



CONTRACT CARRIER AGREEMENT

THIS AGREEMENT is made by and between the undersigned party an I.C.C. licensed contract motor carrier, "CARRIER", and ZARTRAN LOGISTICS, LLC, 3035 Symmes Rd, Hamilton, OH 45015, MC#550846, an F.H.A. licensed property broker.

1. ZARTRAN LOGISTICS is a freight broker authorized by the F.H.A. under License No. 550846 to arrange for the transportation of property by motor carrier on behalf of shippers, and for the purposes of contract carriage sufficiently controls the arrangements for transportation of the commodities to be tendered to CARRIER under this agreement.
2. ZARTRAN LOGISTICS agrees to pay CARRIER for the transportation of freight moved under this agreement in accordance with the rates set forth in writing or made verbally and confirmed in writing to meet specific shipping schedules. Confirmation of verbally agreed rates will be made by a transportation agreement, faxed or electronically delivered, by ZARTRAN LOGISTICS to CARRIER and by the CARRIER'S pick up of the shipment. All modifications and additions to the rates made either in writing, or verbally and confirmed in writing, or as established by the billing and payment by the parties together with the underlying freight bills, shall be deemed as appendices to and considered a part of this agreement.
3. Whether or not CARRIER is authorized to operate, or does operate as a common carrier, each and every shipment tendered to CARRIER by ZARTRAN LOGISTICS shall be deemed to be a tender to CARRIER as a motor contract carrier and shall be subject to the terms of this agreement and the provisions of law applicable to motor contract carriage hereunder.
4. ZARTRAN LOGISTICS and CARRIER agree that the transportation services hereunder are to be performed as a contract carrier in compliance with Section 10102 of Title 49 of the United States Code, by assigning motor vehicles for a continuing period of time for the exclusive use of ZARTRAN LOGISTICS, or by providing specialized services or equipment designated to meet the distinctive needs of ZARTRAN LOGISTICS, the consignor, or our customer. Such services shall include, when applicable, but shall not be limited to: protective services, multiple stops in transit, direct dispatch, drop shipments, inside deliveries, spotting trailers, expedited shipments and driver unload/assist.
5. CARRIER, at its sole cost and expense, shall furnish all equipment required for its services hereunder and shall maintain all equipment in good repair and condition. CARRIER, at its sole cost and expense, shall employ for its services hereunder only competent and legally licensed personnel. Without the prior written consent of ZARTRAN LOGISTICS, CARRIER shall not cause or permit any shipment tendered hereunder to be transported by any other motor carrier or in substituted service by railroad or other modes of transportation.

6. ZARTRAN LOGISTICS is not responsible for any associated fees for equipment not suitable to be loaded by shipper or rejected due to equipment at the receiver.
7. CARRIER will be responsible to comply with all applicable I.C.C. and D.O.T. regulations as well as all other federal and state regulations pertaining to the operations of a motor carrier.
8. CARRIER shall issue a bill of lading in its own name and shall be liable for loss, damage, or delay of any shipment while in the possession or control of CARRIER. CARRIER hereby assumes the liability of a motor common carrier as provided in Section 11707 of Title 49 of the United States Code, as in effect on the effective date of this agreement. The terms, conditions, or provisions of the bill of lading or any other shipping form utilized shall be subject and subordinate to the terms of this agreement and, in the event of conflict, this agreement shall govern.
9. CARRIER agrees to hold ZARTRAN LOGISTICS harmless from and indemnify ZARTRAN LOGISTICS for any liability resulting from loss or damage to any freight transported by CARRIER pursuant to this agreement, including all costs to defend claims. CARRIER also agrees to hold ZARTRAN LOGISTICS harmless from and indemnify ZARTRAN LOGISTICS for any liability resulting from personal injury or property damage which may occur during the operations of CARRIER pursuant to this agreement, including all costs to defend claims.
10. The duties and obligations of the CARRIER, under the terms of this agreement shall be as follows:
 - A. The CARRIER shall provide ZARTRAN LOGISTICS with equipment that meets Federal Department of Transportation standards and complies with existing Federal Safety Regulations. Furthermore, CARRIER shall endeavor to maintain a satisfactory U.S. DOT Safety Rating but under no circumstances is CARRIER allowed to provide services under this contract if their safety rating falls to "unsatisfactory."
 - B. The CARRIER shall furnish ZARTRAN LOGISTICS with Certificate(s) of Insurance; financial responsibility or insurance policies, providing thirty (30) days advance written notice of cancellation or termination; and unless otherwise agreed and confirmed in writing, will be subject to the following minimum limits:
 - i. General liability \$1,000,000.
 - ii. Commercial auto or commercial motor vehicle insurance \$1,000,000.
 - iii. Cargo damage/loss, \$200,000 minimum. This coverage must be All Risk Broad Form Motor Truck Cargo Legal Liability Coverage. The coverage provided under the policy shall have no exclusions or restrictions of any type that would foreseeably preclude coverage relating to cargo claims including, but not limited to, exclusions of unattended or unattached trailers, unattended or unlocked vehicles, theft, or for any commodities transported under this agreement, TRU (Transport Refrigeration Units)

breakdown or lack of TRU fuel. Furthermore, if the commodity being hauled is refrigerated, TRU breakdown coverage will be provided, and the CARRIER will honor and abide by the servicing requirements set forth in the insurance policy or endorsement.

- iv. Workers' Compensation with limits required by law.
- v. If CARRIER provides Transportation Services for hazardous materials under DOT regulations, public insurance required for the commodity transported under 49 CFR §387.7 and §387.9 (or successor regulations thereto).

Except for the higher coverage limits which may be specified above, the insurance policies and financial responsibility 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 CARRIER liability due to any exclusion or deductible of any insurance policy or to limit CARRIER liability for contribution and/or indemnification and defense of ZARTRAN LOGISTICS. Coverage must be written with a CARRIER rated A- or better by AM Best Company. When an intrastate policy is issued, ZARTRAN LOGISTICS must be named as an additional insured.

- C. Detention of Power: The CARRIER agrees to notify ZARTRAN LOGISTICS immediately if a driver becomes detained. Detention notification must be made no later than two hours after the appointment time. ZARTRAN LOGISTICS will make every effort to ensure CARRIER is unloaded as timely as possible. ZARTRAN LOGISTICS will not be held accountable for detention charges when CARRIER does not notify ZARTRAN LOGISTICS per the above guidelines. Detention charges due to late or missed appointments will not be honored. Carrier to provide documentation with completed destination information if requested in order to receive payment. Individual event approval is required. Maximum detention charge is the layover charge (\$200. Per Day). \$40 Per Hour after 2 hours, payable in 15-minute increments.
- D. Layover: Applies if pick up or deliveries are on separate days and they are less than 250 miles apart. Carrier is required to complete loading or unloading the next business day due to conditions beyond their control. Layover charges due to late or missed appointments will not be honored. Carrier to provide documentation with completed destination information in order to receive payment. Individual event approval is required, layover charge is \$200 per day.
- E. 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 signed delivery receipts and bill of lading. CARRIER assumes the liability of a common carrier for loss, delay, damage to or destruction of any and all of the customer's goods or property while under CARRIER's care, custody, or

control. CARRIER shall pay to ZARTRAN LOGISTICS its customer's full actual loss for the kind and quantity of commodities so lost, delayed, damaged, or destroyed and any costs to dispose of damaged product. To the extent that any reasonable salvage value remains in the damaged shipment after all names, trademarks, logos, and other identifying marking are removed, and where CARRIER has already paid claimant the full value of the shipment or damaged portion thereof, CARRIER may request transfer of the salvage from the claimant. Cargo claims shall be investigated and settled in accordance with the regulations codified at 49 CFR §370. ZARTRAN LOGISTICS will send in writing within 12 months of delivery (or date of claim if load never delivered) a statement of any loss or expenses resulting from a cargo claim.

F. Under no circumstances may CARRIER withhold any product in an effort to collect or increase payments/charges.

10. CARRIER will bill all charges for transportation services directly to ZARTRAN LOGISTICS and CARRIER shall provide ZARTRAN LOGISTICS with a copy of the signed bill of lading, delivery receipt, carrier invoice, and a copy of the rate confirmation. ZARTRAN LOGISTICS shall be responsible for the collection and payment of charges to CARRIER. CARRIER agrees that it will look only to ZARTRAN LOGISTICS for payment if the billed party has paid ZARTRAN LOGISTICS. It is CARRIER's obligation to inform ZARTRAN LOGISTICS of any and all accessorial charges as they occur (or such charges may not be reimbursed) and submit a legible POD with product and weight and piece count description along with any and all accessorial receipts legibly signed by consignee. If detention is requested, it must have both in and out times on POD and signed/initialed by consignee. ZARTRAN LOGISTICS reserves the right to verify in and out times with the facility if there is a question on the authenticity of the times. ZARTRAN LOGISTICS agrees that it will endeavor to pay all freight bills for transportation performed within thirty (30) days of receipt or the date of delivery of the shipment.
11. The relationship of CARRIER to ZARTRAN LOGISTICS shall always be that of an independent contractor. ZARTRAN LOGISTICS has no jurisdiction or control over the manner in which CARRIER conducts its business. It is expressly understood and agreed that this Agreement shall not create, under any circumstances, any relationship between the parties other than that of an independent contractor relationship. It is not the intent of this Agreement to create an employer/employee, partnership, joint venture, agency, franchisee or any other such relationship.
12. Obligations of this agreement are separate and divisible and in the event that any clause is deemed unenforceable, the balance of the agreement shall continue in full force and effect.
13. Neither CARRIER or ZARTRAN LOGISTICS may assign or transfer any rights under this Agreement, in whole or in part, without the prior written consent of the other party. Further, neither CARRIER or ZARTRAN LOGISTICS may amend or modify the terms of this Agreement without prior written consent of an expressly authorized official of the other party. For ZARTRAN LOGISTICS, only a company official with the title of Vice President or higher is authorized to agree to amendments to

this Agreement. Any amendments or modifications to this Agreement not agreed to by both parties shall be null and void.

14. CARRIER agrees that customer names, transportation rates, and similar information are deemed trade secrets and confidential business information not known to CARRIER before doing business with ZARTRAN LOGISTICS, and therefore agrees not to back solicit such customers. CARRIER agrees to pay ten percent of gross revenue per shipment for a period of twelve months if back solicitation is determined.
15. CARRIER will not re-broker, assign or interline the shipments hereunder without prior written consent of ZARTRAN LOGISTICS. If CARRIER breaches this provision, ZARTRAN LOGISTICS shall have the right of paying the monies it owes CARRIER directly to the delivering carrier, in lieu of payment to CARRIER. Upon ZARTRAN LOGISTICS' payment to delivering carrier, CARRIER shall not be released from any liability to ZARTRAN LOGISTICS under this agreement. In addition to the indemnity obligation reflected in this agreement the CARRIER will be liable for consequential damages for violation of this clause of the Agreement.
16. CARRIER Moving Perishables. CARRIER warrants that CARRIER will inspect or hire a service representative to inspect a vehicle's refrigeration or heating unit at least once a 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 at least one year. Copies of these records must be provided upon request to CARRIER's insurance company and ZARTRAN LOGISTICS. 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 ZARTRAN LOGISTICS or the shipper for failure to do so. CARRIER must provide their cargo insurance carrier with all records that relate to a loss and permit copies and abstracts to be made from them upon request. The following rules shall apply: (a) Destination market value for lost or damaged cargo, no special or consequential damages unless by special agreement; (b) Claims will be filed with CARRIER by Shipper; (c) claims notification procedures will be followed in accordance with procedure described in 49 CFR §370.1-11.
17. All equipment provided for the transportation of food or food grade products will comply with all requirements of the Sanitary Food Transportation Acts, or to the extent that CARRIER performs services hereunder within, to or from Canada, the Food and Drug Acts and any/all other applicable statutes and regulations, including, but not limited to the Ontario Food Safety and Quality Act, or any other jurisdiction's equivalent, and none of the equipment so provided has been or will be used for the transportation of any waste of any kind, garbage, hazardous materials, poisons, pesticides, herbicides, or any other commodity that might adulterate or contaminate food, food products, or cosmetics.
18. Where a seal is placed on a trailer by consignor, shipper, CARRIER or other party, CARRIER is responsible to maintain the seal intact until removed by an authorized employee of consignee upon delivery. CARRIER is liable for any and all claims, losses or liabilities arising from or as a result of any

unauthorized removal of seal, broken seal, missing seal, tampered seal, or mismatched seal number. CARRIER's is solely responsible for ensuring that cargo is maintained according to any requirements stated on the bill of lading or load confirmation.

19. CARRIER must ensure that all personnel transporting or handling freight subject to the Food Safety Modernization Act and its implementing regulations (collectively the "Act") receive training required by the Act. ZARTRAN LOGISTICS will transmit to CARRIER, on the Load Confirmation or separately by email, the shipper's or consignee's protocols and requirements for transporting food shipments subject to the Act. CARRIER must strictly comply with all such protocols and requirements. CARRIER's failure to comply with such protocols and requirements will permit the consignor, consignee or broker to declare any freight transported on a shipment on which noncompliance occurred to be rejected and a total loss.
20. Non-Exclusive Agreement: CARRIER and ZARTRAN LOGISTICS 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.
21. Failure of either party to enforce a breach of 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.
22. This Agreement is for specified services pursuant to 49 USC §14101(b). To the extent that the terms and conditions herein are inconsistent with Part (b), Subtitle IV, of Title 49 USC (ICC Termination Act of 1995), the Parties expressly waive any or all rights and remedies they may have under the Act.
23. This agreement is binding upon the parties hereto, their successors and assigns, and shall be construed under the laws of the state of Ohio without reference to choice of law principles thereof. The parties agree that the Ohio Court of Common Pleas sitting in Butler County Ohio will have exclusive jurisdiction to hear and settle any suit, action, proceeding or other dispute arising out of or relating to this Agreement.
24. This agreement shall be deemed to be effective on the first date that CARRIER and ZARTRAN LOGISTICS commenced business together and the parties agree that the provisions contained herein properly express and memorialize the complete understanding of the parties as contained in all prior agreements, both verbal and written. This agreement shall be effective continuously subject to the right of either party hereto to cancel the agreement at any time upon not less than thirty (30) days written notice of one party to the other.

This agreement must be confirmed by one of the following: President, Vice President, Secretary/Treasurer, General Manager or Operations Manager

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