

Carrier Set-Up Package & Broker-Carrier Agreement 2016

OPTIMUM CARRIER GROUP

To be a preferred Dynamic Connections carrier you must provide/complete the following:

		DONE
1.	Print and read this package	
2.	Complete the Insurance Coverage	
3.	Contact your insurance provider to add Dynamic Connections as a Certificate holder	
4.	Provide at least 3 references	
5.	Complete the remittance information form for quick and easy payment	
6.	Print and sign the Carrier Transportation Agreement	
7.	Fax or email back to Dynamic Connections	

Pages can be faxed 905-844-3748 or emailed back to solutions@dynamicconnections.com

INSURANCE COVERAGE

Coverage Requirements:

Liability	\$2,000,000	
Cargo Insurance	\$250,000	
Non Owned Auto Liability	\$2,000,000	
Contingent Cargo	\$250,000	
Auto Liability	\$2,000,000	

COMPANY INFORMATION

Are you able to transport Hazardous Mate	rials?			
# of Straight Trucks:	# of Rolltites:	SCAC CODE:		
# of Dry Van Trailers:	# of Stepdecks:	US DOT #:		
# of Reefer Trailers:	Day Cab Tractors:	MC/MX #:		
# of Flatbeds:	Sleeper Cab Tractors:			
Which areas do you service?				

REMITTANCE INFORMATION

Legal Company Name:				
Phone:	EXT:	After hours Phone:		Fax:
For Mailing Purposes:				
Address:		City	Province:	Postal Code:
Phone:	EXT:	After hours Phone:		Fax:
Accounts Receivable Pu	urposes (or same a	s above)		
Address:	/ /	City	Province:	Postal Code:
Phone:	EXT:	After hours Phone:		Fax:
Name of factoring com	pany:			with a letter of authorization
				Postal Code:
Phone:	EXT:	After hours Phone:		Fax:

We require a clear delivery receipt in order to process any and all payments. Please have driver fax ASAP to 905-844-3748 or email <u>payables@dynamicconnection.com</u>. Remember, the quicker we get the POD and invoice, the quicker you will get paid!

BROKER CARRIER AGREEMENT

This Agreement is effective as of (DATE) and is entered into by:

BROKER	AND CARRIER (Legal Name / Address / MC#)
Dynamic Connections 2172 Wyecroft Road Unit#4 Oakville, Ontario L6L 6R1	
MC# 667647	MC#

CARRIER REPRESENTS AND WARRANTS THAT IT: 1.

Is a Registered Motor Carrier of Property authorized to provide transportation of property under contracts with Α. shippers and receivers and/or brokers of general commodities.

Β. Shall transport the property, under its own operating authority and subject to the terms of this Agreement;

C. Makes the representations herein for the purpose of inducing DYNAMIC to enter into this Agreement.

D. Agrees that a Shipper's insertion of DYNAMIC's name as the carrier on a bill of lading shall be for the Shipper's convenience only and shall not change DYNAMIC's status as a property broker nor CARRIER's status as a motor carrier.

Will not re-broker, co-broker, subcontract, assign, interline, or transfer the transportation of shipments hereunder E. to any other persons or entity conducting business under a different operating authority, without prior written consent of DYNAMIC. If CARRIER breaches this provision, DYNAMIC shall have the right of paying the monies it owes CARRIER directly to the delivering carrier, in lieu of payment to CARRIER. Upon DYNAMIC's payment to delivering carrier, CARRIER shall not be released from any liability to DYNAMIC under this Agreement. In addition to the indemnity obligation in Par 1.H, CARRIER will be liable for consequential damages for violation of this provision.

F. (i) Is in, and shall maintain compliance during the term of this Agreement, with all applicable federal, state and local laws relating to the provision of its services including, but not limited to: transportation of Hazardous Materials (including the licensing and training of Haz Mat qualified drivers), as defined in 49 C.F.R. §172.800, §173, and §397 et seq. to the extent that any shipments hereunder constitute Hazardous Materials; security regulations; owner/operator lease regulations; loading and securement of freight regulations; implementation and maintenance of driver safety regulations including, but not limited to, hiring, controlled substances and alcohol testing, and hours of service regulations; sanitation, temperature, and contamination requirements for transporting food, perishable, and other products, gualification and licensing and training of drivers; implementation and maintenance of equipment safety regulations; maintenance and control of the means and method of transportation including, but not limited to, performance of its drivers; all applicable insurance laws and regulations including but not limited to workers' compensation.

(ii) Is solely responsible for any and all management, governing, discipline, direction and control of its employees, owner/operators, and equipment with respect to operating within all applicable federal and state legal and regulatory requirements to ensure the safe operation of CARRIERS vehicles, drivers and facilities. CARRIER and DYNAMIC agree that safe and legal operation of the CARRIER and its drivers shall completely and without question govern and supersede any service requests, demands, preferences, instructions, and information from DYNAMIC or DYNAMIC's customer with respect to any shipment at any time.

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G. CARRIER will notify DYNAMIC immediately if its federal Operating Authority is revoked, suspended or rendered inactive for any reason; and/or if it is sold, or if there is a change in control of ownership, and/or any insurance required hereunder is threatened to be or is terminated, cancelled, suspended, or revoked for any reason.

H. (i) CARRIER shall defend, indemnify and hold DYNAMIC and its shipper customer harmless from any claims, actions or damages, arising out of its performance under this Agreement, including cargo loss and damage, theft, delay, damage to property, and personal injury or death. Neither Party shall be liable to the other for any claims, actions or damages due to the negligence or intentional act of the other Party, or the shipper. The obligation to defend shall include all costs of defense as they accrue.

(ii) Except for CARRIER's liability under Par 1.E, unless otherwise agreed in writing, the Parties' indemnity obligations shall be subject to the insurance coverage and monetary insurance limits referred to in Subp. 3. D.

I. Does not have an "Unsatisfactory" safety rating issued by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation, and will notify DYNAMIC in writing immediately if its safety rating is changed to "Unsatisfactory" or "Conditional". Authorizes DYNAMIC to invoice CARRIER's freight charges to shipper, consignee, or third parties responsible for payment.

J. Has investigated, monitors, and agrees to conduct business hereunder based on the credit-worthiness of DYNAMIC and is granting DYNAMIC credit terms accordingly.

K. On behalf of shipper, consignee and broker interests, to the extent that any shipments subject to this Agreement are transported within the State of California on refrigerated equipment, CARRIER warrants that it shall only utilize equipment which is in full compliance with the California Air Resources Board (ARB) TRU ACTM in-use regulations. CARRIER shall be liable to DYNAMIC for any penalties, or any other liability, imposed on, or assumed by DYNAMIC due to penalties imposed on DYNAMIC's customer because of CARRIER's use of non-compliant equipment.

2. <u>DYNAMIC's RESPONSIBILITIES</u>:

A. <u>SHIPMENTS, BILLING & RATES</u>: DYNAMIC shall offer CARRIER at least three (3) loads/shipments annually. DYNAMIC shall inform CARRIER of (i) place of origin and destination of all shipments; and (ii) if applicable, any special shipping and handling instructions, special equipment requirements, or value of shipments in excess of the amount specified in Par. 3C(vi) below, of which DYNAMIC has been timely notified.

B. DYNAMIC agrees to conduct all billing services to shippers, consignees, or other party responsible for payment. CARRIER shall invoice DYNAMIC for its (CARRIER's) charges, as mutually agreed in writing, by fax, or by electronic means, contained in DYNAMIC's Load Confirmation Sheet(s) / dispatch sheets incorporated herein by this reference. Additional rates for truckload or LTL shipments, or modifications or amendments of the above rates, or additional rates, may be established to meet changing market conditions, shipper requirements, DYNAMIC requirements, and/or specific shipping schedules as mutually agreed upon, and shall be confirmed in writing (or by fax or email) by both Parties. Any such additional, modified, or amended rates, changes in rates shall automatically be incorporated herein by this reference.

C. <u>RATES</u>: Additionally, any rates, which may be verbally agreed upon, shall be deemed confirmed in writing where CARRIER has billed the agreed rate and DYNAMIC has paid it. All written confirmations of rates, including confirmations by billing and payment, shall be incorporated herein by this reference. Rates or charges, including but not limited to stop-offs, detention, loading or unloading, fuel surcharges, or other accessorial charges, tariff rates, released rates or values, or tariff rules or circulars, shall only be valid when their terms are specifically agreed to in a writing signed by both Parties.

D. <u>PAYMENT</u>: The Parties agree that DYNAMIC is the sole party responsible for payment of CARRIER's charges. Failure of DYNAMIC to collect payment from its customer shall not exonerate DYNAMIC of its obligation to pay CARRIER. DYNAMIC agrees to pay CARRIER's invoice within 30 days of receipt of the bill of lading or proof of delivery, provided CARRIER is not in default under the terms of this Agreement.

E. <u>BOND</u>: DYNAMIC shall maintain a surety bond /trust fund as agreed to in the amount of \$75,000 and on file with the Federal Motor Carrier Safety Administration (FMCSA) in the form and amount not less than that required by that agency's regulations.

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F. DYNAMIC will notify CARRIER immediately if its federal Operating Authority is revoked, suspended or rendered inactive for any reason; and/or if it is sold, or if there is a change in control of ownership, and/or any insurance required hereunder is threatened to be or is terminated, cancelled, suspended, or revoked for any reason.

G. DYNAMIC's responsibility is limited to arranging for, but not actually performing, transportation of a shipper's freight.

3. <u>CARRIER RESPONSIBILITIES</u>:

A. <u>EQUIPMENT</u>: Subject to its representations and warranties in Paragraph 1 above, CARRIER agrees to provide the necessary equipment and qualified personnel for completion of the transportation services required for DYNAMIC and/or its customers. CARRIER will not supply equipment that has been used to transport hazardous wastes, solid or liquid, regardless of whether they meet the definition in 40 C.F.R. §261.1 et. seq. CARRIER agrees that all shipments will be transported and delivered with reasonable dispatch, or as otherwise agreed in writing.

B. <u>BILLS OF LADING</u>: CARRIER shall sign a bill of lading, produced by shipper or CARRIER in compliance with 49 C.F.R. §373.101 (and any amendments thereto), for the property it receives for transportation under this Agreement. Unless otherwise agreed in writing, CARRIER shall become fully responsible/liable for the freight when it takes/receives possession thereof, and the trailer(s) is loaded, regardless of whether a bill of lading has been issued, and/or signed, and/or delivered to CARRIER, and which responsibility/liability shall continue until delivery of the shipment to the consignee and the consignee signs the bill of lading or delivery receipt. Any terms of the bill of lading (including but not limited to payment and credit terms, released rates or released value) inconsistent with the terms of this Agreement shall be ineffective. Failure to issue a bill of lading, or sign a bill of lading acknowledging receipt of the cargo, by CARRIER, shall not affect the liability of CARRIER.

C. LOSS & DAMAGE CLAIMS:

(i) CARRIER shall comply with 49 C.F.R. §370.1 et seq. and any amendments and/or any other applicable regulations adopted by the Federal Motor Carrier Safety Administration, U.S. Department of Transportation, or any applicable state regulatory agency, for processing all loss and damage claims and salvage and

(ii) CARRIER's liability for any cargo damage, loss, or theft from any cause shall be determined under the Carmack Amendment, 49 U.S.C. §14706; and

(iii) Special Damages: CARRIER's indemnification liability (Par 1.H) for freight loss and damage claims under this sub par C (ii) 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 of CARRIER under Subp. (ii) above.

(iv) Except as provided in Par 1.E above, neither Party shall be liable to the other for consequential damages without prior written notification of the risk of loss and its approximate financial amount, and agreement to assume such responsibility in writing.

(v) Notwithstanding the terms of 49 CFR 370.9, CARRIER shall pay, decline or make settlement offer in writing on all cargo loss or damage claims within 90 days of receipt of the claim. Failure of CARRIER to pay, decline or offer settlement within this 90 day period shall be deemed admission by CARRIER of full liability for the amount claimed and a material breach of this Agreement.

(vi) CARRIER's liability for cargo damage, loss, or theft from any cause for any one shipment, under Subp. ii above shall not exceed \$2 per pound unless CARRIER is notified by DYNAMIC or Shipper of the increased value prior to shipment pick up.

D. <u>INSURANCE</u>: CARRIER shall furnish DYNAMIC with Certificate(s) of Insurance, or insurance policies providing thirty (30) days advance written notice of cancellation or termination, and unless otherwise agreed, subject to the following minimum limits: General liability \$1,000,000.00; motor vehicle (including hired and non-owned vehicles) \$1,000,000.00, (\$5,000,000 if transporting hazardous materials including environmental damages due to release or discharge of hazardous substances); cargo damage/loss, \$100,000.00; workers' compensation with limits required by law. Except for the higher coverage limits which may be specified above, the insurance policies shall comply with minimum requirements of the Federal Motor Carrier Safety Administration and any other applicable regulatory state agency.

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Nothing in this Agreement shall be construed to avoid or limit CARRIER's liability due to any exclusion or deductible in any insurance policy.

E. <u>ASSIGNMENT OF RIGHTS</u>: CARRIER automatically assigns to DYNAMIC all its rights to collect freight charges from Shipper or any responsible third party on receipt of payment of its freight charges from DYNAMIC.

F. CARRIER assumes full responsibility and liability for payment of the following items: All applicable federal, state, and local payroll taxes, taxes for unemployment insurance, old age pensions, workers' compensation, social security, with respect to persons engaged in the performance of its transportation services hereunder. DYNAMIC shall not be liable for any of the payroll-related tax obligations specified above and CARRIER shall indemnify, defend, and hold DYNAMIC harmless from any claim or liability imposed or asserted against DYNAMIC for any such obligations.

4. <u>MISCELLANEOUS</u>:

A. <u>INDEPENDENT CONTRACTOR</u>: It is understood and agreed that the relationship between DYNAMIC and CARRIER is that of independent contractor. None of the terms of this Agreement, or any act or omission of either Party shall be construed for any purpose to express or imply a joint venture, partnership, principal/agent, fiduciary, employer/employee relationship between the Parties. CARRIER shall provide the sole supervision and shall have exclusive control over the operations of its employees, contractors, subcontractors, agents, as well as all vehicles and equipment used to perform its transportation services hereunder. DYNAMIC has no right to discipline or direct the performance of any driver and/or employees, contractors, subcontractors, or agents of CARRIER. CARRIER represents and agrees that at no time and for no purpose shall it represent to any party that it is anything other than an independent contractor in its relationship to DYNAMIC.

B. <u>NON-EXCLUSIVE AGREEMENT</u>: CARRIER and DYNAMIC acknowledge and agree that this contract does not bind the respective Parties to exclusive services to each other. Either party may enter into similar agreements with other carriers, brokers, or freight forwarders.

C. <u>WAIVER OF PROVISIONS</u>:

(i) Failure of either Party to enforce a breach or waiver of any provision or term of this Agreement shall not be deemed to constitute a waiver of any subsequent failure or breach, and shall not affect or limit the right of either Party to thereafter enforce such a term or provision.

(ii) This Agreement is for specified services pursuant to 49 U.S.C. §14101(b). To the extent that terms and conditions herein are inconsistent with Part (b), Subtitle IV, of Title 49 U.S.C. (ICC Termination Act of 1995), the Parties expressly waive any or all rights and remedies they may have under the Act.

D. DISPUTES: In the event of a dispute arising out of this Agreement, including but not limited to Federal or State statutory claims, the Party's sole recourse (except as provided below) shall be to arbitration. Proceedings shall be conducted under the rules of Transportation Arbitration and Mediation PLLC (TAM), American Arbitration Association (AAA), Transportation ADR Council, Inc. (ADR), or DRC (Fruit and Vegetable Dispute Resolution Corp) for fresh produce related claims, upon mutual agreement of the Parties, or if no agreement, then at DYNAMIC's sole discretion. Arbitration proceedings shall be started within eighteen (18) months from the date of delivery or scheduled date of delivery of the freight, whichever is later. Upon agreement of the Parties, arbitration proceedings may be conducted outside of the administrative control of the TAM, AAA, ADR, or DRC. The decision of the arbitrators shall be binding and final and the award of the arbitrator may be entered as judgment in any court of competent jurisdiction. The rationale and reasoning of the decision of arbitrator(s) shall be fully explained in a written opinion. The prevailing party shall be entitled to recovery of costs, expenses and reasonable attorney fees as well as those incurred in any action for injunctive relief, or in the event further legal action is taken to enforce the award of arbitrators. Arbitration proceedings shall be conducted at the office of the AAA, ADR, DRC or TAM nearest Oakville, Ontario, Canada or such other place as mutually agreed upon in writing, or by conference call or video conferencing upon agreement of the Parties, or as directed by the acting arbitration association. Provided, however, either Party may apply to a court of competent jurisdiction for injunctive relief. The arbitration provisions of this paragraph shall not apply to enforcement of the award of arbitration.

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E. NO BACK SOLICITATION:

(i) Unless otherwise agreed in writing, CARRIER shall not knowingly solicit freight shipments (or accept shipments) for a period of 24 months following termination of this agreement for any reason, from any shipper, consignor, consignee, or other customer of DYNAMIC, when such shipments of shipper customers were first tendered to CARRIER by DYNAMIC.

(ii) In the event of breach of this provision, DYNAMIC shall be entitled, for a period of 24 months following delivery of the last shipment transported by CARRIER under this Agreement, to a commission of twenty percent (20%) of the gross transportation revenue (as evidenced by freight bills) received by CARRIER for the transportation of said freight as liquidated damages. Additionally, DYNAMIC may seek injunctive relief and in the event it is successful, CARRIER shall be liable for all costs and expenses incurred by DYNAMIC, including, but not limited to, reasonable attorney's fees.

F. <u>CONFIDENTIALITY</u>:

(i) In addition to Confidential Information protected by law, statutory or otherwise, the Parties agree 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.

(ii) 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.

G. The limitations of liability for cargo loss and damage as well as other liabilities, arising out of the transportation of shipments, which originate outside the United States of America, may be subject to the laws of the country of origination.

H. <u>MODIFICATION OF AGREEMENT</u>: This Agreement and Exhibit A <u>et. seq</u>. attached may not be amended, except by mutual written agreement, or the procedures set forth above (Pars 2.B and 2.C).

I. <u>NOTICES</u>:

(i) All notices provided or required by this Agreement, shall be made in writing and delivered, return receipt requested, to the addresses shown herein with postage prepaid; or by confirmed (electronically acknowledged on paper) fax, or by email with electronic receipt.

(ii) The Parties shall promptly notify each other of any claim that is asserted against either of them by anyone arising out of the Parties performance of this Agreement.

(iii) Notices sent as required hereunder, to the addresses shown in this Agreement shall be deemed sent to the correct address, unless the Parties are notified in writing of any changes in address.

J. <u>CONTRACT TERM</u>: The term of this Agreement shall be one year from the date hereof and thereafter it shall automatically be renewed for successive one (1) year periods, unless terminated, upon thirty (30) day's prior written notice, with or without cause, by either Party at any time, including the initial term. In the event of termination of this Agreement for any reason, the Parties shall be obligated to complete performance of any work in progress in accordance with the terms of this Agreement.

K. <u>SEVERANCE: SURVIVAL</u>: In the event any of the terms of this Agreement are determined to be invalid or unenforceable, no other terms shall be affected and the unaffected terms shall remain valid and enforceable as written. The representations, rights and obligations of the parties hereunder shall survive termination of this Agreement for any reason.

L. <u>COUNTERPARTS</u>: This Agreement may be executed in any number of counterparts each of which shall be deemed to be a duplicate original hereof.

M. <u>FAX CONSENT</u>: The Parties to this Agreement are authorized to fax to each other at the numbers shown herein, (or otherwise modified in writing from time to time) shipment availabilities, equipment and rate promotions, or any advertisements of new services.

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N. <u>FORCE MAJEURE</u>. In the event that either Party is prevented from performing its obligations under this
 Agreement because of an occurrence beyond its control and arising without its fault or negligence, including without
 limitation, war, riots, rebellion, acts of God, acts of lawful authorities, fire, strikes, lockouts or other labor disputes, such
 failures to perform (except for any payments due hereunder) shall be excused for the duration of such occurrence.
 Economic hardships, including, but not limited to, recession and depression, shall not constitute Force Majeure events.
 O. <u>ENTIRE AGREEMENT</u>: Unless otherwise agreed in writing, this Agreement contains the entire understanding of the
 Parties and supersedes all verbal or written prior agreements, arrangements, and understandings of the Parties relating
 to the subject matter stated herein. The Parties further intend that this Agreement constitutes the complete and
 exclusive statement of its terms, and that no extrinsic evidence may be introduced to reform this Agreement in any
 judicial or arbitration proceeding involving this Agreement.

				IIIItidis
	, we have signed this Agree	ment the date and year fir	st shown above	
IN WITNESS WHEREOF	, we have signed this Agree		st shown above.	
Dynamic Connectio	ns			
(Broker)		(Carrier)		
<u> Shawn Brushett</u>				
(Authorized Signature)		(Authorized Signatu	re)	
<u>Shawn Brushett – Vi</u>	ce President			
(Printed Name & Title)		(Printed Name & Tit	le)	
2172 Wyecroft Road	Unit #4			
<u>Oakville, Ontario</u>				
L6L 6R1				
(Broker Company Address)		(Carrier Company Address)		
905-844-7555	905-844-3748			
(Phone)	(Fax)	(Phone)	(Fax)	
solutions@dynamic	connections.com			
(E-Mail)		(E-Mail)		

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