

# S & R LOGISTICS LLC

PO BOX 619 SAN RAMON CA 94583

MC # 101569 DOT # 3228172

PHONE # 510-612-7724

## BROKER-MOTOR CARRIER AGREEMENT

THIS AGREEMENT is made and entered into on \_\_\_\_\_, 20\_\_\_\_, by and between **S & R LOGISTICS**, a licensed property broker pursuant to No. MC-338531 ("Broker") and (please print name of Carrier) \_\_\_\_\_ a licensed motor carrier pursuant to MC No. (Please Print Carrier MC No.) \_\_\_\_\_ and carrier DOT No. (Please Print Carrier DOT No.) \_\_\_\_\_ whose principal place of business is (Please print address of carrier) \_\_\_\_\_.

1. **TERM.** The Term of this Agreement Shall be for one (1) year and shall automatically renew for a successive one (1) year period; provided, however, that this Agreement may be terminated as set forth herein or at any time by at least thirty (30) days prior written notice.
2. **CARRIER'S OBLIGATIONS.** CARRIER represents and warrants that it is duly and legally qualified to provide the transportation services contemplated herein, and CARRIER agrees to comply with all federal, state, and local laws regarding the provision of such services. CARRIER further represents and warrants that it does not have an unsatisfactory safety rating or a proposed safety rating change issued from the U.S. Department of Transportation ("DOT"), and further agrees to comply with all federal, state, and local laws regarding the provisions of the transportation services contemplated under this Agreement. In the event CARRIER is audited by the DOT and/or receives an unsatisfactory safety rating from the DOT, CARRIER agrees to notify BROKER within Twenty-four (24) hours of such event. BROKER shall have the right, at the option of BROKER, to terminate this Agreement immediately upon receipt of such notice of DOT audit, Safety rating change or threatened audit or change. CARRIER agrees to furnish BROKER immediately or as soon as is reasonably possible notice by telephone of any occurrence or transaction which may give rise to a claim against either the CARRIER, the BROKER or the BROKER's customer(s) under the terms of this AGREEMENT, and in accordance with BROKER'S or BROKER'S customer policy for reporting claim incidents. CARRIER hereby acknowledges that CARRIER is solely responsible for the inquiring of, understanding and complying with the reporting requirements of BROKER or BROKER'S customer. The CARRIER further agrees to cooperate, as requested by the BROKER or its authorized representative, in the investigation, negotiation, settlement, or litigation of any claim or suit, which may be encountered by BROKER, or its representative under the terms of this Agreement.
3. **SPECIFIED SERVICES.** CARRIER'S services under this Agreement are specifically designed to meet the distinct need of BROKER under the specified rates and conditions set forth herein.
4. **RECEIPTS AND BILLS OF LADING.** Each shipment hereunder shall be evidenced by receipt in such form as specified by BROKER or alternatively, by BROKER's customer signed by CARRIER showing the kind and quantity of product received by CARRIER at origin. The absence or loss of any such receipt shall not relieve CARRIER hereunder. Such receipt shall be *prima facie evidence* of receipt of such shipment in good 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, and CARRIER shall cause such receipt to be signed by the consignee. Any terms, conditions and provision of the bill of lading, manifest or other form of receipt or contract shall be subject and subordinate to the terms, conditions and provision of this agreement. If any terms conflict, the terms and conditions

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of this Agreement shall control. CARRIER shall notify Broker Immediately, prior to proceeding from the location, of any exception made on the bill of lading, manifest or other receipt.

**5. CARRIER'S OPERATIONS AND EMPLOYEES.** CARRIER shall, at its sole cost and expense: (a) furnish all Equipment necessary or required for the performance of its obligations hereunder and CARRIER hereby agrees that CARRIER will not supply any equipment that has been used to transport hazardous wastes whether solid or liquid (the "Equipment"); (b) pay all expenses related, in any way, with the use and operation of the Equipment; (c) maintain the Equipment in good repair, mechanical condition and appearance; and (d) utilize only competent, able and legally licensed personnel. CARRIER shall have full control of such personnel and shall perform the services hereunder as an independent contractor. It is the intention of the parties and acknowledged by the parties that neither the CARRIER nor any of its employees shall be deemed to be agents, servants, or employees of the BROKER or broker's customers for any purpose whatsoever, but the CARRIER is and shall be an independent contractor and is responsible to the BROKER as to the results to be accomplished and not as to the means and methods for accomplishing the results.

ON behalf of the shipper of the shipper, consignee and broker interests, to the extent that any shipments subject to this Agreement are Transported within the State of California, CARRIER warrants that:

- (i) All 53-foot trailers, including both dry-van and refrigerated equipment it operates and the Heavy-Duty Tractors that haul them within California under this Agreement is in compliance with the California Air Resources Board (ARB) Heavy-Duty Vehicle Greenhouse Gas (Tractor-Trailer GHG) Emission Reduction Regulations.
- (ii) All refrigerated equipment it operates within California under this Agreement is in full compliance with the California Air Research Board (ARB) TRU ACTM In-use regulations.

Carrier shall be liable to BROKER for any penalties, or any other liability, imposed on, or assumed by BROKER due to penalties imposed on BROKERS customer because of CARRIER's use of non-compliant equipment.

**6. INDEMNITY.** CARRIER hereby agrees to defend, indemnify, and hold harmless BROKER and its customers from and against all loss, damage, delay, expense, cost, including reasonable attorney fees, fines, actions and claims for injury to person (including death) and for damage to property arising out of or in connection with CARRIER's actions, including but not limited to loading, handling, transportation, unloading or delivery of any shipments made hereunder. BROKER shall not be liable to the CARRIER for any claims, actions, damages due to the negligence of CARRIER, or the shipper.

**7. INSURANCE.** CARRIER is required to purchase and maintain the following forms and amounts of insurance coverage, acceptable to broker, as part of this agreement:

- A) Automobile Liability Coverage of \$1,000,000 per occurrence with no aggregate.
- B) Workers' Compensation for all employees for fleet drivers (in limits set forth by applicable statute).
- C) All Risk cargo coverage for property damage of not less than \$100,000 per occurrence with deductible not greater than \$2500 and with no annual aggregate, and with no exceptions for theft or mysterious disappearance, which includes refer breakdown, and if applicable unidentified trailer \$30,000.

CARRIER agrees that the above-required automobile liability coverage will be purchased and maintained under a Motor Carrier Coverage Form. Further, the CARRIER agrees to provide and maintain, at CARRIER's sole cost and expense, the above required coverage by purchasing same from an insurance company with an A.M. Best's rating of A- or better and provide BROKER with a Certificate of Insurance evidencing such coverage naming BROKER as an additional named Notice to Carrier: Please return all pages of fully executed agreement. Initial \_\_\_\_\_/\_\_\_\_\_ Page 2 of 4

insured and loss payee. The certificate of insurance must be provided to BROKER upon execution of this Agreement and such certificate will state that Insurance carrier will provide BROKER with thirty (30) days' notice of cancellation or change in coverage. All policies and coverages required under this Agreement shall be considered primary and noncontributory with any policies or coverages of BROKER.

8.

- a) Claims for loss, damage, injury or delay to cargo may be filed with CARRIER within nine (9) months of the date of delivery of shipment or within twelve (12) months of a reasonable time for delivery (three months beyond agreed transit time), or within nine (9) months of the date CARRIER notifies BROKER that the shipment is lost.
- b) CARRIER acknowledges and agrees that Broker has the absolute right to set off from any amount otherwise due CARRIER for any and all such claims.

The filing, processing and disposition of all cargo claims shall be governed by 49 CFR 370 et seq. to the extent not modified herein. The parties agree that federal common carrier laws of liability (i.e. Carmack Amendment liability) shall apply to all shipments made, except that CARRIER shall be liable to BROKER for all economic loss, including consequential damages, and attorney's fees, that are incurred by BROKER or BROKER'S customers for any freight loss, damage or delay claim.

9. **WAIVER OF CARRIER'S LIEN.** Carrier shall not withhold any goods transported pursuant to this Agreement for any reason including the existence of any dispute as to prices or any alleged failure of general credit of BROKER and CARRIER hereby waives and releases all liens that CARRIER might otherwise have to any such goods in the possession or control of CARRIER or CARRIER'S agents.

10. **PAYMENTS.** CARRIER will charge and BROKER will pay for transportation services performed under this Agreement the rates and charges as shown on the rate confirmation sheets or any written supplements or revisions (hereinafter "Rate Confirmation") thereto signed by BROKER and provided to CARRIER. CARRIER hereby acknowledges and agrees that any Rate Confirmation provided to CARRIER by BROKER shall be deemed accepted by CARRIER unless objected to, in writing to Broker, within Twenty-four (24) hours. In the event service is provided and it is subsequently discovered that there was no applicable rate in the Rate Confirmation, the parties agree that the rate paid by BROKER shall be the agreed upon rate. CARRIER shall provide to Broker at the time of invoicing all applicable freight bills, bills of lading, clear delivery receipts, and any other necessary billing documents enabling BROKER to ascertain that service has been provided. In the event service is provided and is subsequently discovered that there was no applicable Rate Confirmation, the parties agree that the rate paid by BROKER and collected by CARRIER shall be the agreed upon contract rate. In no event shall BROKER be liable for any transportation charges for which BROKER did not have primary responsibility for payment under the circumstances surrounding the involved shipment. CARRIER agrees that BROKER is solely responsible for all freight charges related to the transportation services provided herein, and as such Carrier agrees not to attempt any collection efforts against BROKER'S Customer(s) and hereby acknowledges and agrees to look only to BROKER for payment of freight charges. Compensation paid to CARRIER under this Agreement may be withheld in whole or in part by BROKER, or any of its subsidiaries or related companies, to satisfy claims or shortages arising out of this or any other Agreement with CARRIER, or to satisfy advances made to, or on behalf of CARRIER, or to satisfy any debt owned by CARRIER to BROKER or any of its subsidiaries or related companies. Broker must receive original proof of delivery, from carrier, within seven days from delivery date.

11. **CONFIDENTIALITY AND NON-SOLICITATION.** Neither party may disclose the terms of this Agreement to a third party without the written consent of the other party except (1) as required by law or regulation; (2) disclosure is made to its parent, subsidiary or an affiliate company; or (3) to facilitate rating or auditing of transportation charges by an authorized agent and such agent agrees to keep the terms of the Agreement confidential. CARRIER will not solicit traffic from any shipper, consignor, consignee or customer of BROKER where (1) the availability of such traffic first became known to CARRIER as a result of BROKER'S efforts, or (2) the traffic of the shipper, consignor, consignee or

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customer of Broker was first tendered to CARRIER by BROKER. If CARRIER breaches this Agreement and directly or indirectly solicits traffic from customers of BROKER and CARRIER obtains traffic from such customer during the term of this Agreement, or for twelve (12) months thereafter, BROKER shall receive thirty-five percent (35%) commission from the revenue resulting from traffic transported for the Customer. CARRIER shall provide BROKER with all documentation requested by BROKER to verify such transportation revenue.

12. **SUB-CONTRACT PROHIBITION.** CARRIER specifically agrees that all freight tendered to it by BROKER shall be transported on equipment operated only under the DOT authority and control of CARRIER, and that CARRIER shall not in any manner sub-contract, broker, or in any other form arrange for the freight to be transported by a third party without the prior written consent of BROKER. CARRIER shall defend, indemnify, and hold harmless BROKER and its customers from and against all loss, damage, expense, cost, including reasonable attorney fees, actions and claims arising out of or in connection with CARRIER'S breach of this Section 12.
13. **SEVERABILITY.** In the event that the operation of any portion of this Agreement results in a violation of any law, the parties agree that such portion shall be severable and that the remaining provision of this Agreement shall continue in full force and effect.
14. **WAIVER.** CARRIER expressly waives any and all rights and remedies allowed under 49 U.S.C. 14101 to the extent that such rights and remedies conflict with this Agreement. Failure by BROKER to exercise any right or privilege herein or under law or at equity shall not be a waiver of any of BROKER'S rights or privileges.
15. **GOVERNING LAW AND ATTORNEY FEES.** It is agreed by BROKER and CARRIER that Idaho law shall govern, without reference to the conflict of laws contained therein, disputes, involving any terms of this Agreement or interpretation thereof, whether arising in contract, tort or otherwise. Carrier hereby waives any jurisdictional rights it might otherwise have. It is also agreed that venue shall be in Owyhee County, Idaho. BROKER and CARRIER agree that should any conflict or litigation arise between the parties to this Agreement, the prevailing party shall be awarded reasonable attorney fees and court costs.

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

CARRIER (Printed Name of Carrier)

BROKER: S & R LOGISTICS LLC

By: \_\_\_\_\_  
(Signature of Authorized Carrier Representative)

BY: \_\_\_\_\_  
(Signature of Authorized North Star Logistics Representative)

\_\_\_\_\_  
(Printed Name of Authorized Carrier Representative)

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_