

We appreciate your interest in becoming an active carrier for CTE Logistics. In order to obtain and/or maintain your approved carrier status, it is our requirement that your company supply us with the following documentation. We would like the set up process to be as quick and painless as possible, the best way to accomplish this is to submit the following items correctly:

- Carrier Profile Form *List only regularly traveled lanes (ex. not all 48 if you only go east/west)
- Transportation Carrier Agreement – All pages MUST be signed and initialed
- IRS Form W-9
- Carrier References
- Copy of Insurance Certificate listing CTE Logistics as additional insured–Must also include the schedule of autos if insured with scheduled auto policy!
- Copy of FMCSA Operating Authority (MC Number)
- Copy of NMFTA SCAC Code Assignment Letter
- Copy of Hazardous Material Certificate or Customs Bond, if applicable.
- A letter explaining your CSA FMCSA safety scores and safety management program

If you have any questions, please call me at 866-990-3090 and ask to speak with Blair or Jamie. You may submit these documents by faxing them to 253-872-5607 or you may email them to dispatch@ctelogistics.com. We await your packet and look forward to establishing a mutually beneficial business relationship with you and your company.

This Broker/Carrier Agreement ("agreement") is entered into on 1/1/2016, and is between CTE Logistics hereafter called ("BROKER") and _____, its divisions, subsidiaries and affiliates, collectively, ("CARRIER") (Broker and Carrier are sometimes collectively referred to as the "PARTIES"). CTE Logistics (BROKER) is a transportation broker, registered with the Federal Motor Carrier Safety Administration ("FMCSA") under Docket No. MC 713522 to arrange for transportation of general commodities ("goods") by motor carriers. Carrier is a motor carrier, duly registered with the FMCSA under Docket No. _____ to provide transportation of goods. The parties enter into this agreement in accordance with 49 U.S.C. Section 14101(b) and expressly waive any and all rights and remedies that each may have under 49 U.S.C. §§ 13101 through 14914 that are contrary to specific provisions of the agreement.

1. SCOPE

The agreement governs all shipments tendered to Carrier by Broker or by third parties through Broker during the term of the agreement.

2. SAFETY RATINGS

During the term of the agreement, Carrier must not have an "Unsatisfactory" or "Conditional" safety rating as determined by the Federal Motor Carrier Safety Administration ("FMCSA"). If Carrier receives an "Unsatisfactory" safety rating, it will immediately notify Broker. Carrier further agrees to maintain FMCSA SMS CSA DATA scores of below 75% in all safety measurement category's and to immediately notify broker and provide with broker with a letter documenting carrier course of action to monitor and correct any such scores over 75% or at or above the intervention threshold.

3. INDEPENDENT CONTRACTOR RELATIONSHIP

The parties understand and agree that the relationship between the parties is and will remain that of independent contractors and that no employer-employee, joint-venture relationship or a principal-agent relationship exists or is intended. All vehicles and personnel used and employed by Carrier hereunder shall at all times be under the exclusive control of Carrier. CARRIER shall not have any power or authority to bind Broker in any manner.

4. No EXCLUSIVITY

Broker is not restricted from tendering shipments to motor carriers other than Carrier. Carrier is not restricted from providing its transportation services to entities other than Broker or Broker's customers except as detailed in item 7 back solicitation.

5. SERVICES

A. Carrier agrees to transport safely, promptly and efficiently all shipments tendered to it by Broker or other parties through Broker.

B. Carrier, at its own cost and expense, will provide and maintain motor vehicles and other equipment used in providing services, in good, safe, and efficient condition, and in compliance with all laws and regulations governing the maintenance and operation of such motor vehicles and other equipment.

C. Carrier will accept instruction for changes in delivery place or time from Broker only. If Carrier accepts change instructions from parties other than Broker, Carrier does so at its own risk and will forfeit its right to compensation for the shipment.

D. CARRIER will provide trailers to Broker's customers at locations designated from time to time by Broker. No detention or other charges will be assessed for the spotting of trailers or tractor unless specifically agreed in writing in advance.

6. CARRIER COMPENSATION

A. Broker agrees to pay Carrier in accordance with the rates and charges set forth in Appendix B and in individual rate confirmations, if applicable for either blanket, account specific or load specific pricing. Confirmation of verbally agreed rates will be made by a written rate confirmation faxed or emailed by Broker to Carrier. If Carrier agrees to a load and later cancels or fails to pick up and deliver a load after the signed rate confirmation is returned to broker the carrier agrees to pay up to a \$250 penalty for cancelling the load.

B. Carrier agrees to invoice Broker on a timely basis. Each invoice must include the original signed bill of lading and the signed delivery receipt. Broker will not pay additional fees or costs that are not reasonably notified or agreed to in writing at time of the service performed.

C. Broker may offset monies due Broker from Carrier against payments to Carrier. Unless other payment terms are agreed to between the parties, Broker will send payment to Carrier within 30 days of receipt of an uncontested invoice.

- D. Carrier agrees that Broker is the sole party responsible for payment of Carrier charges. Carrier shall not seek payment from shippers, consignees, or any other parties directly or indirectly or by "incorrect" invoices.
- E. Carrier, for itself and on behalf of all of its agents and subcontractors, waives any lien which may exist against goods. Carrier shall not withhold delivery of any goods due to any dispute with Broker, shipper, consignee, or any other party.

7. BACK SOLITATION

- A. Acceptance by Carrier of a load offered by Broker will constitute Carrier's recognition that the shipper of the load is a customer of the Broker. If carrier can-not provide a current invoice within previous 90 days showing Brokers customer as a current carrier customer for the specific lanes or loads in question then it is understood the customer is a current broker customer and is also bound by a shipper-broker agreement.
- B. Carrier agrees to not solicit or accept, directly or indirectly, like shipments or repeat shipments from BROKER'S customers from anyone other than Broker and or to immediately notify broker of any attempt to do so intentional or not.
- C. In the event of a breach of these provisions, Broker will be entitled to a commission of 15% of the gross transportation revenue received by Carrier from Broker's customer. Broker will also be entitled to injunctive relief and, if Broker is a prevailing party, Carrier shall be liable for all costs and expenses incurred by Broker including, but not limited to, attorneys' fees and costs.
- D. The provisions of this paragraph will be in effect during the initial and all subsequent terms of the agreement and will continue in effect for two years after termination of the agreement.

8. RECEIPTS AND BILLS OF LADING

Carrier agrees to issue a bill of lading for each shipment and to provide Broker with proof of acceptance and delivery of each shipment. The terms and conditions of any bill of lading or other freight documentation used by Carrier or its subcontractors will not supplement, alter, or modify the terms of this agreement.

9. LIABILITY FOR LOSS, DAMAGE OR DELAY

- A. Carrier is liable for loss of, damage to, or delay of goods according to the provisions of 49 U.S.C. §14706 ("CARAMACK AMENDMENT").
- B. The liability of Carrier for loss of or damage to goods is for full actual value (measured by fair market value at destination). The liability of Carrier for delay to delivery of goods is for the greater of either the full actual value of the goods or those damages that are reasonably foreseeable. No limitations of liability will apply.
- C. No terms, conditions, or provisions of any bill of lading or other shipping form or Carrier's tariff or rules will apply.
- D. All claims for loss, damage, or delay will be processed in accordance with 49 CFR Part 370, except all claims must be concluded within 60 days of receipt.
- E. Carrier shall not sell or attempt to sell the goods for salvage or otherwise without Broker's prior written authorization and payment of the claim.

10. SUBCONTRACTING

Carrier shall not co-broker, subcontract, or interline a shipment without the prior written approval of Broker. If Carrier subcontracts services, with prior written approval from Broker, Carrier will remain responsible and liable as if Carrier performed the services itself as a motor carrier.

11. INDEMNIFICATION

Carrier shall indemnify, defend, and hold Broker, shippers, consignees, and owners of the goods, their officers, agents, and employees harmless against any and all liabilities, lawsuits, claims, demands or expenses, including attorneys' fees and other costs of defense, with respect to those claims relating in any way to the Carrier, its employees' or subcontractors' performance or failure to perform under the agreement asserted against Broker and by any person or entity. The obligation to defend includes payment of all reasonable costs of defense, including attorney fees, as they accrue.

12. INSURANCE

- A. Carrier shall at all times during the term of this agreement have and maintain public liability insurance in accordance with the requirement of the FMCSA in 49 CFR Part 387. Carrier shall also maintain all risk cargo insurance in the minimum amount of \$100,000 to compensate Broker, Shipper, Consignee or Owner of the property transported for loss or damage to property transported by Carrier.
- B. Carrier's cargo insurance policies shall not exclude coverage for losses resulting from infidelity, fraud, dishonesty, an unattended vehicle, a trailer detached from the power unit, theft or criminal acts of Carrier's employees,

agents, officers or directs or from breakdown or failure of mechanical equipment. If said policy contains such exclusions, carrier shall obtain and furnish a policy extension, endorsement or surety bond providing such coverage to the satisfaction of the Broker.

C. Carrier shall also maintain a BMC 32 Endorsement to its cargo insurance policy in the form required by the FMCSA in 49 CFR Section 387.313 and furnish a copy thereof to Broker upon request. Said endorsement shall protect a claimant for loss of or damage to its goods while in the possession or control of Carrier under this agreement, up to the limits of said endorsement, and subject to its limitations. Notwithstanding that Carrier may have a permit to operate as a motor carrier; Carrier has assumed the liability of a motor carrier hereunder and thus shall be deemed to be a common carrier for shipments transported under this agreement and for purposes of application to the BMC 32 Endorsement.

D. Carrier shall furnish to Broker appropriate Certificates of Insurance evidencing its public liability and cargo insurance coverage and requiring the insurer to give Broker written notice thirty (30) days prior to cancellation. Upon request of Broker, Carrier shall deliver to Broker full and complete copies of the insurance policies required under this agreement.

E. It is expressly understood that Broker does not represent that the types or minimum limits of the insurance set forth herein are adequate to protect Carrier's interests. Deductible amounts under the foregoing policies shall be paid by the Carrier.

13. TERM AND TERMINATION

A. The initial term of the agreement is one year, beginning on the date shown above. At the end of the initial term and each subsequent term, the agreement will automatically renew for an additional one year term.

B. Either party may terminate the agreement, with or without cause, at any time, by giving 30 days written notice to the other party.

C. If either party breaches the agreement, the other party may terminate the agreement by giving 30 days' written notice, if the breach is not cured within that time period.

D. If either party files a petition for or declares bankruptcy, reorganization or other similar relief from its creditors, the other party shall have the right, subject to applicable federal bankruptcy law, to continue to enforce the agreement or to terminate it immediately upon ten (10) days' written notice to the bankrupt or insolvent party.

14. DISPUTE RESOLUTION

The parties agree that, if a dispute arises in the agreement's application or interpretation, then the parties shall submit the dispute to final and binding arbitration with the Transportation Lawyers ADR Council, Inc. before a single arbitrator at a location mutually agreed upon or, if no location is agreed upon, then at a location which is approximately equal distance from the headquarters of the parties. The award of the arbitrator may be enforced in any court of competent jurisdiction.

15. CHOICE OF LAW, JURISDICTION AND VENUE

A. The agreement is governed by and construed in accordance with the applicable federal laws of the United States or, alternatively, the laws of the State of Washington.

B. The parties agree to jurisdiction and venue in the United States District Court located in Washington or, if federal jurisdiction is not available, in state court located in King County.

16. FORCE MAJEURE

If performance by one party is affected by any condition beyond the reasonable control of such party, the performance of obligations under the agreement affected by such condition will be suspended during the continuance of such condition. Neither party will incur any liability for damages resulting from such suspensions.

17. NOTICE

Any notices and other communications required or permitted under the agreement must be in writing and be (1) delivered personally, (2) sent by facsimile or e-mail transmission if confirmed by notice sent by one of the other notice methods permitted in this paragraph, (3) sent by nationally recognized overnight courier guaranteeing next business day delivery, or (4) mailed by registered or certified mail (return receipt requested), postage prepaid, to the party at the following addresses (or at such other addresses as are specified by like notice):

If to Broker:

4267 142nd AVE E
SUMNER WA 98390
Fax 253-872-5607

If to Shipper:

All such notices and other communications will be deemed to have been given and received (1) in the case of personal delivery, on the date of such delivery, (2) in the case of facsimile or e-mail transmission that is confirmed by notice sent on the same day by one of the other methods permitted, on the date of transmission if sent on a business day (or if sent on other than a business day, on the next business day after the date sent), (3) in the case of delivery by nationally recognized overnight courier, on the business day following dispatch if sent by guaranteed next day delivery, or (4) in the case of mailing, on the third business day following such mailing.

18. CONFIDENTIALITY

As part of the business relationship between Broker and Carrier, either party may be in or come into possession of information or data which constitutes trade secrets, know-how, confidential information, marketing plans, pricing, or anything else otherwise considered proprietary or secret by the other ("Confidential Information"). In consideration of the receipt of such confidential information and potential business, each party agrees to protect and maintain such confidential information in the utmost confidence, to use such confidential information solely in connection with their business relationship, and, to take all measures reasonably necessary to protect the confidential information.

A. Carrier agrees that Broker's charges to its customers are confidential and need not be disclosed to Carrier. Carrier specifically waives any rights it may have under 49 CFR § 371.3.

B. Except as may be required by law, the terms and conditions of the agreement and information pertaining to any services will not be disclosed by either party to any other persons or entities, except to the directors, officers, employees, authorized contractors, attorneys, and accountants of each party.

C. This mutual obligation of confidentiality will remain in effect during the terms of the agreement and for a period of two years following any termination.

19. NO CONSTRUCTION AGAINST DRAFTER

Each party has participated in negotiating and drafting the agreement, so if an ambiguity or a question of intent or interpretation arises, the agreement is to be construed as if the parties had drafted it jointly as opposed to being construed against a party because it was responsible for drafting one or more provisions of the agreement.

20. VALIDITY OF PROVISIONS

If any part of the agreement is declared by a court to be invalid, such decision shall not affect the validity of any remaining portion of the agreement.

21. EFFECT OF WAIVER

The failure of either party to enforce any of the rights given to it under the agreement shall not be construed as a waiver of that right.

22. ENTIRE UNDERSTANDING, MODIFICATIONS

A. The agreement contains the entire understanding and contractual agreement between the parties. Except as specifically stated in the agreement, no tariffs or other contracts apply.

B. The agreement cannot be amended except in writing, signed and dated by authorized representatives of both parties.

Each Party is signing the agreement on the date stated opposite that party's signature.

Broker

By: Blair K. Grant

Date: 3/28/2016

Print Name: Blair K. Grant

Title: Director of Transportation

Carrier

By: _____ Date: _____

Print Name: _____

Title: _____



Commitment to Excellence

New Carrier Profile

Carrier Name: _____

Street Address: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Dispatch Email: _____ Rate Quote Email: _____

Contact: _____ Phone: _____

Fax: _____ After hours #: _____

Fed ID #: _____ MC# _____

Insurance Co Name: _____ Insurance Phone: _____

Please List Preferred Lanes to Run:

Equipment:

Tractors: _____ Van Trailers: _____ Refer Trailers: _____

Flatbeds: _____ Stepdecks: _____ Owner Operators: _____

Do you prefer LTL or FTL?

Do you run teams?