

**BROKER / CARRIER AGREEMENT**

This Agreement shall govern the services provided by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a licensed motor carrier pursuant to Docket No. MC-\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as CARRIER) and **Kings Peak Logistics, LLC**  (hereinafter referred to as BROKER), a licensed property broker pursuant to Docket No. MC-1525745.

1) TERM. This Agreement shall be for the period of one (1) year and shall be automatically renewed unless canceled. Either party may terminate this Agreement upon thirty (30) days written notice at any time.

2) RELATIONSHIP. BROKER is an agent authorized by its customers to negotiate and arrange for transportation of their shipments in interstate commerce. Upon accepting tendered load from BROKER, CARRIER shall not broker, interline, co-broker, assign or trip lease loads with another party and shall transport all shipments on equipment owned and operated by it. CARRIER agrees to transport all shipments provided under this Agreement without delay, and all occurrences which would be probable or certain to cause delay shall be immediately communicated to BROKER by CARRIER. CARRIER shall, at its sole cost and expense: (a) furnish all equipment necessary or required for the performance of its obligations hereunder (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; shall perform the services hereunder as an independent contractor; and shall assume complete responsibility for all state and federal taxes, assessments, insurance (including, but not limited to, workers compensation, unemployment compensation, disability, pension and social security insurance) and any other financial obligations arising out of the transportation performed hereunder.

3) SHIPMENT DOCUMENTATION. CARRIER is to be named on the bill of lading as the carrier of record. BROKER shall be identified as the agent of the Shipper to whom invoices are sent for processing. Upon delivery of each shipment made hereunder, CARRIER shall submit signed proof of delivery and signed BROKER’S load confirmation with invoices to BROKER as agent for the shipper. Invoice will be in an amount equal to the rates and accessorial charges agreed to on the BROKER’S load confirmation sheet or other signed writing. Proof of delivery must show 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 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. Invoices not submitted within sixty (60) days of the ship date specified on the applicable bill of lading are waived. CARRIER shall notify BROKER immediately of any exception made on the bill of lading or delivery receipt. The terms and conditions of the Standard Truckload Bill of Lading shall apply.

4) DETENTION. CARRIER agrees to allow four (4) free hours at origin, destination, and any intermediate stops before detention charges commence. BROKER must be notified at the end of the four (4) hours that CARRIER is still at location before any charges commence. CARRIER’s failure to contact BROKER will result in no detention charges being applied.

5) PAYMENT TERMS. BROKERshall pay CARRIER for the transportation of property under this AGREEMENT in accordance with the shipping rates as established herein, said payment to be made not later than thirty (30) days from receipt by BROKER of Carrier’s valid, uncontested invoice and documentation of proof of pick-up and delivery covering such transportation and services. In the event said paperwork has not been received by BROKER within 30 days CARRIERcould be subject to a $50 fine.

6) INSURANCE. CARRIER warrants to BROKER (and its customers) that it meets the following criteria:

 (a) CARRIER shall maintain all risk cargo insurance in the amount of not less than $100,000 per shipment. Such insurance policy shall provide coverage to BROKER, the Customer or the owner and / or consignee for any loss, damage or delay related to any property coming into the possession of CARRIER under this Agreement. The coverage provided under the policy shall have no exclusions or restrictions of any type that would foreseeably preclude coverage relating to cargo claims.

 (b) CARRIER shall maintain public liability insurance in the amount of not less than $1,000,000 as required by federal regulation (BMC-91 on file).

 (c) CARRIER shall maintain workers compensation insurance as required by state law.

 (d) CARRIER shall have commercial general liability coverage in the amount of not less than $1,000,000 per occurrence.

 (e) CARRIER shall agree to provide certificates of insurance upon request.

7) OPERATING AUTHORITY / SAFETY. CARRIER warrants that it has a United States Department of Transportation (USDOT) safety rating of “satisfactory” or equivalent and is otherwise authorized to provide the proposed services. CARRIER shall be in compliance with all applicable laws. In the event that CARRIER is requested by BROKER to transport any shipment required by the USDOT to be placarded as a hazardous material, the parties agree that the additional provisions shall apply for each such shipment.

8) GOVERNING RULES. This written Agreement and any load confirmation contains the entire agreement between the parties and may only be modified by signed written agreement. This Agreement shall be governed under the laws of the State of Utah. Any lawsuit shall be brought in a court of competent jurisdiction in Cache County, Utah. CARRIER and BROKER expressly waive any and all rights and remedies allowed under 49 U.S.C. § 14101(b) to the extent that such rights and remedies conflict with this Agreement. Failure of BROKER 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 herein. The following rules shall apply:

(a) The terms of the Standard Truckload bill of lading;

(b) Standard claims rules otherwise applicable to common carriers (49 C.F.R. 370);

(c) Cargo claims liability as set forth in the Carmack Amendment (49 U.S.C. 14706);

(d) Destination market value for lost or damaged cargo, no special or consequential damages unless by special agreement;

(e) Claims may be filed by BROKER or Shipper with CARRIER; and

(f) BROKER’S customer is third party beneficiary of this Agreement.

9) FREIGHT LOSS, DAMAGE OR DELAY. 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 3 above. CARRIER assumes the liability of a common carrier (i.e. Carmack Amendment liability) 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. CARRIER shall pay to BROKER (for the shipper), or allow BROKER to deduct from the amount BROKER owes CARRIER, the full actual loss for the kind and quantity of commodities so lost, delayed, damaged or destroyed.. CARRIER agrees to transport and deliver loads within reasonable dispatch unless a specific delivery date is shown on the bill of lading or load confirmation. In the event a claim is not resolved to the satisfaction of BROKER or its customer within 90 days of presentation or CARRIER is unable to demonstrate the loss is properly insured, BROKER in its sole discretion may elect to offset the claimed amount against freight charges otherwise due and owing to CARRIER, placing such sums in escrow until the merits of the claim are resolved. At the election of BROKER, any cargo claim or claim for CARRIER's negligence may be submitted for binding arbitration under the procedures established by the Transportation Lawyers Association with the cost of same to be evenly divided between the parties.

10) SHIPMENTS PRODUCING CLAIMS, REJECTIONS, ETC. When a shipment is partially or wholly refused or rejected by the receiver or CARRIER is unable to deliver it for any reason, CARRIER shall notify BROKER and the shipper in order to receive disposition instructions. Until such disposition instructions are received, CARRIER must place the shipment in a public warehouse under BROKER name or in its terminal or storage facility under reasonable security and provide written notice of such act to BROKER and shipper. CARRIER shall have no right to sell, auction or otherwise dispose of any property subject to disagreement which is undeliverable, without providing written notice of intent to do so to BROKER and to shipper at least 30 days in advance of such sale, auction or other disposition. In the event of any such sale or auction, CARRIER shall hold the proceeds thereof in trust for BROKER and shipper.

11) INDEMNIFICATION. CARRIER agrees to indemnify and hold BROKER and its customers harmless from any claims for loss or damage including, but not limited to, claims for or related to personal injury (including death) and property damage; to the extent caused by any act or omission of CARRIER, its employees or agents, in the performance of this Agreement or the services provided hereunder. CARRIER warrants that it is aware of and will comply with all facility access and safety requirements imposed by any consignor or consignee. CARRIER expressly agrees to indemnify and hold harmless BROKER and its customer from any liability arising out of the presence of CARRIER, its employees and agents on such facilities or violations of the term of access imposed upon it.

12) FREIGHT CHARGE COLLECTION. CARRIER agrees that BROKER has the exclusive right to handle all billing of freight charges to the Customer for the transportation services provided herein, and, as such, CARRIER agrees to waive all collection efforts against the shipper, receiver, consignor, consignee or the Customer unless authorized in writing by BROKER.

13) WAIVER OF CARRIER'S LIEN. CARRIER shall not withhold any goods of any Customer on account of any dispute as to rates or any alleged failure to receive payment of freight charges incurred under this Agreement. CARRIER further agrees that BROKER has the discretionary right to offset any payments owed to CARRIER hereunder for liability incurred by CARRIER pursuant to Section 9 of this Agreement.

14) BACK SOLICITATION.

 (a) CARRIER and BROKER agree that BROKER, at great expense, has developed a broad customer base of Shippers, receivers and vendors that is essential to the successful operations of the BROKER. CARRIER and BROKER agree that disclosure of the identity of one or more of BROKER said customers to CARRIER constitutes valuable consideration. During the term of this AGREEMENT and for a period of one (1) year from its termination, CARRIER shall not, directly or indirectly, solicit or do business of a transportation or warehousing nature with any of BROKER’s customers who are serviced by CARRIER as a result of this AGREEMENT unless otherwise agreed by the parties in writing.

 (b) Solicitation prohibited under this AGREEMENT means participation in any conduct, whether direct or indirect, the purpose of which involves transportation and/or handling of property by CARRIER for which

CARRIER does, or did in the past, provide such services for that customer under arrangements first made or procured by BROKER. Solicitation includes conduct initiated or induced by CARRIER, or accepted by CARRIER upon inducement by BROKER’s customer.

 (c) If CARRIER should perform services of a transportation or warehousing nature for compensation for any BROKER customer without prior documented authorization from BROKER during the applicable time period in violation of this AGREEMENT, CARRIER shall pay to BROKER within ten (10) days of each such violation an amount equal to twenty percent (20%) of all revenues invoiced by CARRIER to the solicited customer.

 (d) BROKER shall identify its customers to CARRIER as each first load from each customer is tendered to CARRIER. Carrier’s acceptance of the load and movement of the property will acknowledge that this new Customer is a BROKER customer. CARRIER has ten (10) days after such "first load" is accepted by CARRIER to Challenge, in writing, why the customer should not be considered a BROKER customer. In any case of challenge, BROKER and CARRIER will agree in writing exactly how this customer will be handled.

15) ASSIGNMENT / BENEFIT OF AGREEMENT. This Agreement may not be assigned or transferred in whole or in part, and supersedes all other agreements and all tariffs, rates, classifications and schedules published, filed or otherwise maintained by CARRIER. This Agreement shall be binding upon and inure to the benefit of the parties hereto.

16) 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 provisions of this Agreement shall continue in full force and effect.

17) CONFIDENTIALITY. In addition to Confidential Information protected by law, statutory or otherwise, the Parties agree that all of their financial information and that of their Customers, including but not limited to freight and brokerage rates, amounts received 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 their Customers, shall be treated as Confidential, and shall not be disclosed or used for any reason without prior written consent. In the event of violation of this Confidentiality paragraph, the Parties agree that the remedy at law, including monetary damages, may be inadequate and that the Parties shall be entitled, in addition to any other remedy they may have to an injunction restraining the violating Party from further violation of this Agreement in which case the prevailing Party shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney’s fees.

18) USE OF SUBCONTRACTORS. CARRIER warrants that all service will be provided on motor vehicles operated and insured by and in accordance with the terms of this contract. In the event CARRIER violates this warranty and double brokers any shipment to a carrier not authorized in writing by BROKER, CARRIER agrees that it shall be fully liable to BROKER and its customer for all insurance claims, for any vicarious liability resulting from breach of this warranty and for any demand for freight charges by the actual service provider. In addition to CARRIER's obligation to indemnify and hold harmless BROKER and its customers from any liability or claim arising out of breach of this warranty, CARRIER agrees that as liquidated damages, BROKER may retain all unpaid freight charges due and owing to CARRIER and may seek recompense including state law remedies for tortious interference with contract in the event subcontractors demand payment of freight charges from BROKER's contract on shipments double brokered in violation of this provision. Furthermore, BROKER shall impose a $**1,000 fine for each occurrence of double brokering without written consent, which may be set-off from any unpaid freight charges due to CARRIER.**

19) NOTICES. Any notices required or permitted to be given under this **AGREEMENT** shall be in writing and shall be sent by first class mail **and** by fax transmission. The mailed notices shall be addressed to the parties, respectively, at the address shown below, and the contemporaneously faxed notices shall be likewise transmitted to the facsimile numbers shown below.

20) ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties and supersedes all prior agreements and understandings, both written and oral, between the parties. Any modifications must be made in writing and executed by both parties.

**SIGNATURE PAGE TO FOLLOWIn Witness Whereof**, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized representatives as of the date written below.

**BROKER:** **CARRIER:**

**KINGS PEAK LOGISTICS, LLC** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Authorized Agent Authorized Agent

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Address 140 N 400 W Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Hyrum, UT 84319 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone # 435-890-6310 Phone # \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email Mandy@kingsbeaklogistics.com Email \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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