



BROKERCARRIERAGREEMENT

THIS AGREEMENT is made and entered into on _____, 20____, by and between North American Transportation Services, LLC, located at 16303 NE Reid Rd. Amboy, WA., 98601, ("BROKER") and _____ ("CARRIER"), located at _____.

I. Recitals

A. BROKER is a licensed transportation broker that controls the transportation of freight under its contractual arrangements with various consignors and consignees (the "Customer");

B. CARRIER is authorized to operate in inter-provincial, interstate and/or intrastate commerce and is qualified, competent and available to provide for the transportation services required by BROKER.

II. Agreement

1. TERM. The Term of this Agreement shall be for one (1) year and shall automatically renew 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.

2. CARRIER'S OPERATING AUTHORITY AND COMPLIANCE WITH LAW. CARRIER represents and warrants that it is duly and legally qualified to provide, as a contract carrier, the transportation services contemplated herein. CARRIER further represents and warrants that it does not have a conditional or unsatisfactory safety rating issued from the U.S. Department of Transportation, and further agrees to comply with all federal, state and local laws regarding the provision of the transportation services contemplated under this Agreement. In the event that CARRIER is requested by BROKER to transport any shipment required by the U.S. Department of Transportation to be placarded as a hazardous material, the parties agree that the additional provisions included in Appendix A shall apply for each such shipment.

3. PERFORMANCE OF SERVICES. CARRIER's services under this Agreement are specifically designed to meet the distinct needs of BROKER under the specified rates and conditions set forth herein. CARRIER shall 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. This Agreement does not grant CARRIER an exclusive right to perform the transportation related services for BROKER or its Customer.

4. RECEIPTS AND BILLS OF LADING. Each shipment hereunder shall be evidenced by a Uniform (Standard) Bill of Lading (henceforth as BOL) naming CARRIER as the transporting carrier. Upon delivery of each shipment made hereunder, CARRIER shall obtain a receipt showing 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. CARRIER shall notify BROKER immediately of any exception made on the bill of lading or delivery receipt (henceforth POD).

5. CARRIER'S 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 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,

Carrier initials _____

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.

6. INDEMNITY. CARRIER shall defend, indemnify, and hold BROKER harmless from and against all loss, liability, damage, claim, fine, cost or expense, including reasonable attorney's fees, arising out of or in any way related to the performance or breach of this Agreement by CARRIER, its employees or independent contractors working for CARRIER (collectively, the "Claims"), including, but not limited to, Claims for or related to personal injury (including death), property damage and CARRIER's possession, use, maintenance, custody or operation of the Equipment; provided, however, that CARRIER's indemnification and hold harmless obligations under this paragraph will not apply to any portion of such claim attributable to the tortious conduct of BROKER.

7. INSURANCE. CARRIER shall procure and maintain, at its sole cost and expense, the following insurance coverages:

- (a) Public liability and property damage insurance with a reputable and financially responsible insurance company insuring CARRIER in an amount not less than \$1,000,000 (U.S. Dollars) per occurrence.
- (b) All Risk Broad Form Motor Truck Cargo Legal Liability insurance in an amount not less than \$100,000 (U.S. Dollars) per occurrence. Such insurance policy shall name CARRIER and BROKER as insured 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 foreseeably preclude coverage relating to cargo claims.
- (c) Statutory Workers' Compensation Insurance and Employee Liability coverage in such amounts and in such form as required by applicable state law.
- (d) 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. Upon request, CARRIER shall provide BROKER with copies of the applicable insurance policies.

8. 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 4. 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, 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, which 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.

9. 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.

10. PAYMENTS. CARRIER will charge and BROKER will pay for transportation services performed under this Agreement the rates and charges as shown on separate **Rate Confirmation** Sheets to be signed and agreed to by CARRIER and BROKER before each shipment made 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** Sheet signed by BROKER. Payment by BROKER will be made within thirty (30) days of receipt by BROKER of CARRIER's freight bill, bill of lading, clear delivery receipt, and any other necessary billing documents enabling BROKER to ascertain that service has been provided at the agreed upon charge. In the event service is provided and it is subsequently discovered that there was no applicable rate in the existing Schedule of Rates or supplements, the parties agree that the rate paid by BROKER and collected by CARRIER shall be the agreed upon contract rate. 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 refrain from all

Carrier initials _____

collection efforts against the shipper, receiver, consignor, consignee or the Customer. 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 8 of this Agreement.

11. 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) disclosure is made to its parent, subsidiary or affiliate company; or (3) to facilitate rating or auditing of transportation charges by an authorized agent and such agent agrees to keep the terms of the Agreement confidential. CARRIER will not solicit 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 shipper, consignor, consignee or Customer of BROKER was first tendered to CARRIER by BROKER. If CARRIER breaches this Agreement and directly or indirectly solicits traffic from customers of BROKER and obtains traffic from such customer 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 for the Customer, and CARRIER shall provide BROKER with all documentation requested by BROKER to verify such transportation revenue.

12. SUB-CONTRACT PROHIBITION. CARRIER specifically agrees that all freight tendered to it 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 the prior written consent of BROKER.

13. 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 and schedules published, filed or otherwise maintained by CARRIER. This Agreement shall be binding upon and ensure to the benefit of the parties hereto.

14. 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.

15. WAIVER. CARRIER and SHIPPER expressly waive 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 any BROKER's rights or privileges herein.

16. DISPUTE RESOLUTION. This Agreement shall be deemed to have been drawn in accordance with the statutes and laws of the State of Washington and in the event of any disagreement or dispute, the laws of this state shall apply and suit must be brought in this state.

III. Security Procedures

The following security guidelines and procedures apply to all work/load assignments. All driver and non-driving personnel will be expected to be knowledgeable of, and adhere, to these guidelines and procedures when performing any load-related.

1. POINT OF ORIGIN

1.1. Upon arrival at the load's point of origin, all drivers shall check in with the responsible shipping personnel to notify them of arrival and to provide proof of identity. While at the shipper, drivers shall follow the loading instruction and obey all customer plant safety and security rules.

1.2. At the designated loading location (assigned dock door), the driver shall secure the vehicle. No vehicle will be left unattended until the driver is confident the vehicle is secured from moving.

2. SHIPPER AND LOAD COUNT

2.1. In the event a driver is scheduled to pick up a pre-loaded trailer, under no circumstances should the driver be allowed or permitted to break a seal on a load moving under a shipper's load and count provision. This guideline applies to outbound loads as well as loads being picked up and returned to a terminal for spotting/staging.

2.2. In the event of a live load, drivers are expected to supervise the entire loading process. Drivers are responsible to make sure no unauthorized or unscheduled cargo is loaded on the trailer.

Carrier initials _____

2.3. When loading is completed, drivers are responsible for making sure the cargo is secure and to check the bill of lading or the delivery manifest to ensure it is accurate. Once driver are satisfied that the cargo matches the shipping papers, they shall:

2.3.1 Close the trailer doors and witness the shipper sealing of the trailer and record that number on the shipping papers

2.3.2. Have the shipping papers signed by the responsible shipping personnel before leaving.

2.3.3. If a discrepancy is found between the cargo and bill of lading, drivers shall contact their supervisor immediately for instructions.

2.3.4. Before leaving any shipper, drives shall make a thorough visual observation of their immediate surrounding and report any unusual or suspicious activity to the shipping supervisor.

3. IN-TRANSIT SECURITY GUIDELINES & PROCEDURES

3.1. Dispatch shall make every effort to arrange delivery schedules that minimize in-transit down time. In most cases, this means that dispatch will schedule loads for delivery as early as possible based on drivers' available hours and receivers' hour of operation.

3.2. While in transit, drivers are prohibited from discussing information related to their load, route, or delivery schedule with any person(s) other than authorized company officials. Drivers failing to abide by this policy are subject o disciplinary action up to and including termination of employment/contract.

3.3. Drivers are to report any suspicious activity (including load related inquiries from strangers) to their supervisors.

3.4. Drivers are expected to take all reasonable and responsible precautions to prevent damage to company vehicle and theft of cargo while in transit. For personal protection and safety, and the security of the cargo, drivers are expected to park in safe, well lit, designated truck parking locations only (such as reputable truck stops or high-traffic, major rest areas). When possible, loaded trailer should be parked against a wall, fence, or other stationary object to enhance cargo security.

3.5. Drivers shall lock their vehicles at all times while in transit — especially during all time spent in urban areas.

3.6. When possible, dispatch shall contact receivers for the purpose of arranging secure overnight or after hours parking for drivers who can safely and legally arrive at their destinations.

3.7. Drivers are prohibited from taking their equipment (loaded or empty) to or through home, or parking in any unsecured area. Drivers are expected to maintain regular communications with the company while in transit. Any incident of drivers failing to communicate as required shall be assumed to be suspicious and highly irregular. Drivers are expected to fully understand this procedure and make every effort to maintain regular contact with dispatch.

4. HIJACK OR CARGO THEFT DRIVER GUIDELINES

4.1. In the event of an attempted vehicle hijacking or cargo theft situation while the vehicle is in motion, the carrier has adopted a NO STOP policy. Drivers, who believe a hijacking is or may be in progress, are instructed to keep the vehicle moving as safely and responsibly as possible until the attempt has ceased and/or the authorities have been notified.

4.2. In any hijack situation, drivers should use their own good judgment (whether to stop or keep moving) based on the degree to which they feel their personal safety is at risk. Nothing our drivers do is worth getting hurt over.

4.3. Drivers who do fall victim to vehicle hijacking or cargo thieves are instructed to notify local police as soon as possible. Once the proper authorities have been notified, drivers are required to contact the appropriate company official and follow subsequent instructions.

5. ARRIVING AT STOP OFF/DESTINATION

5.1. Upon arrival at the destination or stop off, drivers shall check in with the responsible receiving person(s) to notify them of arrival, show proof of identity, and receive unloading instructions. Drivers shall follow receiver and consignee's unloading instructions, and obey all customer plant safety and security rules.

5.2. Once permission to unload has been given, the driver shall proceed to the unloading location (assigned receiving dock door or lot, etc.) and secure the vehicle. No vehicle shall be left unattended until the driver is satisfied that the vehicle is secure from moving.

5.3. The driver, along with responsible receiving employee, shall inspect the cargo

5.4. Drivers shall supervise the unloading process. In the event of cargo damage, overage, shortage, or any other discrepancy, drivers shall contact their supervisor immediately for instructions and to report the cargo claim incident.

5.5. After the unloading process has been completed, the driver shall get the appropriate paperwork signed by the responsible receiving employee, and contact dispatch for the next assignment or instructions.

Carrier initials _____

This Agreement is the entire agreement between the parties, superseding all earlier agreements. It cannot be altered or amended except in a writing signed by authorized officers of both parties. It may not be assigned or transferred in whole or in part. If the operation of any part of this Agreement results in a violation of any law, such part shall be severed and the agreement's remaining provisions shall continue in full force and effect.

IN 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 first above written.

BROKER
North American Transportation
Services, LLC

CARRIER

Signed: _____

Signed: _____

Printed: _____

Printed: _____

Date: _____

Date _____

Address: 16303 NE Reid Rd.
Amboy, WA., 98601

Address: _____

Phone: 877-455-NATS (6287)

Phone: _____

Fax: 877-448-5340

Fax: _____

Email: _____

FID No.: _____

DOT No.: _____

MC#: _____

Broker? Yes _____ No _____

Additional Info:

Carrier initials _____

**APPENDIX A
HAZARDOUS MATERIAL REQUIREMENTS**

With respect to the transportation of hazardous materials or waste requiring vehicle placarding under 49 C.F.R. Part 181, BROKER and CARRIER agree that the following additional provisions shall apply for all such shipments:

1. 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. Additionally, CARRIER agrees to notify BROKER immediately upon any revocation or suspension of CARRIER's state or federal hazardous material permits or registration as well as the suspension or revocation of CARRIER's "Satisfactory" Safety Fitness Rating issued by the U.S. Department of Transportation, which satisfactory rating is a prerequisite to providing transportation for hazardous materials under this Agreement.

2. CARRIER 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 further agrees to 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.

3. CARRIER shall procure and maintain, at its sole cost and expense, public liability and property damage insurance with a reputable and financially responsible insurance company insuring CARRIER in an amount not less than \$5,000,000 (U.S. Dollars) per occurrence. Such insurance policy shall name BROKER and CARRIER as insured with respect to any and all liabilities for personal injuries (including death) and property damage, including environmental damage due to the release of a hazardous material or waste, arising out of the ownership, maintenance, use or operation, including loading and unloading, of the equipment operated by CARRIER under this Agreement.

BROKER
North American Transportation
Services, LLC

CARRIER

Signed: _____

Signed: _____

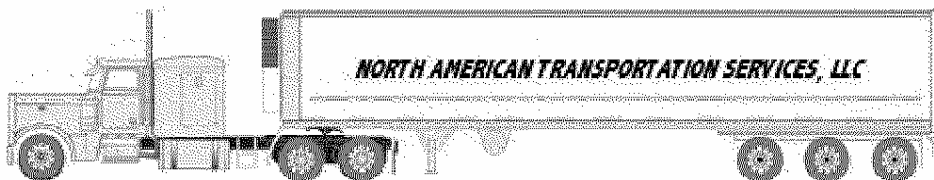
Printed: _____

Printed: _____

Date: _____

Date _____

Carrier initials _____



CARRIERS PROFILE

CARRIERS NAME: _____

MC NUMBER: _____ FEDERAL I.D.#: _____

PHYSICAL ADDRESS: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP _____

TELEPHONE: _____ FAX: _____

TOLL FREE: _____ E-MAIL: _____

CONTACT NAME: _____

EQUIPMENT: NUMBER OF POWER UNITS:

COMPANY OWNED: _____ OWNER OPERATORS: _____

TRAILER TYPE AND QUANTITY

VANS	FLATS	DROP DECKS	RGNS
() 53X102	() 53X102	() 53X102 SINGLE	() 6 AXLE COMBO
() 48X102	() 48X102	() 48X102 SINGLE	() 7 AXLE COMBO
() 48X96	() 45X102	() 48X96 SINGLE	() 9 AXLE COMBO
() 45X96	() 48X96	() DOUBLE DROP	() 11 AXLE COMBO

OTHER SPECIALTY EQUIPMENT: _____

PREFERRED LANES: _____

DRIVERS HAVE TWIC CARDS? YES () NO ()

Carrier initials _____