


SELECT LOGISTICS NETWORK INC.

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YOUR
TRANSPORTATION
SPECIALISTS

CARRIER - BROKER CONTRACT

ALL CURRENCY STATED IN USD

This AGREEMENT is entered into this _____ day of _____, 20____, by and between SELECT LOGISTICS NETWORK INC., hereinafter referred to as **BROKER**, a Registered Property Broker, Lic. No. MC-317421B, and

_____(Carrier Name),

a Registered Motor Carrier, Permit/Certificate No. DOT-_____ / MC#_____ hereinafter referred to as **CARRIER**; collectively, the "Parties", (Registered" means operated under authority issued by the Federal Motor Carrier Safety Administration (or its predecessors) within the U.S. Department of Transportation.)

1. CARRIER REPRESENTS AND WARRANTS THAT IT:

- A. Is a Registered Motor Carrier of Property authorized to provide transportation of property under contracts with shippers and receivers and/or brokers of general commodities;
- B. Shall transport the property, under its own operating authority and subject to the terms of this Agreement;
- C. Makes the representations herein for the purpose of inducing BROKER to enter into this Agreement;
- D. Agrees that a Shipper's insertion of BROKER's name as the carrier on a bill of lading shall be for the Shipper's convenience only and shall not change BROKER's status as a property broker nor CARRIER's status as a motor carrier.
- E. Will not re-broker, 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. CARRIER forfeits any rights to any funds from any, and all invoices for any shipments having moved with BROKER due to this breach of contract. Upon BROKER's payment to underlying, delivering carrier, CARRIER shall not be released from any liability to BROKER under this Agreement. In addition to the indemnity obligation in Par 1.H CARRIER will be liable for consequential damages for violation of this Paragraph.
- F. Is in, and 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: transportation of Hazardous Materials, (including the licensing and training of 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, qualification 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. CARRIER represents that by accepting any shipments from BROKER that it has reviewed HOS and that CARRIER is able to meet all pick-up/delivery appointments that have been reviewed and accepted by CARRIER and as are stated on rate confirmation issued to CARRIER by BROKER. All routing information noted on any documents provided CARRIER by BROKER is supplied for informational purposes only.
- G. CARRIER will notify BROKER immediately if its federal Operating Authority is revoked, suspended or rendered inactive for any reason; and/or if it is sold, or if there is a change in control of ownership, and/or any insurance required hereunder is threatened to be or is terminated, cancelled, suspended, or revoked for any reason.

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H. CARRIER shall indemnify and hold harmless BROKER and its customers from and against any and all loss, damage, cost, expense, including reasonable attorney's fees and other costs of defense, which may be incurred by BROKER, or any person, persons, firm, association or corporation resulting from any acts or omissions, negligent or otherwise, of CARRIER or its employees, in performing or failing to perform the transportation services specified hereunder, including the loading, handling, transportation and unloading of the freight, including, but not limited to, claims for loss or damage, personal injury or death of persons (including without limitation, employees of BROKER and its customers), loss, damage, delay, destruction or conversion of the property of any person or legal entity, theft, defalcation or embezzlement by CARRIER or its employees.

Further CARRIER shall indemnify and hold BROKER harmless from any loss, damage, cost or expense, including attorney's fees, which may be imposed upon or incurred by or asserted against BROKER and/or its customers, by reason of CARRIER'S or its employees' actual or alleged failure to comply with state and federal rules and regulations under which BROKER and/or CARRIER operate, or by doing, permitting or causing any act to be done which CARRIER or BROKER is not legally authorized to do.

Notwithstanding any provision herein, CARRIER shall indemnify and hold BROKER and its customers harmless for all actual or consequential losses, damages, costs or expenses, including but limited to, reasonable attorney's fees and consequential and incidental damages, arising out of or in any way connected to the intentional misconduct of CARRIER, or its employees, agents or subcontractors. Moreover, CARRIER, at no time, shall bring a cause of action against BROKER for any loss, damage, expense, action and/or claim for injury to persons and/or damage to property arising out of or in connection with CARRIER'S performance under this Contract. The provisions of this Indemnification shall survive termination of this Contract.

- I. Does not have an "Unsatisfactory" safety rating issued by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation, and will notify BROKER in writing immediately if its safety rating is changed to "Unsatisfactory" or "Conditional".
- J. Authorizes BROKER to be the sole party to invoice CARRIER's freight charges to shipper, consignee, or third parties responsible for payment. Payment of the freight charges to BROKER shall relieve shipper, receiver, consignor, or consignee of any liability to CARRIER for non-payment of charges. CARRIER further agrees that it shall not look to BROKER's customers under any circumstances for payment of freight charges. On all shipments transported by CARRIER pursuant to this Contract, CARRIER shall bill all freight charges to BROKER. CARRIER shall at no time call or contact BROKER'S customers, consignor, consignee's to discuss any terms of payment. If any such calls or contacts are made by CARRIER, or anyone acting on behalf of CARRIER, this will be considered a breach of contract. Any violation of these billing conditions shall result in the forfeiture of all funds due to the CARRIER for the freight charges on the shipment incorrectly billed, or for improper contact of BROKER'S customer, consignor, or consignee.
- K. Has investigated, monitors, and agrees to conduct business hereunder based on the credit-worthiness of BROKER and is granting BROKER credit terms accordingly.

2. **BROKER RESPONSIBILITIES:**

- A. **SHIPMENTS, BILLING & RATES:** BROKER agrees to solicit and obtain freight transportation business for CARRIER to the mutual benefit of CARRIER and BROKER, and shall offer CARRIER at least one (1) load/shipment annually. BROKER shall inform CARRIER of (a) place of origin and destination of all shipments; and (b) if applicable, any special shipping instructions or special equipment requirements, of which BROKER has been timely notified.
- B. BROKER agrees to conduct all billing services to shippers. CARRIER shall invoice BROKER for its (CARRIER's) charges, as mutually agreed in writing, by fax, or by electronic means, contained in BROKER's Load Confirmation Sheet(s) incorporated herein by reference (Appendix A, et seq.). Additional rates for truckload or LTL shipments, or modifications or amendments of the above rates, or additional rates, may be established to meet changing market conditions, shipper requirements, BROKER requirements, and/or specific shipping schedules as mutually agreed upon, and shall be confirmed in writing, by fax, or email, by both Parties. Any such additional, modified, or amended rates, changes in rates shall automatically be incorporated herein by reference as part of Appendix A, Amendment 1, et seq.
- C. **RATES:** Additionally, any rates, which may be verbally agreed upon, shall be deemed confirmed in writing where

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CARRIER has billed the agreed rate and BROKER has paid it. All written confirmations of rates, including confirmations by billing and payment, shall be incorporated herein by reference as part of Appendix A, Amendment 1, et seq. Rates or charges, including but not limited to stop-offs, detention, loading or unloading, fuel surcharges, or other accessorial charges, released rates or values, or tariff rules or circulars, shall only be valid when specifically agreed to in a signed writing by the Parties. Rate confirmation(s), page(s) must be signed by CARRIER and returned to BROKER Corporate office ASAP. Unless objected to by CARRIER upon receipt, CARRIER shall be conclusively presumed to have agreed that the terms, pick-up/delivery schedules, and rates set forth on Rate confirmation are fully and correctly stated and accepted. Any changes to terms, schedules, rates shall be amended by BROKER and sent to CARRIER for signature, as a "revision". A signed copy of the Rate confirmation, and/or "revision", must be received and on file with BROKER Corporate office, to release payment to CARRIER.

D. PAYMENT:

- i. The Parties agree that BROKER is the sole party responsible for payment of CARRIER's charges. Failure of BROKER to collect payment from its customer shall not exonerate BROKER of its obligation to pay CARRIER. BROKER agrees to pay CARRIER's invoice within 30 days of receipt of the **ORIGINAL DOCUMENTS**, to include, but not limited to: bill of lading (signed as received in full, in good condition, no exceptions), completely legible proof of delivery, J-1's, and all other documents required on rate confirmation. Other documents may include, but not limited to light & heavy scale tickets from a certified scale, lumper receipt(s), blind bill of lading as required to execute blind shipment, signed Rate Confirmation (all pages signed), completed CARRIER set up packet, and current, valid, insurance in effect for duration of moved shipment(s). Payment to be issued, provided CARRIER is not in default under the terms of this Agreement. In the event CARRIER fails to provide BROKER with signed, completely legible, **ORIGINAL** delivery receipts for all movements, at BROKER's sole discretion, BROKER may withhold compensation due CARRIER hereunder until such time as CARRIER provides BROKER with the requisite delivery receipts, or other required documents. All required documents MUST be **ORIGINAL DOCUMENTS, with inked signatures** submitted to BROKER for payment to be processed. Payment will initiate 30 days from receipt of all ORIGINAL documents. CARRIER's invoice date will be the same as the post marked date CARRIER mails all ORIGINAL documents to BROKER, to properly represent correct aging of each invoice. CARRIER agrees that any payment due Carrier is subject to revision if the amount is based on an error, including but not limited to, an error in calculating charges or an adjustment for a claim. All CARRIER invoices and signed proof of deliveries must be turned in within 30 days from date of shipment. If invoices and ORIGINAL proof of deliveries, and other required ORIGINAL documents are not received within 30 days, at BROKER'S sole discretion, invoices may be denied payment. Many of BROKER'S customers require proof of deliveries be submitted within 30 days from date of shipment, or payment can be denied. CARRIER shall not seek payment from Shipper if Shipper can prove payment to BROKER.
 - ii. Payment and other disputes are subject to the terms of Par 4.D, which provides in part that prevailing parties are entitled to recovery of costs, expenses and reasonable attorney fees.
- E. BOND: BROKER shall maintain a surety bond /trust fund as agreed to in the amount of \$75,000.00 and on file with the Federal Motor Carrier Safety Administration (FMCSA) in the form and amount not less than that required by that agency's regulations.
- F. BROKER will notify CARRIER immediately if its federal Operating Authority is revoked, suspended or rendered inactive for any reason; and/or if it is sold, or if there is a change in control of ownership, and/or any insurance required hereunder is threatened to be or is terminated, cancelled, suspended, or revoked for any reason.

3. CARRIER RESPONSIBILITIES:

- A. EQUIPMENT: Subject to its representations and warranties in Paragraph 1 above, CARRIER agrees to provide the necessary equipment and qualified personnel for completion of the transportation services required for BROKER and/or its customers. CARRIER will not supply equipment that has been used to transport hazardous wastes, solid or liquid, regardless of whether they meet the definition in 40 C.F.R. §261.1 et. seq. CARRIER agrees that all shipments will be transported and delivered with reasonable dispatch, or as otherwise agreed in writing.



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B. BILLS OF LADING:

i. CARRIER shall ensure that Shipper issue a bill of lading, or in absence of Shipper supplied bill of lading, CARRIER shall issue a bill of lading in compliance with 49 U.S.C. §80101 et seq., 49 C.F.R. §373.101 (and any amendments thereto), for the property it receives for transportation under this Agreement. Unless otherwise agreed in writing, CARRIER shall become fully responsible/liable for the freight when it takes/receives possession thereof, and the trailer(s) is loaded, regardless of whether a bill of lading has been issued, and/or signed, and/or delivered to CARRIER, and which responsibility/liability shall continue until delivery of the shipment to the proper consignee, the consignee signs the bill of lading or delivery receipt, and nothing remains to be done by CARRIER to deliver the shipment to the proper consignee. When a shipment is refused by the consignee, or CARRIER is unable to deliver it for any reason, CARRIER'S liability as a warehouseman shall not begin until CARRIER has placed the shipment in a public warehouse or storage facility under reasonable security, and with written permission from BROKER as to an agreed public warehouse, or alternate consignee location. Any terms of the bill of lading (including but not limited to payment terms) inconsistent with the terms of this Agreement shall be controlled by the terms of this Agreement. The parties acknowledge and agree that under no circumstances shall the CARRIER'S liability be less than the actual loss or injury to the property as represented by the shipper value, BROKER'S fees associated with the shipment and the freight charges. CARRIER'S liability hereunder may not be limited by any provision purporting to limit CARRIER'S liability, including without limitation, any bill of lading, tariff, schedule, service guide or similar document issued by or on behalf of CARRIER. Failure to issue a bill of lading, or sign a bill of lading acknowledging receipt of the cargo, by CARRIER, shall not affect the liability of CARRIER.

ii. CARRIER shall ensure that all loads moving on Van, Reefer, Container equipment, CARRIER will have shipper seal the trailer after loading, in the presence of a shipper representative, and note that the shipment is "Shipper Load & Count", or "SLC" on the Bill of lading, together with the seal number, and obtain the signature of an authorized representative of the shipper confirming same at each pick up location. If Shipper does not have a seal, CARRIER will call BROKER to receive further information. BROKER will contact customer for further information as to how to proceed. It is expected that CARRIER will be required to provide a seal to seal the trailer, at the shipper, and have a shipper representative sign that the seal was applied at their facility in their presence. CARRIER further agrees that the seal shall only be broken by a shipper representative at the next pick up location, by the designated consignee or by authority of law, not the driver, and that person breaking the seal shall sign and note the number of the seal being broken on the bill of lading. In the event of shipments with multiple pick-ups and/or drops, after each pick-up or drop, the CARRIER shall cause the shipper or consignee to reseal the trailer, and sign and note the number of the seal used to reseal the trailer on the Bill of lading. CARRIER will be liable for consequential damages for violation of this Paragraph.

C. LOSS & DAMAGE CLAIMS:

- i. CARRIER shall comply with 49 C.F.R. §370.1 et seq. and any amendments and/or any other applicable regulations adopted by the Federal Motor Carrier Safety Administration, U.S. Department of Transportation, or any applicable state regulatory agency, for processing all loss and damage claims and salvage and
- ii. CARRIER'S liability for any cargo damage, loss, or theft from any cause shall be determined under the Carmack Amendment, 49 U.S.C. §14706; and
- iii. Special Damages: CARRIER'S indemnification liability per 1 H for freight loss and damage claims under this sub par C (ii) shall include legal fees which shall constitute special damages, the risk of which is expressly assumed by CARRIER, and which shall not be limited by any liability of CARRIER under sub par (ii) above.
- iv. Except as provided in Par 1.E above, neither Party shall be liable to the other for consequential damages without prior written notification of the risk of loss and its approximate financial amount, and agreement to assume such responsibility in writing.
- v. Notwithstanding the terms of 49 CFR 370.9, CARRIER shall pay, decline or make settlement offer in writing on all cargo loss or damage claims within thirty (30) days of receipt of the claim. Failure of CARRIER to pay, decline or offer settlement within this thirty (30) day period shall be deemed admission by CARRIER of full liability for the amount claimed and a material breach of this Agreement.
- vi. CARRIER'S liability for cargo damage, loss, or theft from any cause for any one shipment, under sub par b) above, shall not exceed \$100,000.00 unless CARRIER is notified by BROKER or Shipper of the increased value one (1) day prior to shipment pick up, and the rate confirmation reflects the increased cargo value. CARRIER agrees to maintain All Risk Broad Form Motor Cargo insurance.

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- D. **INSURANCE**: CARRIER shall furnish BROKER with Certificate(s) of Insurance, or insurance policies providing thirty (30) days advance written notice of cancellation or termination, and unless otherwise agreed, subject to the following minimum limits: Public liability \$1,000,000.00 motor vehicle (including hired and non-owned vehicles), property damage, and personal injury liability \$1,000,000.00; \$5,000,000.00 if transporting hazardous materials including environmental damages due to release or discharge of hazardous substances); All Risk Broad Form Motor cargo damage/loss insurance, \$100,000.00; workers' compensation with limits required by law. Except for the higher coverage limits which may be specified above, the insurance policies shall comply with minimum requirements of the Federal Motor Carrier Safety Administration and any other applicable regulatory state agency. Nothing in this Agreement shall be construed to avoid CARRIERS liability due to any exclusion or deductible in any insurance policy. CARRIER agrees to have their insurance company list BROKER as Certificate Holder on each of their policies, and the insurance company is required to send via fax/email a copy of all insurance coverages with no limitations/exclusions on each policy, and must provide coverage to include, but not limited to, the duration of any tendered shipment to CARRIER.
- E. **ASSIGNMENT OF RIGHTS**: CARRIER automatically assigns to BROKER all its rights to collect freight charges from Shipper or any responsible third party. Payment to BROKER shall relieve shipper, receiver, consignor, or consignee, when the freight charges are paid to BROKER.

4. MISCELLANEOUS:

- A. **INDEPENDENT CONTRACTOR**: It is understood and agreed that the relationship between BROKER and CARRIER is that of independent contractor and that no employer/employee relationship exists, or is intended. BROKER has no control of any kind over CARRIER, including but not limited to routing of freight, and nothing contained herein shall be construed to be inconsistent with this provision.
- B. **NON-EXCLUSIVE AGREEMENT**: CARRIER and BROKER acknowledge and agree that this contract does not bind the respective Parties to exclusive services to each other. Either party may enter into similar agreements with other carriers, brokers, or freight forwarders. Non-exclusivity is relevant to providing services to others, but should not be construed as allowing freight to be re-brokered.
- C. **WAIVER OF PROVISIONS**:
 - i. Failure of either Party to enforce a breach or waiver of any provision or term of this Agreement shall not be deemed to constitute a waiver of any subsequent failure or breach, and shall not affect or limit the right of either Party to thereafter enforce such a term or provision.
 - ii. This Agreement is for specified services pursuant to 49 U.S.C. §14101(b). To the extent that terms and conditions herein are inconsistent with Part (b), Subtitle IV, of Title 49 U.S.C. (ICC Termination Act of 1995), the Parties expressly waive any or all rights and remedies they may have under the Act.
- D. **DISPUTES**: In the event of a dispute arising out of this Agreement, including but not limited to Federal or State statutory claims, the Party's sole recourse (except as provided below) shall be to arbitration. Proceedings shall be conducted under the rules of the American Arbitration Association (AAA). Arbitration proceedings shall be started within eighteen (18) months from the date of delivery or scheduled date of delivery of the freight, whichever is later. Upon agreement of the Parties, arbitration proceedings may be conducted outside of the administrative control of the TAM, AAA, ADR, or DRC. The decision of the arbitrators shall be binding and final and the award of the arbitrator may be entered as judgment in any court of competent jurisdiction. The prevailing party shall be entitled to recovery of costs, expenses and reasonable attorney fees as well as those incurred in any action for injunctive relief, or in the event further legal action is taken to enforce the award of arbitrators. Arbitration proceedings shall be conducted at the office of the AAA, ADR, DRC or TAM nearest Clinton, IL or such other place as mutually agreed upon in writing or directed by the acting arbitration association. Provided, however, either Party may apply to a court of competent jurisdiction for injunctive relief. Venue for any such action shall be in (state) Illinois. Unless preempted or controlled by federal transportation law and regulations, the laws of the State of Illinois shall be controlling. The arbitration provisions of this paragraph shall not apply to enforcement of the award of arbitration.
- E. **NO BACK SOLICITATION**:
 - i. Unless otherwise agreed in writing, CARRIER shall not knowingly solicit freight shipments for a period of 24 month(s) following termination of this agreement for any reason, from any shipper, consignor, consignee, or other customer of BROKER, when such shipments of shipper customers were first tendered to CARRIER by BROKER.

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- ii. In the event of breach of this provision, BROKER shall be entitled, for a period of 18 months following delivery of the last shipment transported by CARRIER under this Agreement, to a commission of Fifty percent (50%) of the gross transportation revenue (as evidenced by freight bills) received by CARRIER for the transportation of said freight as liquidated damages, and such commission shall be due and payable within Thirty (30) days after billing date. Additionally, BROKER may seek injunctive relief and in the event it is successful, CARRIER shall be liable for all costs and expenses incurred by BROKER, including, but not limited to, reasonable attorney's fees.

F. CONFIDENTIALITY:

- i. In addition to Confidential Information protected by law, statutory or otherwise, the CARRIER agrees that all of BROKER'S financial information and that of their customers, including but not limited to freight and brokerage rates, amounts tendered for brokerage services, amounts of freight charges collected, freight volume requirements, as well as personal customer information, customer shipping or other logistics requirements shared or learned between the Parties and BROKER'S customers, shall be treated as Confidential, and shall not be disclosed or used for any reason without prior written consent. CARRIER also expressly waives any or all right and remedies they may have as described in 49 U.S.C. §371.3.
- ii. In the event of violation of this Confidentiality paragraph, the CARRIER agrees that the remedy at law, including monetary damages, may be inadequate and that the BROKER shall be entitled, in addition to any other remedy they may have, to an injunction restraining the CARRIER from further violation of this Agreement in which case the CARRIER shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney's fees, and costs of litigation. BROKER shall be authorized and entitled to seek from any court of competent jurisdiction, temporary, preliminary and permanent injunctive relief as well as an equitable accounting of all profits or benefits arising from such violation, which rights and remedies shall be cumulative, and in addition to any other rights or remedies at law or in equity to which BROKER may be entitled.

G. BROKER may find it necessary to change this Agreement from time to time. These changes shall become effective immediately and are accepted as part of this agreement. It is the responsibility of the CARRIER to review the Agreement on a regular basis to verify if such changes are applicable to this service agreement. If these changes at any time are not satisfactory to the CARRIER it will be the responsibility of the CARRIER to contact BROKER to address such concerns and cause an agreed amendment to be signed by both parties.

H. MODIFICATION OF AGREEMENT: This Agreement and Appendix A et.seq. attached may not be amended, except by mutual written agreement, or the procedures set forth above (Pars 2.B and 2.C). This agreement may not be assigned or transferred in whole or in part, and supersedes all other agreements, tariffs, rates, classifications and schedules published, filed or otherwise maintained by CARRIER. This agreement shall not be modified, changed or amended, except in writing signed by both parties.

I. NOTICES:

- i. All notices provided or required by this Agreement, shall be made in writing and delivered, return receipt requested, to the addresses shown herein with postage prepaid; or by confirmed (electronically acknowledged on paper) fax or email.
- ii. THE PARTIES shall promptly notify each other of any claim that is asserted against either of them by anyone arising out of the Parties performance of this Agreement.
- iii. Notices sent as required hereunder, to the addresses shown in this Agreement shall be deemed sent to the correct address, unless the Parties are notified in writing of any changes in address.

J. CONTRACT TERM: The term of this Agreement shall be one year from the date hereof and thereafter it shall automatically be renewed for successive one (1) year periods, unless terminated, upon thirty (30) day's prior written notice, with or without cause, by either Party at any time, including the initial term. In the event of termination of this Agreement for any reason, the Parties shall be obligated to complete performance of any work in progress in accordance with the terms of this Agreement.

K. SEVERANCE: SURVIVAL: In the event any of the terms of this Agreement are determined to be invalid or unenforceable, no other terms shall be affected and the unaffected terms shall remain valid and enforceable as written. The representations, rights and obligations of the parties hereunder shall survive termination of this Agreement for any reason.

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- L. COUNTERPARTS: This Agreement may be executed in any number of counterparts each of which shall be deemed to be a duplicate original hereof.
- M. FAX / EMAIL CONSENT: The Parties to this Agreement are authorized to fax / email to each other at the numbers shown herein, (or otherwise modified in writing from time to time) shipment availabilities, equipment and rate promotions, or any advertisements of new services.
- N. FORCE MAJEURE: Neither party will be liable for the failure to tender or timely transport freight under this agreement if such failure, delay or other omission is caused by strikes, acts of God, war, accidents, civil disorder, or through compliance with legally constituted order of civil or military authorities.
- O. CARRIER must comply with its legal obligations concerning the safe and secure transportation of food that will ultimately be consumed by humans or animals (the "Goods"), including those required by local, provincial, state and federal laws, regulations, ordinances and rules including, but not limited to, the Food Safety Modernization Act (21 U.S.C. § 2201, *et seq.*), the Federal Food, Drug, Cosmetic Act (21 U.S.C. § 341, *et seq.*) ("FD&C Act"), the Sanitary Food Transportation Act (49 U.S.C. 5701 *et seq.*) and the U.S. Food and Drug Administration's Final Rule on the Sanitary Transportation of Human and Animal Food (21 C.F.R. §1.900 *et seq.*), collectively (the "Food Safety Laws").
1. CARRIER must ensure that vehicles and transportation equipment meet the specifications in the Customer's instructions, as provided to the CARRIER by the Customer, through BROKER or otherwise. All vehicles and transportation equipment must be food grade, considered suitable for the transport of food items.
 2. When required by, and as specified in the Customer's instructions, CARRIER will pre-cool mechanically refrigerated cold storage compartments before offering vehicles and equipment with an auxiliary refrigeration units for use in transporting Goods requiring temperature control during transportation.
 3. CARRIER shall comply with the following general requirements
 - a All Loads
 - i. Ensure the Trailer is food grade: clean, in good repair, with no refrigeration unit or roof leaks, off odors, pest infestations, blood, other contaminants, or debris.
 - ii. Door seals intact and drain plugs are in place.
 - iii. If given a seal for the shipment, driver will need to verify seal# is on the BOL as well, unless otherwise specified written instructions are provided to the CARRIER.
 - iv. Driver has been trained in all food safety requirements required by FSMA
 - v. Driver will put their own padlock on door for additional trailer security.
 - vi. Driver will check BOL for required product temperature and any special instructions.
 - vii. Driver will report Overs/ Shorts/ Damages/ Refusals/ Potential Refusal or Actual Delays immediately.
 - viii. Driver will report any time at dock greater than 30 minutes with doors open and no unloading activity.
 - ix. Traceability shall be ensured during transport. There shall be a clear record of dispatch and receipt of goods and materials demonstrating that sufficient checks have been completed during the transfer of goods.
 - x. If the equipment is found to have the following they will be immediately rejected:
 - * Glass
 - * Metal or metal shavings
 - * Excessive filth including trash, dirt, accumulation, or other debris.
 - * Spilled items from the previous load
 - * Hard, brittle plastic
 - * Excessive amounts of pallet material or other wood.
 - * Any form of animal products or animal by products.
 - * Chemical spills



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* Holes in the trailer roof, seams, or floor.

* Condensation

* Objectionable odor

b.. Temperature Controlled Loads (Refrigerated or Frozen)

i. Driver will ensure trailer is precooled to noted Rate Confirmation temperature. Driver will check trailer temperature and setting at least every 4 hours during transit.

5. CARRIER will, upon BROKER's request, provide evidence of the following:

a. the operating temperature for the Goods, and that the Customer's temperature conditions were maintained during transportation of the Goods, by presenting ambient temperature measurements upon loading and unloading, time and temperature data taken during the shipment, or as otherwise specified by the Customer's instructions;

b. documented written processes to maintain product food safety, including those for: maintaining requisite temperature controls during transport for Goods subject to the Customer's temperature control requirements; cleaning, sanitizing (as applicable), training personnel for cleaning the equipment, and inspecting vehicles and transportation equipment used to transport the Goods; and tracing Goods that are transported in bulk vehicles;

c. transportation traceability, including information regarding:

i. previous cargos hauled in bulk or other vehicles offered for transportation of the Goods;

ii. maintenance and intervening cleaning procedures for docks, vehicles and other equipment; and

iii. the appropriate training process for each person under CARRIER's supervision or control, involved in the supply chain, and transporting shipments governed by this Addendum; and

d. for each shipment, evidence that the Goods have not been adulterated, as defined in the FD&C Act, and have been transported under sanitary conditions that will protect the product against any temperature abuse or great temperature fluctuations and any physical, chemical, and microbial contamination of the Goods or the packaging materials, case or container in which they are being transported.

CARRIER agrees to maintain all documentation and records related to the transport of shipments governed by this Addendum, including those documenting the safe and sanitary transport of food, for a period of two (2) years following the tender of each shipment.

6. CARRIER agrees that food that has been transported or offered for transport, pursuant to this Addendum, under conditions that are not in compliance with the Customer's instructions as provided to CARRIER by the Customer, through BROKER, or otherwise, shall be considered "adulterated" within the meaning of the Federal Food, Drug and Cosmetic Act 21 U.S.C. §§ 342 (a)(i)(4), 342 (i). CARRIER understands that adulterated shipments may be refused by the consignee or receiver, upon their delivery, at destination.

See FDA Requirement for Transport: <https://www.fda.gov/Food/GuidanceRegulation/FSMA/ucm383763.htm>

7. CARRIER agrees that BROKER is not responsible for and shall in no way be held liable to CARRIER for CARRIER's or any Customer's, consignee's, receiver's or loader's obligations or their failure to adhere to their respective obligations under the laws and regulations governing the safe and sanitary transport of food for human consumption, including the Food Safety Laws referenced, above in Paragraph 1.

8. CARRIER shall defend, indemnify and hold harmless BROKER and BROKER's customers, their respective officers, directors, employees, agents, representatives, vendors and customers against any and all claims, demands, actions, causes of action and / or liabilities (actual, potential, threatened or pending) judgements, fines, penalties, orders,



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decrees, awards, costs, expenses, including attorneys' fees, settlements and claims on account of CARRIER's, anyone under its supervision or control's failure to adhere to the requirements of the Food Safety Laws, as further defined in paragraph 1, above, or the tender of adulterated Goods to the consignee or receiver.

9. Evidence of procedures, and training, in place to ensure that if a seal is to be broken, BROKER must be contacted immediately at the time of the occurrence. Procedures must also define how to handle the load after the seal has been broken and that the seal must be effectively retained as evidence, and be effectively replaced (DOT inspection, Governmental requirement, etc.). For any reason if a break down or accident were to occur, BROKER must be contacted immediately upon occurrence. BROKER will contact customer to determine disposition of the load on a case by case basis.

P. **ENTIRE AGREEMENT:** Except for Appendix A and its amendments, and unless otherwise agreed in writing, this Agreement contains the entire understanding of the Parties and supersedes all verbal or written prior agreements, arrangements, and understandings of the Parties relating to the subject matter stated herein. The Parties further intend that this Agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence may be introduced to reform this Agreement in any judicial or arbitration proceeding involving this Agreement.

Q. **AUTHORITY OF EXECUTING PARTY:** CARRIER represents and warrants that the individual executing this agreement, and each rate confirmation (Appendix A), on CARRIER'S behalf has the authority to execute this agreement and to bind CARRIER to the terms hereof.

IN WITNESS WHEREOF, we have signed this Agreement the date and year first shown above.

(CARRIER)
Company Name:

Authorized Signature:

Printed Name:

Title:

Company Address:

City _____ State ____ Zip _____

Phone: _____

Fax: _____

Email: _____

(BROKER)

SELECT LOGISTICS NETWORK INC.

Authorized Signature:

Printed Name:

Lisa R. Edwards

Title:

President

Company Address:

415 E. Van Buren, P. O. Box 496

City Clinton State IL Zip 61727

Phone: 217-935-6543

Fax: 217-935-0056

Email select@selectlogistics.net

ONLY an Authorized Representative of your company must sign this document. It will be the CARRIER'S full responsibility to ensure that the party signing this contract is an authorized representative of the company.

Fax to 217-935-0056 or

Email select@selectlogistics.net

