

SHIPPER/BROKER TRANSPORTATION AGREEMENT

THIS AGREEMENT, "Agreement", made and intended to be effective this _____ by and between Paramount Transportation Logistics Services, L.L.C., a Florida limited liability company, ("PTLS"), and _____, ("SHIPPER"), collectively, the "PARTIES".

I. RECITALS

A. WHEREAS PTLS is licensed as a Property Broker by the Federal Motor Carrier Safety Administration ("FMCSA"), or by appropriate State agencies, and as a licensed broker, arranges for freight transportation; and

B. WHEREAS SHIPPER, to satisfy some of its transportation needs, desires to utilize the services of PTLS to arrange for transportation of SHIPPER's freight.

NOW THEREFORE, intending to be legally bound, PTLS and SHIPPER agree as follows:

II. AGREEMENT

1. **TERM.** Subject to paragraph 11, the term of this Agreement shall be one (1) year, commencing on the date above, and shall automatically renew for successive one year periods; provided, however, that either Party may terminate this Agreement on 30 days written notice to the other Party, with or without cause, or as otherwise provided in this Agreement.

2. **SERVICE.** PTLS agrees to arrange for transportation of SHIPPER's freight, with a carrier who is duly registered with the Department of Transportation ("DOT") pursuant to 49 U.S.C. 13902 and 13905. It is understood by the parties that PTLS is not actually performing the transportation of the SHIPPER's freight but will be arranging for the transportation of SHIPPER's freight.

3. **VOLUME.** SHIPPER agrees to tender a minimum of three (3) shipments per year to PTLS. SHIPPER is not restricted from tendering freight to other Brokers, or directly to motor carriers. PTLS is not restricted from arranging Transportation for other parties.

SHIPPER shall be responsible to PTLS for timely and accurate delivery instructions and description of the cargo, including any special handling requirements, for any shipment.

4. **FREIGHT CARRIAGE:** PTLS warrants that it has entered into, or will enter into, bilateral contracts with each Carrier it utilizes in the performance of this Agreement. PTLS further warrants that those contracts comply with all applicable federal and state regulations and shall include the following provisions:

- (a) Carrier shall defend, indemnify and hold harmless PTLS and SHIPPER and their directors, employees, officers, and affiliated parent and subsidiary companies (the "Indemnified Parties") from and against all claims, liabilities, losses, damages, fines, penalties, payments, costs, and expenses (including, without limitation, reasonable legal fees, but excluding consequential damages) caused by and resulting from (i) the negligence or intentional misconduct of Carrier or its employees or agents, or (ii) Carrier or its employees' or agents' violation of applicable laws or regulations.
- (b) Carrier shall agree that its liability for cargo loss or damage shall be that of a Common Carrier as provided for in 49 USC 14706 (the Carmack Amendment). Exclusions in Carrier's insurance coverage shall not exonerate Carrier from this liability.
- (c) Carrier shall agree to maintain at all times during the term of the contract, insurance coverage in amounts required by law, but in any event with limits not less than the following:

Commercial General Liability -	\$1,000,000.00
Auto Liability/Property Damage -	\$1,000,000.00 (or such greater amount as is required by law)
Cargo Liability -	\$100,000.00
Worker's Compensation -	as required by law.

- (d) Carrier shall agree that the provisions contained in 49 CFR 370.1 et seq. shall govern the processing of claims for loss, damage, injury or delay to property and the processing of salvage.
- (e) Carrier shall authorize PTLs to invoice SHIPPER for services provided by the Carrier. Carrier shall further agree that PTLs is the sole party responsible for payment of its invoices and that, under no circumstance, will Carrier seek payment from the shipper, consignee or PTLs' customer.
- (f) Carrier shall agree that, at no time during the term of its contract with PTLs, shall it have an "Unsatisfactory" safety rating as determined by the Federal Motor Carrier Safety Administration (FMCSA). If Carrier receives an "Unsatisfactory" safety rating, it shall immediately notify PTLs.
- (g) Carrier shall agree that the terms and conditions of its contract with PTLs shall apply on all shipments it handles for PTLs. Any terms in a tariff that are referenced in the carrier contract which are inconsistent with this Agreement shall be subordinate to the terms of this Agreement.
- (h) Carrier shall expressly waive all rights and remedies under Title 49 U.S.C., Subtitle IV, Part B to the extent they conflict with the contract.
- (i) PTLs further warrants it will require proof of insurance and operating authority from each Carrier and, should PTLs utilize the services of any carrier or other broker on SHIPPER's behalf, which carrier and/or broker does not have proof of insurance and/or operating authority, PTLs agrees to indemnify and hold harmless SHIPPER from all legitimate claims not paid by Carrier, including but not limited to cargo loss and damage claims.

5. **RECEIPTS AND BILLS OF LADING.** If requested by SHIPPER, PTLs agrees to provide SHIPPER with proof of acceptance and delivery of such loads in the form of a signed Bill of Lading or Proof of Delivery, as **specified** by SHIPPER. SHIPPER's insertion of PTLs' name on the bill of lading shall be for SHIPPER's convenience only and shall not change PTLs' status as a property broker. The terms and conditions of any freight documentation used by PTLs or carrier selected by PTLs may not supplement, alter, or modify the terms of this Agreement.

6. **PAYMENTS.** Unless otherwise stated in a separate Rate Confirmation Agreement, PTLs will charge and SHIPPER will pay the rates and charges set forth in Appendix A, for transportation services performed under this Agreement. The Rate Confirmation Agreement shall be in the form specified in Appendix B. The Rate Confirmation Agreement shall be signed and agreed to by PTLs and SHIPPER before each shipment to which such Rate Confirmation Agreement applies. PTLs 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 SHIPPER. Payment by SHIPPER will be made within thirty (30) days of receipt by SHIPPER of PTLs' undisputed freight bill, bill of lading, clear delivery receipt, and any other necessary billing documents enabling SHIPPER 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 Appendix A, or a separate rate confirmation sheet, the parties agree that the rate paid by SHIPPER and collected by PTLs shall be the agreed upon contract rate unless objected to by PTLs within 10 days. PTLs agrees that SHIPPER has the exclusive right to handle all billing of freight charges to the Customer for the transportation services provided herein, and, as such, PTLs agrees to refrain from all collection efforts against receiver, consignor, consignee or the Customer. Where PTLs has received payment or credit for transportation services under this Agreement, PTLs will indemnify and hold harmless SHIPPER and its Customers from any and all claims by Carriers or their subcontractors for such transportation charges. SHIPPER agrees that it shall not offset any payments owing to PTLs.

7. **CLAIMS.** Unless **otherwise** agreed by the parties in **Appendix A**, in the event of a cargo loss, damage or shortage claim, SHIPPER agrees to notify PTLs immediately by phone and to subsequently submit to PTLs a written claim, fully supported by all relevant documentation, including but not limited to the signed delivery receipt, listing the nature and cause of the claim for cargo damage within twenty (20) days following the date of delivery. No claims or allowances for shortages, damage or delay will be considered unless clearly noted on the delivery receipt or bill of lading signed by the consignee at delivery. PTLs assumes no liability for cargo loss, damage, or shortage. However, PTLs agrees to submit, negotiate and settle all cargo claims with the responsible carrier and to keep SHIPPER advised of the status of all such claims. Upon request by SHIPPER, PTLs shall assign its rights against the carrier to SHIPPER. Nothing herein shall be construed to restrict any right or cause of action SHIPPER may have against any carrier involved with the transportation of SHIPPER's shipment.

8. **INSURANCE.** PTLs agrees to procure and maintain at its expense, at all times during the term of this Agreement, Commercial general liability insurance covering bodily injury and property damage in coverage amounts of not less than \$1,000,000.00:

9. **SURETY BOND.** PTLs shall maintain a surety bond or trust fund agreement as required by the FMCSA in the amount of \$10,000.

10. **DEFAULT.** Both parties will discuss any perceived deficiency in performance and will promptly endeavor to resolve all disputes in good faith. However, if either party materially fails to perform its duties under this Agreement, the party claiming default may terminate this Agreement immediately.

11. **INDEMNIFICATION.** The PTLs shall defend, indemnify and hold harmless SHIPPER and its directors, employees, officers, and affiliated parent and subsidiary companies (the "Indemnified Parties") from and against all claims, liabilities, losses, damages, fines, penalties, payments, costs, and expenses (including, without limitation, reasonable legal fees, but excluding consequential damages) caused by and resulting from (i) the negligence or intentional misconduct of PTLs or its employees or agents, (ii) PTLs' or its employees violation of this Agreement, or (iii) PTLs' or its employees' or agents' violation of applicable laws or regulations.

SHIPPER shall defend, indemnify and hold PTLs and its employees and Carriers harmless from and against all claims, liabilities, losses, damages, fines, penalties, payments, costs and expenses (including, without limitation, reasonable legal fees, but excluding consequential damages) caused by and resulting from (i) the negligence or intentional misconduct of SHIPPER and its employees, (ii) SHIPPER's or its employees violation of this Agreement, or (iii) SHIPPER's or its employees violation of applicable laws or regulations.

12. **ASSIGNMENT/MODIFICATIONS OF AGREEMENT.** Neither party may assign or transfer this Agreement, in whole or in part, without the prior written consent of the other party. No amendment or modification of the terms of this Agreement shall be binding unless in writing and signed by the PARTIES

13. **SEVERABILITY/SURVIVABILITY.** In the event that the operation of any portion of this Agreement results in a violation of any law, or any provision is determined by a court of competent jurisdiction to be invalid or unenforceable, the Parties agree that such portion or provision shall be severable and that the remaining provisions of the Agreement shall continue in full force and effect. The representations and obligations of the PARTIES shall survive the termination of this Agreement for any reason.

14. **INDEPENDENT CONTRACTOR.** It is understood between PTLs and SHIPPER, that PTLs is not an agent for the Carrier or SHIPPER and shall remain at all times an independent contractor. SHIPPER does not exercise or retain any control or supervision over PTLs, its operations, employees, or carriers.

15. **NONWAIVER.** Failure of either party to insist upon performance of any of the terms, conditions or provisions of this Agreement, or to exercise any right or privilege herein, or the waiver of any breach of any of the terms, conditions or provisions of this Agreement, shall not be construed as thereafter waiving any such terms, conditions, provisions, rights or privileges, but the same shall continue and remain in full force and effect as if no forbearance or waiver had occurred.

16. **NOTICES.** Unless the PARTIES notify each other in writing of a change of address, any and all notices required or permitted to be given under this Agreement shall be in writing (or fax with machine imprint on paper acknowledging successful transmission) and shall be addressed to the addresses for the parties below:

PTLS	SHIPPER
Address: _____ _____ _____	Address: _____ _____ _____
Phone: _____	Phone: _____
Fax: _____	Fax: _____

17. **FORCE MAJEURE.** Neither Party shall be liable to the other for failure to perform any of its obligations under this Agreement during any time in which such performance is prevented by fire, flood, or other natural disaster, war, embargo, riot, civil disobedience, or the intervention of any government authority, or any other cause outside of the reasonable control of the SHIPPER or PTLS, provided that the Party so prevented uses its best efforts to perform under this Agreement and provided further, that such Party provide reasonable notice to the other Party of such inability to perform.

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

19. **CONFIDENTIALITY.** PTLS shall not utilize SHIPPER's name or identity in any advertising or promotional communications without written confirmation of SHIPPER's consent and the PARTIES shall not publish, use or disclose the contents or existence of this Agreement except as necessary to conduct their operations pursuant to this Agreement. PTLS will require Carriers and/or other brokers to comply with this confidentiality clause.

20. **ENTIRE AGREEMENT:** This Agreement, including all Appendices and Addenda, constitutes the entire agreement intended by and between the PARTIES and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements, and understandings, whether oral, written, expressed or implied, with respect to the subject matter hereof. Any modifications to this contract shall be initialed by both PARTIES to be valid.

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

PARAMOUNT TRANSPORTATION
LOGISTICS SERVICES, L.L.C.

Signed

Printed

Title

SHIPPER: _____

Signed

Printed

Title