

# Compass Cargo, Inc.

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## Broker – Contract Carrier Agreement

### THE PARTIES

\_\_\_\_\_, a motor contract carrier authorized by Permit No. MC-\_\_\_\_\_  
(a copy of which Permit is attached hereto and made a part hereof) hereinafter designated as “Carrier”; and Compass Cargo, Inc., a Property Broker arranging for transportation under ICC license MC-386606B, hereinafter designated as “Compass”.

### RECITALS:

- A. Compass is actively engaged in the business of soliciting freight for carriage via Brokerage Agreement by its carriers for transportation in accordance with the distinct needs of Compass’ customers
- B. Carrier is a motor contract carrier engaged in the business of transporting freight by motor vehicle and is authorized to provide transportation of property under contract with shipper and receivers of general commodities, possessing the appropriate authority required by any and all state and federal governmental agencies.

### AGREEMENT:

Based on the foregoing, the Parties hereby agree as follows:

1. Compass hereby commits to tender and Carrier hereby commits to transport on an “as needed” basis shipment loads as designated by the individual Confirmation Sheet pertaining to each individual load brokered to Carrier.
2. Once an oral agreement for the load is effected, the Confirmation Sheet covering the agreement will be faxed to the Carrier within a reasonable time frame. Carrier will then sign the Confirmation Sheet and send it by return fax to Compass, thereby committing to acceptance of the load at the agreed rate and within the agreed time frame for delivery. All details pertaining to this rate agreement will be covered on the Confirmation Sheet, inclusive of any applicable add-on payments for multiple stops, special handling, fuel surcharge or other additional services. Carrier shall determine if the rate is acceptable and indicate acceptance of the rate by returning the signed Confirmation Sheet. Compass will not assume that the offered load is covered until receipt of the signed Confirmation Sheet. Therefore, Carrier shall respond by returning the Confirmation Sheet as quickly as possible.
3. In the event that Carrier is unable to supply transportation service within the time specified on the Confirmation Sheet, Carrier shall immediately advise Compass, and may offer to furnish said transportation at a later date. In return, Compass shall immediately notify Carrier should the specific details pertaining to the agreed handling of the load change, or in the event that Compass’ customer cancels the service request.
4. Carrier shall not solicit traffic from any customer or consignee of Compass where (1) the availability of such traffic became known to the Carrier through Compass’ efforts, or (2) where the traffic of Compass’ customer was first tendered to the carrier by Compass. If Carrier breaches this Agreement and directly or indirectly solicits traffic from Compass’ customers, Compass is entitled, for a period of 24 months after involved begins to move, to commissions equal to 15% of the gross revenue received by the Carrier, regardless if the Carrier exercises the right to terminate the contract.

5. Carrier shall issue a uniform bill of lading for property it receives for transportation under this contract; shall perform the transportation service in accordance with the terms of the bill of lading and the confirmation sheet; and shall be liable for all loss, damage or delay in transit as provided in the uniform bill of lading and the law applicable to the document. Failure to issue a bill of lading does not affect the liability of the Carrier. The Carrier's liability shall be the same as a carrier's liability under 49 U.S.C. 11707. Compass shall appear on the bill of lading "Bill To" section only as a broker.
6. Carrier agrees to furnish Compass a faxed copy of the bill of lading bearing legible and dated Proof of Delivery within 12 hours of the delivery of the load. Carrier also agrees to attach the original copy of the bill of lading bearing original signature and date proving delivery and acceptance of the goods by the consignee to the invoice issued to Compass for carriage of the load.
7. Carrier agrees to procure and to keep and maintain in full force and effect, at its own expense, cargo insurance on all merchandise carried under this agreement, as well as property damage and public liability insurance on all motor vehicles used by Carrier in transporting commodities on behalf of Compass under this Agreement. Carrier shall furnish written proof of adequate insurance covering public liability, bodily injury/property damage, cargo damage and workmen's compensation, all in amounts required by Compass and shall name Compass as additional insured on all liability and cargo policies.
8. The Parties agree that Carrier shall be the party solely responsible for operating the equipment necessary to transport commodities under this Agreement. Carrier therefore agrees to indemnify Compass and its customers and to hold them harmless for Loss or Damage to Carrier's equipment. Carrier also agrees to hold Compass and its customers harmless from any loss resulting from injury, including death, sustained by an employee of Carrier, or by any other person while acting in the capacity of a driver or helper in connection with the operation of the equipment; for any bodily injury, property damage or cargo loss, including the defense of any lawsuits therefrom.
9. Carrier represents and warrants that the driver or drivers utilized by it are competent and properly licensed drivers and are fully informed concerning their responsibilities for the protection and care of the involved commodities. Carrier agrees that neither Compass nor its Customer is responsible for paying the driver's salary, expenses, nor any costs relevant to proper insurance coverage on equipment used under this Agreement. Carrier represents that the transportation will be performed without violating local, state or federal laws or regulations and regulatory bodies having jurisdiction over the operation of its vehicles including, but not limited to, the Department of Transportation and the Interstate Commerce Commission. Carrier warrants that all equipment used is suitable for shipping food products and has not been used to haul waste, hazardous/restricted articles or other products which may affect the safety or cleanliness of food products tendered to Carrier by Compass' Customer.
- 10 Neither Party shall assign this Agreement or any rights hereafter without the prior written consent of the other party. This contract shall be binding upon all permitted assigns, heirs and successors of the respective Parties hereto.

COMPASS CARGO, INC.

CARRIER

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DATE

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DATE