors, dealers, subsidiaries, successors, assigns, members, and other equity holders) and hold it and them harmless against any and all claims, actions, causes of action, suits at law or in equity, and proceedings, whether civil or criminal (including, without limitation, government agency proceedings), debts, judgments, fines, demands, controversies, losses, injuries (including death), damages, costs and expenses (including without limitation BROKER'S reasonable attorney's fees), and liability of every kind and nature whatsoever, to the extent they arise out of or in any way are related to the performance or breach of this Agreement by CARRIER (and all of its past, current, and future directors, officers, employees, representatives, administrators, attorneys, advisors, affiliates, agents, contractors, dealers, subsidiaries, successors, assigns, members, and other equity holders).

11. During this Agreement's term and at CARRIERS sole expense, CARRIER shall procure and maintain in full force and effect the following minimum insurance coverage, with insurers with a minimum BEST rating of A- or better and otherwise satisfactory to BROKER and must be authorized to do business under the laws of the state(s) or province(s) in which CARRIER provides the transportation and related services as specified in load confirmation communications received from BROKER: (a) Automobile Public Liability for property damages and bodily injury, with a combined single limit of not less than One Million Dollars (\$1,000,000.00) per each occurrence, covering all vehicles however owned and/or used by CARRIER to transport BROKER's shipments, including coverage for all liabilities for personal injury (including death) and property damage arising out of CARRIER's transportation under this Agreement; (b) One Million Dollars (\$1,000,000.00) each occurrence limit and (\$2,000,000.00) general aggregate limit of Commercial General Liability, including contractual liability, insurance; and (c) All Risk Broad Form Motor Truck Cargo Legal Liability Insurance, with coverage of at least One Hundred Thousand Dollars (\$100,000.00) per occurrence, Workers' Compensation amount of Statutory Limits, Employers Liability: (\$100,000.00) Bodily Injury

Each Accident, (\$500,000.00) Bodily Injury By Disease Policy Limit, (\$100,000.00) Bodily Injury by Disease Each Employee, Environmental Damage (\$300,000.00) per occurrence, and naming BROKER as additional insured or loss payee, or in BROKER's sole discretion, a certificate holder.

Prior to accepting any shipment for transportation under this Agreement, CARRIER shall provide BROKER a written certificate of insurance with all the information BROKER directs or CARRIER shall have on file with BROKER evidence such insurance is in place.

12. CARRIER shall not withhold any goods of the Customer on account of any dispute as to rates or any alleged failure of BROKER to pay charges incurred under this Agreement. CARRIER is relying upon the general credit of BROKER and hereby waives and releases all liens which CARRIER might otherwise have to any goods of BROKER or its Customer in the possession or control of CARRIER.

13. The parties agree the rates and charges for the contemplated transportation shall be only those on the individual Rate Confirmation Sheets, signed by each of them prior to each shipment. BROKER will pay CARRIER the agreed amount within thirty (30) days of BROKER's receipt of CARRIER's freight bill, bill of lading, clear delivery receipt, and any other documents necessary to enable BROKER to ascertain transportation has been properly provided. Only BROKER and not CARRIER shall bill Customer for transportation; In consideration of BROKER tendering to CARRIER shipments for transportation on behalf of BROKER'S customers, CARRIER hereby acknowledges and agrees that BROKER shall be the only person liable to CARRIER for freight charges or for any other charges due CARRIER for services provided under this Contract. To the extent BROKER receives payment of freight charges from BROKER'S customer, a consignor, a consignee, or any other party, CARRIER shall have no right or claim against the BROKER'S customers, a consignor, a consignee, or any party other than the BROKER for such charges and CARRIER shall not under any circumstances seek payment from any person other than BROKER.

In consideration of BROKER tendering to CARRIER shipments for transportation on behalf of BROKER'S customers, CARRIER hereby acknowledges and agrees that BROKER shall be considered and deemed to be CARRIER'S agent for payment. To the extent BROKER receives any payment of freight or other charges from BROKER'S customers, a consignor, a consignee or any other party, that are due and owing to CARRIER, such payment to BROKER will satisfy any obligation that BROKER'S customers, a consignor, a consignee or other third party may owe to CARRIER". CARRIER agrees BROKER, at its option, may offset against any payments owed to CARRIER amounts CARRIER owes BROKER under Paragraph 6.

14. CARRIER shall transport all freight tendered by BROKER only on equipment operated under CARRIER's authority. CARRIER will not re-broker, subcontract, assign or interline the shipments hereunder, without prior written consent of BROKER. If CARRIER breaches this provision, BROKER shall have the right of paying the monies it owes CARRIER directly to the delivering carrier, in lieu of payment to CARRIER. Upon BROKER'S payment to delivering carrier, CARRIER shall not be released from any liability to BROKER. CARRIER assumes all risk of loss and shall defend, indemnify and hold BROKER, its customer, harmless from any liability arising out of violation of the terms of this paragraph including consequential damages, costs, expenses and reasonable attorney fees.

15. CARRIER warrants that the CARRIER will inspect or hire a service representative to inspect a vehicle's refrigeration or heating unit at least once each month. CARRIER warrants that they shall maintain a record of each inspection of refrigeration or heating unit and retain the

records of the inspection for a least one year. Copies of these records must be provided upon request to the CARRIER's insurance company and BROKER. CARRIER warrants that they will maintain adequate fuel levels for the refrigeration or heating unit and assume full liability for claims and expenses incurred by the BROKER or the shipper for failure to do so. The CARRIER must provide their cargo insurance CARRIER with all records that relate to a loss and permit copies and abstracts to be made from them upon request. The following rules shall apply: (a) Destination market value for lost or damaged cargo, no special or consequential damages unless by special agreements made in writing; (b) Claims will be filed with CARRIER by Shipper; (c) claims notification procedures will be followed in accordance with procedure described in 49 C.F.R. 370.1-11.

16. To the extent any load CARRIER accepts picks up, delivers, or stops off in California, or to the extent CARRIER travels through any portion of California while performing transportation service under this Agreement CARRIER and its agents warrant that CARRIER will comply with any and all applicable California Air Resource Board requirements and regulations or any other state requirements and regulations of any kind, as applicable, including but not limited to 13 CCR 2477.5 requiring the use of only TRU equipment fully compliant with the California Air Resource Board's requirements. CARRIER agrees to provide reasonable documentation or certification of its compliance with any and all applicable California requirements and regulations, including but not limited to providing any applicable ARBER certification page for any and all dispatched equipment.

17. For a period of twelve (12) months following CARRIER's last contact with any shipper, consignor, consignee or customer of BROKER, CARRIER shall not directly or indirectly solicit or attempt to solicit traffic or other transportation service from any shipper, consignor, consignee or customer of BROKER where (1) the availability of such traffic or transportation service first became known to CARRIER as a result of BROKER'S efforts or (2) where the CARRIER has rendered transportation services pursuant to this Agreement to or for the shipper, consignor, consignee or customer of BROKER. If CARRIER breaches this Agreement and directly or indirectly solicits or attempts to solicit traffic or other transportation service from a shipper, consignor, consignee or customer of BROKER, and obtains traffic or other transportation business from a shipper, consignor, consignee or customer of BROKER, then BROKER is entitled, for a period of twelve (12) months after the involved traffic or other transportation business begins to move or be performed, to a commission in the amount of fifteen percent (15%) of the transportation revenue resulting from such traffic or other transportation business.

18. Carrier agrees it will not disclose the terms of this Agreement, the pricing for transportation service, or any other details of the business conducted between CARRIER and BROKER to a third party without the written consent of BROKER except (1) as required by law or regulation; (2) disclosure is made to its parent, subsidiary or affiliate company; or (3) to facilitate rating or auditing or transportation charges by an authorized agent and such agent agrees to keep the terms of the Agreement confidential.

19. This Agreement, including the attached rate confirmation agreement, is the entire agreement between the parties, superceding any and all earlier agreements. It cannot be altered or amended except in writing signed by both parties. It may not be assigned or transferred in whole or in part without the prior written consent of both parties.

20. If the operation of any part of this Agreement results in a violation of any law, such part

shall be severed and the Agreement's remaining provisions shall continue in full force and effect.

21. CARRIER and BROKER expressly waive all rights and remedies allowed under 49 U.S.C. Section 14101, to the extent they conflict with this Agreement. BROKER's failure to insist upon CARRIER's performance under this Agreement or to exercise any right or privilege shall not be a waiver of any BROKER's rights or privileges.

22. This Agreement will be construed in accordance with and governed by the laws of the State of Minnesota applicable to agreements made and to be performed in such jurisdiction without reference to conflicts of law principles. Each Party irrevocably consents that any legal action or proceeding against it under, arising out of or in any manner relating to this Agreement or any other agreement, document or instrument arising out of or executed in connection with this Agreement may be brought only in a court of the State of Minnesota or in the United States District Court for the District of Minnesota. Each Party by the execution and delivery of this Agreement, expressly and irrevocably assents and submits to the personal jurisdiction of any of such courts in any such action or proceeding. Each Party further irrevocably consents to the service of any complaint, summons, notice or other process relating to any such action or proceeding by delivery thereof to it by hand or by mail in the manner provided for in Section 21 hereof. Each Party hereby expressly and irrevocably waives any claim or defense in any action or proceeding based on any alleged lack of personal jurisdiction, improper venue or forum non-conveniens or any similar basis. The prevailing Party in any legal proceeding shall be entitled to recover reasonable attorney fees.

23. Notices shall be sent by registered mail, return receipt requested, to each party at the address shown below, or to such other addresses as shall have been designated in writing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized representatives as on the date first above written.

| "CARRIER" | "BROKER" |
|---|---|
| Company: _____ | Company: <u>Manning Logistics, Inc.</u> |
| By: _____ | By: _____ |
| Printed Name: _____ | Printed Name: _____ |
| Its: _____ Title (must be an officer of the company) | Its: _____ Title (must be an officer of the company) |
| Address: _____ _____ | Address: <u>2775 101st Ave. NE</u> <u>Blaine, MN 55449</u> |
| Phone: _____ | Phone: <u>(763) 784-0422</u> |
| Fax No: _____ | Fax No.: <u>(763) 784-2228</u> |
| FEID No: _____ | |
| DOT No: _____ | |

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APPENDIX "A"

EXTRA REQUIREMENTS FOR HAZARDOUS MATERIALS SHIPMENTS

For any shipment arranged by BROKER to be transported by CARRIER involving transportation of hazardous materials or waste requiring vehicle placarding under 49 CFR Part 172, the parties agree the following provisions shall apply, in addition to provisions in the Transportation Brokerage Agreement, to which this Appendix is attached:

1. CARRIER also represents and warrants it holds all Federal and/or state permits and registrations necessary to transport the hazardous materials or waste, and CARRIER shall provide BROKER copies of all appropriate documents upon BROKER's request.
2. CARRIER shall immediately notify BROKER of (a) any revocation or suspension of the permits and registrations in paragraph (1); and (b) any change in CARRIER's "satisfactory" USDOT safety rating. CARRIER acknowledges a "satisfactory" USDOT safety rating is a prerequisite to transporting hazardous materials or waste under this Agreement.
3. CARRIER also represents and warrants all CARRIER's drivers transporting hazardous materials or waste (a) are properly trained under Federal and state laws, including, as example, 49 CFR §§ 172.700 and 177.800; and (b) have the proper endorsements on their Commercial Driver's License to transport such shipments.
4. CARRIER shall comply with all Federal, state, and local laws regarding the transportation of hazardous materials or waste, including, as example, 49 CFR Parts 172 and 397.
5. If CARRIER is requested to transport hazardous materials or waste for which CARRIER must maintain \$5,000,000.00 liability coverage under 49 CFR §387.9, CARRIER shall procure and maintain, at its sole expense, public liability and property damage insurance from a reputable and financially responsible insurance company insuring CARRIER for at least \$5,000,000.00 per occurrence. Such insurance shall name CARRIER and BROKER as insureds for any and all liabilities for personal injuries (including death) and property damage, including environmental damage due to the release of a hazardous substance, arising out of or in any way related to CARRIER's transportation.

| "CARRIER" | "BROKER" |
|---|---|
| Company: _____ | Company: <u>Manning Logistics, Inc.</u> |
| By: _____ | By: _____ |
| Printed Name: _____ | Printed Name: _____ |
| Its: _____ Title (must be an officer of the company) | Its: _____ Title (must be an officer of the company) |