

BROKER CARRIER AGREEMENT

THIS BROKER CARRIER AGREEMENT ("Agreement") is dated as of _____, 20__ between Spot Freight, Inc. ("Broker") and _____ ("Carrier").

BACKGROUND

Broker is a licensed property broker (license no. MC-665776) and periodically has the opportunity to control the routing of shipments to and from various parties ("Customers") is a motor carrier, is authorized to operate in intrastate, interstate and/or international commerce. Broker and Carrier wish to set forth the arrangement by which Broker may refer to Carrier, and Carrier may accept from Broker, transportation services to be performed for one or more Customers of Broker.

AGREEMENT

This Agreement is effective as of the date Carrier clicks to accept the Agreement (the "Effective Date"). If you are accepting on behalf of Carrier, you represent and warrant that: (i) you have full legal authority to bind Carrier to this Agreement; (ii) you have read and understand this Agreement and intend for Carrier to be bound by this Agreement; and (iii) you agree, on behalf of Carrier, to all of the terms, conditions, and other provisions of this Agreement. If you do not have the legal authority to bind Carrier, you may not click to accept. If you do not accept this Agreement, please select "**DECLINE**" and you will not be accepted as a Carrier for Broker.

Broker may from time to time modify the terms and conditions of this Agreement, or any part hereof, or to impose new conditions to the Agreement. Except as otherwise stated herein, any modification to this Agreement shall be effective the earlier of Carrier's continued provision of transportation services, or ten (10) days after it initially is posted on the Broker's website at <https://red-trucks.com/>. Carrier's provision of any transportation services after any such modification will be conclusively deemed acceptance of such modification(s). If any modification material to Carrier is unacceptable, Carrier may terminate this Agreement, subject to the terms and conditions contained herein. The Agreement may not otherwise be amended except in a writing signed by Carrier and Broker.

1. Referral and Performance Services. Broker may refer to Carrier, and Carrier may accept from Broker, transportation services to be performed by Carrier as set forth on one or more mutually agreed upon bills of lading. Broker and Carrier agree that any services referred to Carrier by Broker shall be performed pursuant to the terms and conditions of this Agreement. In the event of any conflict between this Agreement and any individual bill of lading, the terms of this Agreement shall control (but only with respect to the services provided under such bill of lading). This Agreement is not intended to be an exclusive arrangement for Broker or Carrier, and the parties acknowledge and agree that Broker may refer transportation services to other carriers and Carrier may perform transportation services for other Brokers and customers subject to the provisions herein.

2. Term. The term of this Agreement shall be for one (1) year and shall automatically be renewed for successive one (1) year periods; provided, however, that this Agreement may be terminated at any time by giving thirty (30) days prior written notice to the other party.

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3. Compliance with Law. Carrier represents and warrants that it is duly and legally qualified to provide, as a contract carrier, the transportation services contemplated by this Agreement. Carrier further represents and warrants that it does not have a current or proposed conditional or unsatisfactory safety rating issued by any regulatory authority with jurisdiction over Carrier's operations, including, but not limited to, the Federal Motor Safety Administration ("FMCSA") of the U.S. Department of Transportation ("DOT"). Carrier further warrants that each of its Behavior Analysis and Safety Improvement Categories ("BASIC") maintained by the FMCSA within the FMCSA's Safety Measurement System are below the Alert Threshold. Carrier further agrees to comply with all Applicable Law in the performance of its services under this Agreement. In the event that Carrier receives a conditional or unsatisfactory safety rating, any BASIC shall go into an Alert status, or is otherwise prohibited by Applicable Law from performing services hereunder, Carrier shall immediately notify Broker of such fact and shall not carry any loads or goods tendered to Carrier by Broker until such prohibition on operations is removed. Carrier shall furnish to Broker a copy of its operating authority upon request.

4. Hazardous materials. In the event Carrier is requested to transport hazardous materials or waste requiring vehicle placarding under 49 C.F.R. Part 181, Carrier represents and warrants that it has obtained all necessary federal permits and registrations to transport hazardous materials or waste in inter-provincial, interstate and/or intrastate commerce. Upon request, Carrier shall provide Broker with a copy of all such federal and state permits and registrations. Carrier further represents and warrants that all drivers used to transport hazardous material shipments have undergone the necessary training requirements of state and federal laws, including, but not limited to, the training requirements under 49 C.F.R. Part 126(F). Carrier further warrants and certifies that all drivers used to transport hazardous material have the proper endorsements on their Commercial Driver's License to legally transport such shipments. Carrier and its drivers shall comply with all federal, state and local laws regarding the transportation of hazardous material, including, but not limited to, the requirements specified under 49 C.F.R. Part 181, and 49 C.F.R. Part 397.

5. Receipts and Bills of Lading. Spot Freight prohibits Shippers and Carriers from adding Spot Freight's name on the Bill of Lading as the carrier. Each shipment hereunder shall be evidenced by a bill of lading naming Carrier as the transporting carrier. In the event that Broker is erroneously named as the "carrier" on the bill of lading, such fact shall in no way alter Broker's status as a property broker. The bill of lading shall act as shipping instructions and a receipt only and shall be prima facie evidence of Carrier's receipt of the goods stated therein in good condition unless otherwise noted thereon. Upon delivery of each shipment made hereunder, Carrier shall obtain a receipt showing the kind and quantity of product delivered to the Customer at the destination specified by Broker or the Customer, and Carrier shall cause such receipt to be signed by a representative of the recipient of the shipment.

6. Carriers Operations. 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 expensed 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 services performed hereunder.

7. Indemnity. Carrier will indemnify, defend and hold harmless broker, its affiliates and its customers (as intended third party beneficiaries) from any and against all losses (as defined below) arising out of or in connection with the transportation services provided under this contract, including the loading, unloading, handling, transportation, possession, custody, use or maintenance of cargo or equipment or performance of this contract (including breach hereof) by carrier or any carrier representative. Carrier's obligation to indemnify and defend shall not be affected by alleged negligence or willful misconduct of broker, its affiliates or customers. It is the intent of the parties that this provision be construed to provide indemnification to broker, its affiliates and customer to the maximum extent permitted by law. If this provision is found in any way to be overbroad, it is the parties' intent that this provision be enforced to allow indemnification to the maximum extent permissible. "Losses" mean any and all losses, liabilities, obligations, personal injury, bodily injury, property damage, loss or theft of property, damages, penalties, actions, causes of action, claims, suits, demands, costs and expenses of any nature whatsoever, including reasonable attorneys' and paralegals' fees and other costs of defense, investigation and settlement, costs of containment, cleanup and remediation of spills, releases or other environmental contamination and costs of enforcement of indemnity obligations.

8. Insurance. Carrier shall procure and maintain, at its sole cost and expense, all insurance coverage required by the U.S. Department of Transportation and any State in which Carrier will operate, which at a minimum shall consist of the following insurance coverages:

- (a) Commercial Automobile Liability insurance with a combined single limit of not less than US\$1,000,000 per occurrence and without aggregate limits with a reputable and financially responsible insurance company.
- (b) All Risk Broad Form Motor Truck Cargo Legal Liability insurance in an amount not less than \$100,000 per occurrence. Such insurance policy shall Name Broker as a loss payee and 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 foreseeable preclude a coverage relating to cargo claims, including, but not limited to, exclusions for unattended tractors or trailers.

- (c) Commercial General Liability Insurance covering operations under this Agreement in an amount not less than \$1,000,000.00 (U.S. Dollars) per occurrence. Such insurance shall also cover CARRIER's contractual liability under this Agreement.
- (d) Statutory Workers' Compensation Insurance coverage in such amounts and in such form as required by applicable state law.
- (e) Carrier shall furnish to Broker written certificates obtained from the insurance carrier showing that such insurance has been procured, is being properly maintained, the expiration date, and specifying that written notice of cancellation or modification of the policies shall be given to Broker at least thirty (30) days prior to such cancellation or modification. Broker shall be named as a loss payee with respect to cargo coverage, and as an additional insured with respect to public liability and commercial general liability insurance. Upon request, Carrier shall provide Broker with copies of the applicable insurance policies.

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 5. Carrier assumes the liability of a carrier pursuant to the Carmack Amendment as currently codified at 49 U.S.C. § 14706 for loss, delay, damage to or destruction of any and all Customer's goods or property while under Carrier's care, custody or control. Carrier shall pay to Broker, or allow Broker to deduct from the amount Broker owes Carrier, Customer's full actual loss for the kind and quantity of commodities so lost, delayed, damaged or destroyed. Carrier shall be liable to Broker for all economic loss, including consequential damages that are incurred by Broker or the Customer for any freight loss, damage or delay claim. Payments by Carrier to Broker or its Customer, pursuant to the provisions of this section, shall be made within thirty (30) days following receipt by Carrier of Broker's or Customer's invoice and supporting documentation for the claim. Carrier waives any right to salvage unless specifically granted in writing in the sole discretion of the Customer or owner.

10. Carrier Moving Perishables. 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; (b) Claims will be filed with Carrier by Broker or Shipper; (c) claims notification procedures will be followed in accordance with procedure described in 49 C.F.R. 370.1-11.

11. Waiver of Carrier's Lien. 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.

12. Payments. Unless otherwise stated in a separate Rate Confirmation Agreement signed by the parties, Carrier will invoice and Broker will pay the rates and charges set forth in Schedule 1, for transportation services performed under this Agreement. Carrier represents and warrants that there are no other applicable rates or charges except those established in this Agreement or in any Rate Confirmation Agreement signed by the parties. Payment by Broker will be made within thirty (30) days of receipt by Broker of Carrier's freight bill, bill of lading and clear deliver receipt, and any other necessary billing documents enabling Broker to ascertain that service has been provided at the agreed upon charge. Schedule II details specific invoices requirements. Carrier shall provide signed proof of delivery within fifteen (15) days of delivery. Carrier agrees to refrain from all collection efforts against the shipper, receiver, consignor, consignee or the Customer. Carrier further agrees that Broker has the discretionary right to offset any payments owned to Carrier hereunder for liability incurred by Carrier pursuant to this Section 11 or to Section 9 of this Agreement.

13. 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) to its parent, subsidiary or affiliate company; or (3) to facilitate rating or auditing of transportation charges by an authorized person and such person agrees to keep the terms of this Agreement confidential. Carrier will not accept 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 ship consignor, consignee or Customer of Broker was first tendered to Carrier by Broker. If Carrier breaches this Agreement and directly or indirectly accepts such traffic during the term of this Agreement or for twelve (12) months thereafter, Carrier shall be obligated to pay Broker, for a period of fifteen (15) months thereafter, commission in the amount of thirty-five percent (35%) of the transportation revenue resulting from traffic transported in violation of this provision, and Carrier shall provide Broker with all documentation requested by Broker to verify such transportation revenue.

14. Broker's Records. To the extent allowable under Applicable Law, Carrier hereby waives its right to obtain copies of Broker's records as provided for under 49 C.F.R. Part 371. Notwithstanding the foregoing, to the extent that Carrier obtains records set forth in 49 C.F.R. § 371.3 by any means whatsoever, Carrier agrees to refrain from utilizing such records in negotiating for the provision of services with any third party, including existing customers of Broker. Carrier further agrees and understands that all such records comprise Broker's confidential information and trade-secrets. Nothing in this section is intended to relieve Carrier of any other obligations imposed upon it by this Agreement, or to limit any rights of Broker to enforce such obligations.

15. Sub-Contract Prohibition. Carrier specifically agrees that all freight tendered to its by Broker shall be transported on equipment operated only under the authority 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 prior written consent of Broker.

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16. Assignment/Modification/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, service guides, circulars and schedules published, filed or otherwise maintained by Carrier. This Agreement shall be binding upon and inure to the benefit of the parties hereto.

17. 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.

18. 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 of Broker to insist upon Carrier's performance under this Agreement or to exercise any right or privilege, shall not be a waiver of Broker's rights or privilege herein.

19. Dispute Resolution. This Agreement shall be deemed to have been drawn in accordance with the statutes and laws of the State of Indiana and in the event of any disagreement or dispute, the laws of this state shall apply and the parties agree that all actions or proceedings arising out of this Agreement shall be litigated in courts located in Marion County, Indiana.

20. Customers. The obligations of Carrier under this Agreement shall extend not only to Broker but also to the Customers.

21. Safety. Carrier agrees to immediately notify Broker of any accident or event which impairs the safety of or delays delivery of goods or shipments, and also agrees to use reasonable care and due diligence in the protection of said goods and shipments. In the event Broker determines, in Broker's sole discretion, that Carrier is unable or unwilling to deliver the goods or shipments without delay and without reasonable protection of said goods or shipments, Broker may immediately terminate carrier's transportation contract for such goods or shipments and carrier will cooperate in transferring goods or shipments to a carrier of Broker's choosing.

22. Notification. Any notice given under this Agreement shall be in writing and shall be deemed given when deposited in the United States mail, postage prepaid, properly addressed to the other party at the following address:

“Broker”

Spot Freight, Inc.
141 South Meridian Street Suite 200
Indianapolis, IN 46225

“Carrier”

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

Spot Freight, Inc.

By: _____

By: _____

Its: _____

Its: _____