



Maritime Delivery Services, Inc.

Initial Carrier Set-Up

Dear Carrier,

Thank you for your inquiry to become an approved MDS Carrier.

I ask that you send the following information to my attention via fax or e-mail and by mailing a hard copy to the address below.

MDS Address: **Maritime Delivery Services
2301 Ellis Court
Suite B
New Lenox, IL 60451
Attn: Erica Guzman**

Please include in your correspondence the following items:

**Signed MDS Carrier Agreement
Signed MDS Co-Brokerage Agreement (if applicable)
ICC Operating Permit
Operational Information (Contact names, Phone & Fax numbers)
Carrier SCAC Code
Company Brochure or Areas of Operation Overview
Insurance Certificate with MDS named as a Additional Certificate Holder
Copy of W-9**

Note: MDS requires carriers to maintain the following insurance coverage:
1 Million for **General Liability**, 1 Million for **Automobile**, \$100,000 for **Cargo**,
Worker's Compensation \$100,000 for Bodily Injury Each Accident, Worker's
Compensation \$500,000 Bodily Injury by Disease and Worker's Compensation \$100,000
Bodily Injury by Disease Each Employee.

Please note that MDS reviews each carrier for evidence of unsafe operations at set up and periodically thereafter. If we request updated information, please reply promptly to ensure that you remain an approved carrier.

Best Regards,

Erica Guzman,
Carrier Relations
Phone 815-463-5070 x 228
FAX 815-463-5075
erica.guzman@mdsinc.us.com



Maritime Delivery Services, Inc.

MARITIME DELIVERY SERVICES, INC. CONTRACT CARRIAGE AGREEMENT

This Agreement is entered this _____ day of _____, 20____, by and between _____, with offices at _____, hereinafter referred to as "Carrier", and Maritime Delivery Services, Inc. with offices at 2301 Ellis Court, Ste B, New Lenox, IL 60451, hereinafter referred to as "Broker",

RECITALS

WHEREAS, Broker is a licensed property broker holding authority granted by the Interstate Commerce Commission in Docket No. MC-594051-B and

WHEREAS, Broker is authorized by its shipper principals ("shippers") to arrange for motor contract carrier service designed to meet their distinct needs and

WHEREAS, Carrier is engaged in providing transportation of property as a contract carrier pursuant to the motor contract carrier authority issued by the ICC in Docket No. _____ and

WHEREAS, Broker's shippers have a distinct need for contract carrier service not available from common carrier and

WHEREAS, Carrier is ready, willing, and able to provide such services as Broker and its shippers require.

NOW, THEREFORE, in consideration of these mutual covenants contained herein, the Parties agree as follows:

TERMS AND CONDITIONS

1. Services to be Performed. - This Agreement is a continuing agreement as provided in paragraph 10, below, and contemplates a series of shipments. Carrier agrees to transport, by motor vehicle, such shipments as Broker's shippers' may require, subject to the availability of suitable equipment.

2. Insurance. - Carrier agrees to maintain Commercial Automobile or Truckers' Liability covering Bodily Injury and Property Damage Liability with a minimum of \$1,000,000 combined single limit covering all owned and hired vehicles. Broker to be endorsed on policy as an Additional Insured. Carrier agrees to maintain Motor Truck Cargo Legal Liability with a limit of not less than \$100,000 and a deductible not greater than \$2500 covering "All-Risk" perils, including Loading and Unloading which shall have no exclusions or restrictions that would not be accepted pursuant to the insurance requirements of 49 U.S.C. 10927. Broker to be endorsed on policy as an Additional Insured. Carrier agrees to maintain General Liability insurance covering \$1,000,000 for each occurrence. Carrier agrees to maintain Workers Compensation policy covering \$100,000 for Bodily Injury Each Accident, Worker's Compensation \$500,000 Bodily Injury by Disease and Worker's Compensation \$100,000 Bodily Injury by Disease Each Employee. If Workers Compensation insurance is not required Carrier will provide a letter signed by an authorized person stating that Carrier's operation do not require Workers Compensation. A certificate of insurance must be provided to Broker verifying the above coverage, including a minimum 10-day notice of cancellation. Certificate of insurance must be on file with Broker prior to any payment for freight movements being made.

3. Rates and Charges. - Carrier will be compensated for services performed under this agreement in accordance with the rates set forth in a Load Confirmation Sheet which will be sent to Carrier via e-mail or fax. Said Load Confirmation Sheet shall establish the rate and shall detail the origin, destination, pickup time, and other specialized service requirements, if any, known to Broker. If Broker's principals make specialized service requirement arrangements direct with Carrier's representatives, Carrier shall add such specialized service requirements and arrangements by notation on the Load Confirmation Sheet after receiving confirmation of charges from Broker. Carrier will sign and return the Load Confirmation sheet to Broker before the load

is dispatched. Carrier will submit Load Confirmation Sheet to Broker with its invoice, the total cannot be greater than total rate on the signed Load Confirmation Sheet.

4. Documentation. - Carrier shall issue a Uniform Straight Bill of Lading or other document acceptable to Broker for each shipment tendered to it.

5. Payment. - Carrier agrees to invoice Broker as the exclusive agent of its shipper for all freight moving pursuant to this Agreement. Broker shall submit its invoice including freight charges to its shipper. Carrier shall submit its invoice along with all necessary documents to Broker, and Broker shall remit freight charges to Carrier thirty (30) days after receipt by Broker, pursuant to the requirements of 49 C.F.R. 1045. Documents required by Broker to insure prompt payment include: Carrier's invoice, a signed copy of the Broker Load Confirmation Sheet, Original Bill of Lading and Proof of Delivery.

6. Loss, Damage or Delay. - Carrier shall be liable to Broker's shipper or Broker as the agent or assignee of a claim of Broker's shipper (or in its own right as to any cost or loss suffered by Broker), for loss, damage or delay of a shipment transported by Carrier under the terms of this Agreement. Carrier's liability shall begin at the time the shipment is loaded onto Carrier's equipment and shall continue until the shipment is delivered to the designated consignee. Carrier's liability shall be for the full destination value of the shipment. Carrier shall not be liable for consequential or special damages so long as Carrier uses reasonable dispatch in providing service unless (1) Carrier fails to comply with written notification of special service requirements appearing on the Load Confirmation Sheet or Bill of Lading at time of pickup, (2) Carrier fails to comply with special service requirements communicated to Carrier by shipper, or (3) a court rules that the limitation on consequential or special damages is unenforceable for any reason, in whole or in part.

7. Claims. - All claims for loss, damage or delay shall be processed by Carrier in accordance with the provisions of 49 C.F.R. 1005. Upon the request of either Party, loss, damage or delay claims may be submitted to binding arbitration before a transportation arbitration board whose decision shall be final. All other claims, including claims for breach of any provision of this Agreement, shall be filed and litigated in Will County (Illinois) Superior Court or, at the request of either party, shall be arbitrated before an arbitrator who is a Illinois attorney and mutually agreeable to the Parties or, in the absence of such agreement, before an arbitrator qualified as a Illinois attorney or other arbitration service.

8. Non-Solicitation. - Carrier recognizes Broker as the exclusive agent for its principal for the solicitation of traffic where (i) the availability of such traffic first became known to Carrier as the result of Broker's efforts or (ii) where the traffic of the shipper was first tendered to Carrier by the Broker. If the Carrier breaches this Agreement by handling any traffic for any of Broker's shippers without compliance with all the provisions of this Agreement, Broker is entitled to recover from Carrier a fifteen percent (15%) commission on all freight charges of Carrier to any such shipper for all traffic of such shipper handled by Carrier for the duration of this Agreement and for twelve (12) months following termination of this Agreement. Carrier shall supply, upon request of Broker, copies of any documents relating to Carrier's dealings with any shipper under this Agreement. This paragraph shall survive the termination or expiration of this Agreement.

9. Indemnification. - Except for claims based on the sole acts or omissions of Broker or its agents, Carrier shall indemnify Broker for any expenses, losses or damages suffered by Broker due to claims against Broker and arising out of or connected with Carrier's acts or omissions under this Agreement.

10. Duration. - This Agreement shall be in effect for one year from date of signing and shall automatically continue for additional one year periods unless either Party gives the other Party written notice of nonrenewal at least thirty (30) days prior to the expiration of the current term.

11. Miscellaneous. - This Agreement shall be governed by, and construed in accordance with, the laws (excluding choice of law provisions) of the state of Illinois, and any dispute shall be arbitrated (if elected under paragraph 7, above) or tried in Will County, Illinois.

12. Attorneys' Fees. - The prevailing party in any dispute shall be entitled to recover all arbitration or court costs and expenses, all other reasonable and necessary expenses with respect to such dispute, and reasonable attorneys' fees at any arbitration, trial or appeal.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective authorized representatives on this date, written above.

Maritime Delivery Services, Inc.
2301 Ellis Court
SUITE B
New Lenox, IL 60451

BY: _____

BY: _____

TITLE: _____

TITLE: _____



Maritime Delivery Services, Inc.

MARITIME DELIVERY SERVICES, INC. CO-BROKERAGE AGREEMENT

This Agreement is entered this _____ day of _____ 20____, by and between _____, (MC# _____), with offices at _____, and Maritime Delivery Services, Inc. (MC-594051-B) with offices at 2301 Ellis Court, Ste B, New Lenox, IL 60451, hereinafter collectively referred to as "PARTIES", PARTIES for purpose of this Agreement shall include the divisions, sub-divisions, and affiliates of the PARTIES identified herein.

RECITALS

- A) The Parties are licensed property brokers as noted above, and authorized by the FMCSA (Federal Motor Carrier Safety Administration, U.S. Department of Transportation) to arrange for the transportation of freight by motor vehicles (including draymen) and/or railroad intermodal service and desire to work with each other to arrange the transportation of freight on behalf of shipper customers and
- B) This Agreement shall apply to transactions where the broker providing the shipping customer(s) whose freight is to be transported, is designated as Broker A, and the broker who contracts with motor carriers (including draymen), and/or rail carriers to transport freight, is designated as Broker B; and
- C) The terms of this Agreement are intended to apply to all co-brokered transactions between the Parties, where either of them may be acting in either capacity, as BROKER A or B.
- D) The licenses of the Parties are not subject to threatened, or pending revocation or suspension; each Party has and will maintain during the term of this Agreement the surety bond required of property brokers to be on file with the FMCSA; and the Parties are, and will be during the term of this Agreement, in compliance with all applicable state and federal regulations pertaining to the operation of their businesses.
- E) The persons signing this Agreement are authorized to do so and intend to bind their respective Parties.

NOW, THEREFORE, in consideration of the terms, covenants and conditions herein set forth, it is agreed:

1) Broker B Responsibilities: BROKER B shall be solely responsible for exercising due diligence in selecting carriers for the performance of this Agreement, which includes, but is not limited to: verifying the carrier's operating authority (state and/or federal), obtaining proof of the carrier's insurance coverage, with coverage not less than \$1,000,000.00 for General Liability, \$1,000,000.00 Auto Liability; and \$100,000.00 cargo, verifying the carrier does not have an "Unsatisfactory" safety rating with the FMCSA, executing a written contract with carriers, which includes carriers representation of compliance with all applicable state and federal safety regulations, and for intermodal shipments, contracting only with motor carriers who have executed, and represent that they are in compliance with the terms of a current Uniform Intermodal Interchange Agreement (UIIA).

Broker B Insurance: BROKER B, shall procure and maintain its own insurance coverage and shall provide BROKER A with proof of insurance satisfactory to BROKER A.

2) Prohibition Against Re-Brokering: BROKER B shall not, nor allow a carrier to, re-broker, sub-broker, subcontract, assign, interline, or warehouse any shipments hereunder without the prior written consent of BROKER A.

3) Billings and Payments: BROKER A is authorized to, and shall be responsible for, billing and collection from shippers, consignees, and third parties responsible for payment of its charges. BROKER A shall pay BROKER B for agreed upon charges (commissions and carrier charges as specified by rate schedule or load confirmations, which are hereby incorporated by reference) within 23 days of receipt of BROKER B's invoice and proof of delivery. BROKER B shall pay the motor carrier(s)/railroads as required under its written contract(s) with such carrier(s) regardless of whether BROKER A timely pays BROKER B. In the event that payments to carrier(s) are not made in accordance with the payment terms of the BROKER B/carrier agreement(s), and the carrier is in compliance with that agreement, BROKER A may pay the delivering carrier(s) directly upon written notification to BROKER B and, in so doing, shall discharge its entire obligation to pay BROKER B. BROKER B shall not bill or collect freight charges from BROKER A's customers/shippers, consignees, or other parties responsible for payment, provided BROKER A has complied with the terms of this Agreement.

4) Confidentiality: The Parties agree that they shall not use or disclose any of the contents of this Agreement including but not limited to, all sales and marketing information received from each other or from shipper customers or carriers providing transportation services to them, financial information received, brokerage fees charged and received, non-brokerage fees charged and received, amounts charged to and paid by shippers, consignees or others responsible for payment, amounts of freight charges billed and received, and motor carrier rates, given or exchanged with any person or entity except as necessary to conduct the business contemplated hereunder.

5) No Back-Solicitation: In recognition of the fact that each of the Parties has invested substantial effort and money in developing its customers and each Party may separately procure new accounts during the term of this Agreement, the Parties expressly agree that:

a) BROKER B shall not solicit business from nor perform brokerage services directly or indirectly on behalf of any shipper/consignee/third parties first introduced to it by BROKER A, or through the performance of this Agreement. However, if Broker B has conducted business with such shippers/consignees/third parties prior to entering into this Agreement then Broker B can continue to solicit those traffic lanes previously served. "Traffic lanes" for purposes of this Agreement shall mean origination locations to destination locations for both truckload and LTL shipments.

b) It is further agreed that this non-solicitation provision shall be in force and effect during the term of this Agreement and for a period of one (1) year from the date of the termination of this Agreement for any reason.

c) In the event of non-compliance with the specific provisions of this paragraph, BROKER B shall, upon discovery of breach by BROKER A, be liable to BROKER A for five percent (5%) of the gross transportation revenue received by BROKER B from said shipper(s) within one (1) year after the date of termination of this Agreement.

7) Term: Termination: This Agreement shall be in effect for a period of one year beginning with the date of signing by both Parties and shall be automatically renewed for like periods unless terminated by either Party for any reason, upon at least thirty

(30) days advance written notice. Termination of this Agreement shall not relieve either Party from completing and performing their obligations to each other and to carriers and/or shipper customers, or any of the obligations arising out of the terms contained in this Agreement. Unless otherwise provided herein, or agreed in writing in advance, neither Party shall be liable to the other for consequential damages of any kind.

8) Indemnification:

a) BROKER A shall defend, indemnify, and hold BROKER B and its carrier(s) harmless from any and all claims, loss, damage, expenses, or liability, including reasonable attorney's fees, arising out of BROKER A's performance of this Agreement, or any violation by BROKER A of any of the terms of this Agreement or caused by Broker A's shipper customer.

b) BROKER B shall defend, indemnify, and hold BROKER A and its shipper, consignee, or third parties responsible for payment, harmless from any and all claims, loss, damage, expenses, or liability, including reasonable attorney's fees, arising out of BROKER B's and/or its carrier's performance of this Agreement, or any violation by BROKER B of any of the terms of this Agreement.

c) Unless the Parties notify each other in writing prior to transportation of any shipment, of greater freight values, the Parties indemnification obligations for freight loss and damage shall not exceed \$250,000.00 for any one shipment.

9) Notice of Claims: The Parties shall provide each other with immediate notice of any cargo loss or damage claims as well as any other claims arising out of this Agreement and will cooperate with each other in resolution of any such claim(s).

10) Disputes: In the event of a dispute arising out of this Agreement the Parties shall provide each other with 15 days prior detailed written notice in which to "cure" any alleged default. If no "cure" is completed (or is not substantially in process), legal proceedings may be commenced in not more than two (2) years from date of the last occurrence of default, in the state(s) in which either of them have their principal offices. The prevailing Party in any legal proceeding shall be entitled to recover reasonable attorney fees. Unless preempted or controlled by federal transportation law and regulations, the laws of the state of the Party commencing legal proceedings shall be controlling without regard to conflicts of laws principles. The Parties waive all objections to venue and jurisdiction in those states.

11) No Assignment: This Agreement may not be transferred, assigned, or pledged by either Party without the prior written consent of the other Party. This Agreement shall be binding upon and shall inure to the benefit of the Parties, their heirs, executors administrators, successors and assigns.

12) 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 (certified US mail, return receipt requested, or fax with machine imprint on paper acknowledging successful transmission) and shall be addressed as shown in the signature lines below.

13) Validity/Survival: If any provision of the Agreement shall be held invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected and shall remain in full effect. The representations, rights and obligations of the Parties shall survive termination of this Agreement for any reason.

14) Waiver: No waiver of any provision of this Agreement, or of the breach thereof, shall be construed as a continuing waiver or shall constitute a waiver of any other provision or breach. This Agreement is for specified services pursuant to 49 USC

14101 (b). To the extent that the provisions herein are inconsistent with Part (b), Subtitle IV, of Title 49 USC (ICC Termination Act of 1995) the Parties expressly waive all rights and remedies they may have under the Act.

15) Independent Contractors: The relationship of the Parties to each other shall at all times be that of independent contractors.

16) Recitals: Headings: The Recitals above are contractual as well as recital. Paragraph headings are intended for convenience only, and shall not be considered substantive.

17) Integration: This Agreement contains the entire understanding of the Parties with respect to the subject matter contained herein, and supersedes all prior Agreements and understandings, verbal and/or written between the Parties with respect to such subject matter. The Parties intend that no extrinsic evidence may be introduced to reform this Agreement in any legal or equitable proceeding. This Agreement does not supersede any agreement that either Broker has with any shipper or carrier.

Maritime Delivery Services, Inc.
2301 Ellis Court
SUITE B
New Lenox, IL 60451

BY: _____

BY: _____

TITLE: _____

TITLE: _____