



**JATM LOGISTICS, INC.**  
460 S. Orange St.  
Salt Lake City, UT 84104  
**BROKER CARRIER TRANSPORTATION AGREEMENT**

This agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between JATM Logistics, Inc., hereinafter designated as "Broker" and

\_\_\_\_\_ hereinafter designated as "Carrier".

WHEREAS, BROKER holds authority issued by the Federal Motor Carrier Safety Association (FMCSA) under license No MC854114 to engage in operations as a Property Broker, in interstate or foreign commerce; and

WHEREAS, CARRIER is duly registered with the USDOT and holds authority issued by the FMCSA under permit No \_\_\_\_\_ as a (common, contract, or both) carrier to transport property, in interstate or foreign commerce and shall maintain such licenses and authorities throughout the term of this Agreement. CARRIER will perform its transportation services for BROKER and its customers as an independent contractor and will not for any purpose be the agent of BROKER to BROKER'S customers. CARRIER will not contract or take other action in BROKER'S name without BROKER'S prior written consent.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto intending to be legally bound hereby agree, represent and warrants as follows:

1. This agreement shall be effective from the date hereof and shall be operative upon the initial tender of traffic to CARRIER by BROKER. This agreement shall thereafter continue in effect for a period of one (1) year and thereafter continue in effect on a month-to-month basis, subject to cancelation by either party upon thirty (30) days written notice.
2. CARRIER shall meet the distinct needs of the shipper customers through transportation of BROKER'S traffic. Such distinct needs include peddle service, spotting of equipment for loading, diversion and reconsignment and weekend and nighttime services, driver loading/unloading requirements, stops in transit, expedited service, ratemaking negotiability and mutual rate adjustments. For these reasons BROKER, both directly and derivatively for shipper customer has unique, distinct and continuous transportation service needs and BROKER fulfills this need to its shipper customers and CARRIER fulfills this need to BROKER.

Double Brokering of BROKER loads is expressly forbidden by this agreement. CARRIER

will not re-broker, assign or interline any BROKER shipment for any reason. If CARRIER breaches this provision, BROKER shall have the right of paying the monies owed to CARRIER directly to the actual delivering carrier, in lieu of payment to CARRIER. Upon BROKER'S payment to delivering carrier, CARRIER shall not be released from any liability to BROKER under this Agreement, however BROKER shall be released from payment liability to CARRIER. In addition to the indemnity obligation reflected in this Agreement the CARRIER will be 100% liable for any and all consequential damages for violation of this clause of the Agreement and agrees to indemnify Broker from any actions resulting from this breach of agreement.

3. Rates and charges for traffic moved under this Agreement shall be agreed between the parties hereto in writing and are to be contained in a rate schedule or addendum.

Memorandums or addendums of rates and charges prepared and issued by BROKER, acknowledged and accepted by CARRIER, will be and are, from time to time, considered to be attached hereto Exhibits, and are incorporated by reference as if attached. CARRIER warrants and agrees to any attachments separately executed regarding special terms or requirements.

This schedule shall also contain the terms and conditions of, and charges for, any additional or accessorial services, which may be required or performed. The mileage used to determine freight charges under this contract shall be based on BROKER'S mileage program.

4. Rates may be established or amended verbally in order to meet the specific shipping schedules or requirements, as mutually agreed, but such verbal agreement shall be reduced to writing, signed and faxed by the parties, within five (5) business days of the movement of the involved freight, in order to be and/or remain binding between parties.
5. CARRIER acknowledges and grants BROKER sole and exclusive right to invoice shipper, receiver, consignor or consignee for freight charges on behalf of CARRIER. Payment of the freight charges to BROKER shall relieve shipper receiver, consignor or consignee of any and all liability to the CARRIER for non-payment of all or any portion of freight charges for any reason whatsoever, now or at any future date, under any circumstances. CARRIER shall not under any circumstance invoice BROKER'S customer.
6. CARRIER warrants that it shall be named, or insert its name, on the Bill of Lading as the Carrier of record. CARRIER shall be liable to BROKER and its customers, for CARRIER'S negligence, which is the proximate cause of any loss, delay or damage to the property, or cargo, which is in the possession of or under the control of CARRIER. Claims will be filed in accordance with 49 CFR Part 370 which will govern all claims process, and salvage will be determined by the owner of the goods. The measure of damage resulting from the negligence of CARRIER shall be the same as that which should be imposed upon CARRIER if CARRIER was operating as a common carrier. BROKER does not agree to released value rates or other limitations on cargo liability. Exclusions in CARRIER'S insurance coverage shall not exonerate CARRIER from liability.

Any claims resulting from the conveyance of freight by the CARRIER will be deducted from CARRIER'S freight bill until the claim is appropriately resolved. BROKER and/or shipper customer will provide and include documentation for all claims to the CARRIER. In the

event of a claim, BROKER and/or shipper customer may file against CARRIER, a claim to be remitted within thirty (30) days of receipt by CARRIER. If the claim is turned into CARRIER'S insurance company, it is agreed that the amount due BROKER and/or shipper customer will be paid within thirty (30) days by CARRIER regardless of the acts or failure to act by CARRIER'S insurance company.

In the event CARRIER disputes a claim, neither CARRIER, CARRIER'S driver or any other representatives or agents of CARRIER, will contact either the customer or the pickup or delivery location. CARRIER must notify BROKER of any overage, shortage or damage ("OS&D") issues while still at the customer location. The provisions of this section will survive the cancellation, termination or expiration of this Agreement.

In the event CARRIER'S insurance will not pay a freight claim due to exclusions based on Carrier's employee dishonesty or for freight left unattended by Carrier, Carrier acknowledges that Carrier will be responsible for the excluded claim amount and agrees to pay BROKER in full for the claim amount. If Carrier does not pay Broker the full amount of the insurance excluded claim, Broker will take whatever legal action is necessary in order to receive full compensation for the freight claim.

7. CARRIER shall not assign to any third-party freight bills or freight charges without the express written consent of BROKER.
8. CARRIER shall defend, indemnify and save BROKER and its subsidiaries and their respective agents, officers, directors, and employees harmless from and against all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, charges and expenses, including without limitation, fees and expenses of legal counsel and expert witnesses, which are the result of or arising out of any or all of the work or services performed under this contract by CARRIER or its contractors, subcontractors, vendors, agents, or employees, or which may be imposed or incurred by or asserted against BROKER.
9. CARRIER will evidence, procure and maintain in force, continuously throughout the term of this Agreement, insurance coverage with limits not less than the following and as may be required in any attached memorandums or addendums which may be applicable:
  - a) Worker's Compensation Insurance, as required by state law.
  - b) Comprehensive General Liability Insurance with limits of liability not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
  - c) Commercial Automobile Liability insurance with a combined single limit of not less than US \$1,000,000 per occurrence and without aggregate limits. \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage ensuring all motor vehicles used by CARRIER whether owned, non-owned, leased or hired.
  - d) Motor Truck Cargo insurance or a superior equivalent, with limits for the full value of the cargo under carriage subject to a minimum limit never less than US\$100,000 per shipment. (Including reefer breakdown coverage if transporting refrigerated goods) with a minimum limit of \$100,000.00 any one occurrence and at all times equal to or greater

than CARRIER'S legal liability under the Bill of Lading, contract of carriage, shipping receipt or similar. Coverage is to apply to loss and/or damage regardless of whether the truck is unattended, and regardless of dishonesty by drivers of transported goods in the care, custody and control of the CARRIER.

- e) "All insurance required by this Agreement must be written by an insurance company having a Best's rating of "B+" VII or better and must be authorized to do business under the laws of the state(s) or providence(s) in which Carrier provides the transportation and related services as specified in load confirmation communications received from Broker"

CARRIER shall list JATM Logistics, Inc as "loss payee" under the Motor Truck Cargo policy and as "additional insured" on the Comprehensive General Liability and Automobile and Truck Liability policies throughout the duration of this Agreement.

- 10. Neither this Agreement, nor any right under it, shall be assigned or transferred, whether by operation of law or otherwise, by either party without prior written consent of the other party and of any governmental commission or agency as required by applicable law. CARRIER shall not enter any subcontract or any other arrangements with any other person, partnership or corporation concerning any of the obligations assumed by CARRIER under the provisions of this contract, without the prior written consent of BROKER, which consent may be unreasonably withheld by BROKER without justification by BROKER.
- 11. CARRIER is responsible and must comply with all ICC, FMCSA, Department of Transportation and Surface Transportation Board regulations as well as all applicable state regulations pertaining to motor carriers. CARRIER further represents and warrants that it does not have a conditional or unsatisfactory safety rating issued from the USDOT or other comparable regulatory authority, and if CARRIER is unrated CARRIER believes, based on its practices, that it would not be conditional or unsatisfactory. CARRIER shall maintain its operations in a manner to qualify for a satisfactory rating at all times and shall be in compliance with all applicable laws to provide the proposed services anticipated by this Agreement.
- 12. CARRIER shall not knowingly, directly or indirectly, or for any reason, contact or solicit freight shipments for itself, or for any other Carrier, or do business of a transportation nature with any shipper, consignor, consignee or other Customer of BROKER, first introduced to CARRIER by BROKER, or which have not been previous Customers of CARRIER, during the term of this Agreement or for a period of 12 months (1 year) following cancellation or termination of this Agreement. In the event of breach of this provision, BROKER shall be entitled to a commission of 15% of the gross transportation freight revenue on traffic handled for any such Customers (as evidenced by freight bills) payable with or without demand, during the term of this Agreement and for a period of 12 months (1 year) following the termination or cancellation of this Agreement.
- 13. BROKER will invoice and collect freight charges from shipper, receiver, consignor, consignee or appropriate party. CARRIER will be paid by BROKER within thirty (30) days of receipt of proper documentation from CARRIER which must include the following:
  - a) Original bill of lading between shipper and carrier issued by shipper and any crucial shipping documents.

- b) Proof of delivery, either on the original bill of lading or a separate delivery receipt showing the person's name signing for receipt, the total number of pieces received and any shortages, overages, damages or notations.
  - c) Invoice from contract CARRIER to BROKER for the exact amount agreed upon by rate agreement signed by BROKER or BROKER's agent or employee. CARRIER must invoice BROKER with all proper documents within sixty (60) days or forfeit payment.
  - d) Signed shipment and rate confirmation for specific movement, signed by BROKER or BROKER'S employee.
  - e) Copy of original grant of FMCSA authority to cover commodities transported and a current certificate of insurance issued by CARRIER'S insurance agent or company with BROKER shown as "certificate holder" and "additional insured" showing proof of liability, cargo and workman's compensation (unless documents acceptable to BROKER are current and are already on file in BROKER'S office).
  - f) Signed copy of Payment Agreement issued by BROKER.
  - g) Signed copy of this Broker/Carrier Transportation Agreement.
14. This Agreement constitutes the entire Agreement between the parties, cancels or replaces any other Agreement or arrangements heretofore in existence, and shall not be modified or changed by any express or implied promises, warranties, guarantees, representations or other information unless expressly and specifically set forth in this Agreement or written addendum thereto properly executed by both parties, excepting only rate confirmations, as referenced above.
15. The Parties agree that this Agreement shall bind all parties hereto, their successors, heirs, personal representatives, and assigns. Nothing herein contained shall affect any restrictions on transfers or assignments set forth elsewhere in this Agreement.
16. Each Party shall bear their own attorney's fees and costs relating to litigation and this Agreement. In the event any party breaches this Agreement, the non-breaching party or parties shall be entitled to recover reasonable attorney's fees and costs in connection with the execution and enforcement of such party's or parties' rights and remedies hereunder.
17. This Agreement shall be construed and governed by the laws of the State of Utah. The Courts of Washington County, State of Utah shall have exclusive jurisdiction and venue over any disputes or actions arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives as of date written above.

**JATM Logistics, Inc.**

**Carrier:** \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Name: Mitch Stout  
Title: Director of Logistics

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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