## SEA EXPRESS AMERICA dba SEACORP INC. BROKERAGE COMPANY

## BROKER-CARRIER TRANSPORTATION AGREEMENT

THIS AGREEMENT, "Agreement", made and intended to be effective this

\_\_\_\_\_\_\_day of ,20\_\_\_\_\_, by and between **SEACORP Brokerage** **Company**, in Lincolnton, North Carolina **(BROKER),** and

having offices at ***514 North Academy Street, Lincolnton, NC 28092*** , AND

**\_\_\_\_\_\_\_\_\_\_\_\_**

**(CARRIER),**

**(CARRIER ADDRESS FOR OFFICE)**

collectively, the **"PARTIES".**

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## RECITALS

1. **WHEREAS BROKER** is licensed as a **Property Broker** by the **Federal Motor Carrier** **Safety Administration (FMCSA)** by **DOT# 3249946**, or by appropriate State agencies, and as a licensed broker, arranges for freight transportation; and
2. **WHEREAS CARRIER** is a licensed motor carrier pursuant to **DOT #** \_
3. **WHEREAS, CARRIER** desires to provide transportation services on behalf of **BROKER's** customers;

NOW THEREFORE, intending to be legally bound, **BROKER** and **CARRIER** agree as follows:

## AGREEMENT

1. **TERM.** Subject to paragraph 12, the term of this Agreement shall be effective when executed by the parties and shall continue in effect for one year from the date of execution. Unless either party gives notice of its intent not to renew the Agreement, it 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
2. **BROKER EFFORTS.** BROKER agrees to solicit, obtain and arrange for transportation of BROKER's customer's freight pursuant to the terms and conditions of this Agreement and in compliance in all material respects with all federal, state and local laws and regulations relating to the brokerage of the freight covered by this Agreement. BROKER's responsibility under this Agreement shall be limited to arranging for, but not actually performing, transportation of freight. CARRIER is not providing exclusive motor carrier services to BROKER or BROKER's customers. BROKER agrees to offer to CARRIER for shipment a minimum quantity of 1 load per year for each year this Agreement remains in effect.

# **SHIPPING DOCUMENTS.** Shipping documents include scale tickets, delivery receipts, and/or bills of lading. CARRIER shall ensure that the applicable Bill of Lading contains the name and address of the shipper, the destination address, and consignee name. CARRIER acknowledges that BROKER should not be listed on the bill of lading and that if BROKER is listed on the Bill of Lading as the carrier this will occur for the convenience of the shipper only and CARRIER at all times is the actual carrier of goods and BROKER'S role is limited to arranging for transportation. CARRIER must ensure that any visual damage to freight or discrepancies in count is noted on the shipper's original Bill of Lading, which is to be signed by CARRIER's driver or agent and by shipper or consignor. CARRIER must ensure that the proof of delivery and receipt of freight are noted on the shipper's Bill of Lading.

1. **DISPATCH.** CARRIER shall transport a series of shipments as BROKER may require in strict accordance with the delivery terms of the load confirmation (whether oral or in writing). The "reasonable dispatch" standard does not apply to this Agreement. CARRIER is responsible for confirming the count and condition of the freight accepted by CARRIER's driver. CARRIER is also responsible for providing a clean, dry, odor free, and leak proof trailer for shipments transported under this Agreement. CARRIER is prohibited from supplying equipment that has been used to transport hazardous wastes, solid or liquid, regardless of whether these substances are defined in 40 C.F.R. § 261.1 et seq. For hazardous materials shipments, Carrier will comply with all applicable federal, state, and local laws and regulations, including, but not limited to, 49 C.F.R. § 172.800, § 173, and§ 397 et seq. Any directions or instructions given by BROKER to CARRIER for the transportation of the freight shall be for information and convenience only, and CARRIER retains full control of the transportation of freight assigned to it under this Agreement.
2. **RATES.** Rates shall be as set forth on Appendix A or on any Load Confirmation(s) that is issued and that supplements and amends this Agreement to the extent its terms conflict with those in this Agreement. This Agreement also governs all assessorial services which may be required or performed. CARRIER shall not bill for any accessorial or other charge not approved in this Agreement or in any Load Confirmation(s). Rates may be amended orally but must be confirmed in writing within five working days of the modification in order to remain binding between the PARTIES. BROKER shall make payment to CARRIER within thirty days of receipt of the shipping documents from CARRIER. BROKER has no obligation to pay carrier prior to receipt of shipping documents specified in this Agreement or when shipping documents specified in this Agreement are not provided by CARRIER to BROKER within thirty days after the shipment date. BROKER is permitted to offset against charges owed to CARRIER for freight claims or any other obligation of CARRIER to BROKER. CARRIER waives all carrier liens otherwise legally available to CARRIER and agrees not to hold or delay freight based on outstanding claims against BROKER or BROKER's customer(s).
3. **PAYMENT.** BROKER authorizes CARRIER to invoice BROKER for services provided by the CARRIER. CARRIER agrees that BROKER is the sole party responsible for payment of its invoices and that, under no circumstances, will CARRIER seek payment from the shipper, consignee and BROKER's customer(s). CARRIER waives any right under any federal, state, or local law to collect freight charges or other amounts from shipper, consignee, and BROKER's customer(s).
4. **LOSS, DAMAGE, OR DELAY.** CARRIER agrees that its liability for cargo loss or damage shall be that of a Motor Carrier as provided for in 49 USC §14706 (the Carmack Amendment), except as is otherwise provided by this Agreement. CARRIER is solely responsible for ensuring that cargo is maintained according to any requirements stated on the bill of lading or load confirmation. CARRIER shall be liable for full actual loss of cargo, and any limitation on this liability contained in any tariff, contract, bill of lading, or other document shall be void and ineffective. Exclusions in CARRIER's insurance coverage shall not relieve CARRIER from any liability. 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, except as is otherwise provided by this Agreement. CARRIER waives the right to salvage for damaged freight and understands and agrees that the shipper may choose to destroy damaged goods rather than allowing them to reach the consumer market in damaged condition. In the event that damaged goods are returned to BROKER's customer and salvaged by Customer, CARRIER shall receive a credit for the actual salvage value of such goods. CARRIER also agrees to be liable for incidental and consequential damages for delay in delivery, including any stoppage in production caused by the delay. CARRIER's indemnification liability for freight loss and damage claims, when determined, shall include legal fees which shall constitute special damages, the risk of which is expressly assumed by CARRIER, and which shall not be limited by any liability provisions of any other provision herein.
5. **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. If CARRIER breaches this provision, BROKER has the right to pay freight charges directly to the delivering carrier, in lieu of payment to CARRIER. Upon payment of such charges to the delivering earner, BROKER shall have no further obligation to pay freight charges to CARRIER.
6. **INSURANCE.** CARRIER agrees to maintain at all times during the term of the contract insurance coverage with limits not less than the following:

General Liability/Property Damage - $1,000,000

Auto Liability- $1,000,000/$5,000,000 for Hazardous Materials

Cargo Liability - $100,000 (deductible no more than $10,000)

Worker's Compensation Liability Insurance - required in the amounts provided by applicable state law. CARRIER shall provide certificates of insurance for each of these coverages, which certificates shall provide BROKER notice of the cancellation of the above-referenced policies and give BROKER status as a certificate holder and as additional insured.. CARRIER'S liability shall not be limited by the amount of insurance required by this Agreement, and CARRIER remains fully liable for any loss for which it is otherwise liable by law. CARRIER has the right to reject any load whose value it believes exceeds its available insurance coverage. BROKER and shipper have no duty to inform CARRIER of the value of loads transported by CARRIER pursuant to this Agreement. In the event CARRIER fails to maintain insurance as required by this Agreement, BROKER may terminate this Agreement immediately.

1. **SAFETY RATING.** CARRIER agrees that at all times during the term of this Agreement it shall not have a conditional or unsatisfactory safety rating as determined by the Federal Motor Carrier Safety Administration (FMCSA). If CARRIER receives a conditional or unsatisfactory safety rating, it shall immediately notify BROKER in accordance with the notice provisions in Paragraph 17, and BROKER may terminate this Agreement immediately. BROKER shall not knowingly utilize any carrier with a conditional or unsatisfactory safety rating in the performance of this Agreement. CARRIER agrees to comply with all federal, state, and local statutes and regulations governing its operations as a motor carrier.
2. **APPLICABILITY.** CARRIER agrees that the terms and conditions of this Agreement shall apply on all shipments it handles for BROKER. Any terms in a tariff or shipping document which are inconsistent with this Agreement shall be subordinate to the terms of the Agreement. Any terms in any tariff, shipping document, or other document that purport to limit CARRIER' s liability for any cargo loss shall be ineffective. CARRIER expressly waives all rights and remedies under Title 49 U.S.C., Subtitle IV, Part B to the extent they conflict with this Agreement.
3. **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 on 10 (ten) days written notice to the other Party. The declaring of CARRIER's driver disqualified, or if CARRIER's driver should fail a random drug test, shall immediately terminate this Agreement as to that driver; provided, however, BROKER has the option of allowing CARRIER to substitute a driver in a timely manner to complete any trip then in progress. The following shall all be deemed instances of default: (a) there shall be filed by or against CARRIER, in any competent court, a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee of all or a portion of the property of CARRIER; (b) CARRIER makes an assignment for the benefit of creditors or petitions for, or enters into, an agreement or arrangement with its creditors; (c) CARRIER fails to timely and properly perform its obligations of this Agreement. Upon the occurrence of an Event of Default, BROKER may, upon giving two (2) days' prior written notice to CARRIER (without prejudice to any other remedy BROKER may have, and provided such default has not been

cured), terminate this Agreement.

1. **INDEMNIFICATION.** Without regard to the insurance limits in Section 8, CARRIER shall defend, indemnify and hold BROKER harmless against any claims, actions or damages, including, but not limited to claims for or related to personal injury (including death), to any person including CARRIER employees, subcontractors, and contractors cargo loss, damage, or delay, and payment of rates and/or accessorial charges to Carriers, arising out of CARRIER' s performance under this Agreement, including but not limited to the actions of any driver, employee, contractor, sub-carrier, owner/operator, or other agent of CARRIER or party performing any of CARRIER' s obligations under this Agreement, or CARRIER' s failure to obtain insurance as required by this Agreement. The obligation to defend shall include all costs of defense as they accrue, including reasonable attorney's fees.
2. **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. CARRIER may not subcontract any portion of the performance of this Agreement. No amendment or modification or waiver of the terms of this Agreement shall be binding unless in writing and signed by agents of the PARTIES with express authority to agree to such terms. CARRIER is not permitted to double broker loads without written permission of BROKER.
3. **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.
4. **INDEPENDENT CONTRACTOR.** It is understood between BROKER and CARRIER, that neither is an agent for the other and each shall remain at all times independent of the other. BROKER does not exercise or retain any control or supervision over CARRIER, its operations or employees. 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 the 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, including but not limited to IFTA fuel taxes, assessments, insurance (including but not limited to worker's compensation, unemployment compensation, disability, pension and social security insurance) and any other financial obligations arising out of the transportation performed hereunder. CARRIER' s employees are not authorized to represent themselves as agents of BROKER.
5. 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, and no course of performance or course of dealing between the parties shall thereby arise.
6. **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 as follows:

**(BROKER):** **(CARRIER):**

SEACORP Brokerage Company Inc.

Attn: Myra H. Heavner (Carrier Name)

514 N. Academy Street \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lincolnton, NC 28092 (Attention Contact)

Email: [Myra@Seacorpnc.com](mailto:Myra@Seacorpnc.com) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone: 704-732-6063 (Contact Email)

Fax: 704-732-6383 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Carrier Address)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Telephone)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(FAX)

1. **CHOICE OF LAW AND VENUE.** All questions concerning the construction, interpretation, validity, and enforceability of this Agreement, as well as the substantive rights and duties of the parties to this Agreement, whether in a court of law or in arbitration, shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule that would cause the laws of any other jurisdiction to apply. Both parties represent that they are subject to and hereby irrevocably submit to exclusive jurisdiction of any court with jurisdiction to include King's Mountain, North Carolina, in connection with any suit, action, or proceeding arising out of or relating to this Agreement and irrevocably agree that all claims and counterclaims of Carrier or Broker in respect to any such suit, action or proceeding will be heard or determined only in any such court. In any legal action brought to enforce any right or duty under this Agreement or to recover damages for breach of this Agreement, the prevailing party shall be awarded reasonable attorney's fees and costs.
2. **CONFIDENTIALITY.**  by law, statutory that all of their financial information and that of their customers, including but not limited to freight and brokerage rates, amounts received for brokerage services, amounts of freight charges collected, freight volume requirements, as well as personal customer information, customer shipping or other logistics requirements shared or learned between the Parties and their customers, shall be treated as Confidential, and shall not be disclosed or used for any reason without prior written consent. In the event of violation of this Confidentiality paragraph, the Parties agree that the remedy at law, including monetary damages, may be inadequate and that the Parties shall be entitled, in addition to any other remedy they may have, to an injunction restraining the violating Party from further violation of this Agreement in which case the prevailing Party shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney's fees.
3. **BACK SOLICITATION.** CARRIER shall not solicit traffic from any shipper, consignee, or customer of BROKER where (1) the availability of such traffic first became known to CARRJER as a result of BROK.BR's efforts; or (2) where the traffic was first tendered to CARRIER by BROKER. If the CARRJER breaches this provision of this AGREEMENT, BROKER shall be entitled-as reasonable liquidated damages and not as a penalty-to a commission of fifteen percent of the gross revenue from such traffic to CARRIER for a period of fifteen months. CARRIER also agrees that the breach of this provision entitles BROKER to be entitled to obtain an injunction against CARRIER in a court of competent jurisdiction, at BROKER' s option.
4. **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.

**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.

**BROKER:** **CARRIER:**

**SEACORP BROKERAGE COMPANY INC**.

(CARRIER NAME)

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(SIGNED) (SIGNED)

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(PRINTED NAME) (PRINTED NAME)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(TITLE) (TITLE)

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Sea Express America Corporation / SEACORP

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