

TX LOGISTICS SERVICES CARRIER CONTRACT

This Agreement effective as of the date signed by the last of the two parties (the "Effective Date") is made by and between TX Logistics Services, an operating division of TransX Ltd. (hereinafter referred to as "TX Logistics") and _____ (full legal name of Carrier) located at _____ (Carrier address) in _____ (Carrier's City and State/Province), _____ (Carrier's postal/zip code), _____ (Carrier's fax number), _____ (Carrier's email address), a licensed motor carrier operating under MC# _____ that provides transportation and related services under contract (hereinafter "Carrier") for TX Logistics and its customers (hereinafter collectively referred to as "Customers" or individually as a "Customer").

GENERAL TERMS AND CONDITIONS

1. **Term:** This Agreement shall continue in full force commencing on the Effective Date and shall continue thereafter from year to year until terminated by either party, with or without cause, upon thirty (30) days prior written notice of termination delivered to the other party in accordance with section 9.

Notwithstanding the foregoing, it is clearly understood that TX Logistics may (without prejudice to any other rights that TX Logistics may have under this Agreement or at law) terminate this Agreement immediately, by oral notice, followed thereafter by written notice, in the event that TX Logistics has reason to believe that the Carrier or any employee or subcontractor of the Carrier, while engaged in the performance of services for TX Logistics: (i) is in violation of any Applicable Law, including, without limitation, any Applicable Law which could place any licenses or operating rights of TX Logistics in issue before a Government Entity or could subject TX Logistics to a fine, penalty or sanction of any kind; or (ii) has consumed or is under the influence of alcoholic beverages or drugs; or (iii) is carrying unauthorized persons; or (iv) commits any act of dishonesty as against TX Logistics or any Customer or any other party involved in the delivery of any services to any Customer; or (v) breaches any term of this Agreement, any Tender Document or any provision of TX Logistics' rules and regulations governing the transport of freight for its Customers and in respect of which the Carrier has received prior notice. For the purposes of this Agreement, "Government Entity" means any federal, provincial, state, regional or municipal government or other political subdivision thereof and any board or other entity of competent jurisdiction exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government (including, without limitation, any agency or motor vehicle board with jurisdiction over any aspect of transportation or the carriage or storage of freight); and (ii) "Applicable Law" means any law, rule, statute, regulation, order, judgment, decree, treaty, policy, rule or other requirement (whether international, federal, state, provincial or local) having the force of law in any jurisdiction(s) of North America in which Carrier operates.

Notwithstanding termination of this Agreement, each party shall complete all of its obligations under this Agreement relative to freight being shipped under any Tender Documents issued prior to the effective date of termination; provided however, that if TX Logistics has terminated this Agreement due to a breach of this Agreement or any Tender Document by the Carrier, TX Logistics has the right, but not the obligation, to take over any Tender Documents not yet completed and complete them (directly or through use of another carrier) and the Carrier shall yield up possession of the freight and other equipment and property as directed by TX Logistics and shall cooperate with TX Logistics in respect of the transition of responsibility for the transportation services in respect of such freight. Carrier shall only be compensated for services completed in respect of such freight prior to the termination date hereof.

2. **Relationship:** Carrier understands and agrees that Carrier is an independent contractor of TX Logistics and that Carrier has exclusive control and direction of the work that Carrier performs pursuant to this Agreement and each Tender Document. Carrier acknowledges that TX Logistics is a broker authorized by its Customers to

negotiate and arrange for transportation of their shipments in intra-provincial / state or inter-provincial / state commerce. Carrier represents that it is registered with FMCSA as a motor contract, common or for-hire carrier in interstate, intrastate, and/or foreign commerce and is in all respects qualified to transport freight as required by TX Logistics. The remuneration paid to the Carrier by TX Logistics based on the Rates set out in Tender Documents for services rendered shall be "all in" compensation to the Carrier, and Carrier shall be responsible for all costs, expenses and taxes incurred by it to perform such services or incurred as a result of such services. Carrier acknowledges that TX Logistics can enforce this Agreement upon Carrier for the benefit of itself and the Customers.

3. **Compliance:** Without limitation to section 2, Carrier agrees to assume full responsibility for the payment of all local, state, federal and provincial payroll taxes, licensing and permitting fees, and contributions or taxes for unemployment or employment insurance, workers' compensation insurance, pensions and other social security or related protection with respect to the persons engaged by Carrier for Carrier's performance of the transportation and related services for TX Logistics or the Customer, and Carrier agrees to indemnify, defend and hold TX Logistics and Customer(s) harmless from all of the foregoing. Carrier agrees to perform the services under this Agreement and any Tender Document in accordance with the highest standards of the industry, operating under its own authority, using its own employees and using its own tractor unit(s). Carrier shall be wholly responsible for performing the contemplated transportation services and for all costs and expenses of such transportation, including, without limitation, costs and expenses of all Carrier's transportation equipment, its maintenance, and those persons who operate it. In providing services hereunder, Carrier represents and warrants that the driver(s) utilized by Carrier are and will at all times be competent and properly licensed, and are fully informed of their responsibilities for the protection and care of the freight being transported by Carrier. Carrier represents and warrants that at all times while this Agreement is in effect: a) It and its driver(s) are and will be legally licensed and qualified to perform the contemplated transportation services; b) It does not and will not have a "conditional" or "unsatisfactory" FMCSA safety rating; c) It shall immediately notify TX Logistics in writing of any adverse change in its safety rating or any suspension or revocation of any licenses or operation authorities required to perform the transportation services in compliance with Applicable Laws; (d) It will maintain all required identification on vehicles and trailers operated by it, and all driver's manuals and log books, as required by Applicable Laws; and (e) It will only operate only between points and places that are solely within the authority held by the Carrier by virtue of the grants of operating rights or licenses held by it from Government Entities having jurisdiction in Canada or the United States, as the case may be. Carrier agrees to comply with all Applicable Laws (including maintaining all required permits, licenses and operation authorities) in the performance of transportation services hereunder for TX Logistics. Carrier agrees not to accept any shipment from TX Logistics if the Carrier's performance of the transportation services relative to that shipment would require Carrier or any of its drivers, employees, agents or permitted subcontractors to violate any Applicable Law, including any speed or safety law, rule or regulation. As required by all Applicable Laws, Carrier shall furnish all base license plates, tags and stickers as may be required to perform the services hereunder. Carrier shall be solely liable for all charges, including, but not limited to, fines or penalties, for violation of any Applicable Law resulting from the acts or omissions of Carrier, any subcontractor of Carrier or any driver(s) or other employee(s) of Carrier or any subcontractor of Carrier.
4. **Confidentiality of Information and Non-Solicitation Covenants:** Carrier agrees that, in consideration for and as an inducement to TX Logistics' agreement to source freight for the Carrier, Carrier shall not during the term of this Agreement and for one (1) year following the termination of this Agreement, directly or indirectly:
 - (a) solicit business from, work for or being engaged with, any Customer of TX Logistics (except through transportation services delivered for TX Logistics hereunder), or otherwise attempt to divert the work or business of any such Customer from TX Logistics; or
 - (b) offer employment to, or offer to engage as an independent contractor, or otherwise solicit for employment or services, any driver or other person that is employed or engaged by TX Logistics or any Customer or any affiliate of either TX Logistics or any Customer; or
 - (c) engage in any communications directly with any Customers other than exclusively to coordinate pick-ups and drop-offs, it being acknowledged that all other communications with the Customer will be managed by TX Logistics; or

- (d) enter into any contract directly with, or issue any invoices for services rendered directly to, any Customers except with the prior written consent of TX Logistics, it being acknowledged that TX Logistics shall handle all contracting and invoicing with the Customers; or
- (e) solicit the traffic directly of any freight between any origin and destination that was first offered to Carrier by TX Logistics (hereinafter, "Brokered Traffic"). Without limitation to any other rights and remedies available to TX Logistics hereunder or at law, if Carrier transports Brokered Traffic other than for TX Logistics during the term of this Agreement and for one (1) year following the termination of this Agreement, then TX Logistics shall be immediately entitled to a commission of fifteen percent (15%) on the rates and charges received by Carrier on such Brokered Traffic.

Carrier further agrees that all information received by the Carrier from TX Logistics (directly or through any sub-broker) or from any Customer in the course of this Agreement, including without limitation, information relative to Brokered Traffic, the Customers and their freight, rates and charges of TX Logistics, business and operating strategies of TX Logistics and operating manuals of TX Logistics are confidential and proprietary to TX Logistics. The Carrier shall not use any such proprietary information for any purpose other than to perform the transportation services hereunder for TX Logistics, nor shall the Carrier disclose any such proprietary information to any other person (other than a permitted subcontractor of Carrier for the purposes of performing services hereunder) or use it for any other purpose, at any time during this Agreement or within a five year period following the termination of this Agreement.

Carrier accepts the reasonableness of the foregoing covenants in preserving the business and goodwill of TX Logistics relative to its Customers. Carrier further acknowledges and agrees that each of the covenants herein provided to TX Logistics are independent and severable covenants.

- 5. **Successors and Assigns:** This Agreement shall be binding upon the successors and permitted assigns of the parties hereto. Carrier shall not assign this Agreement, or any part thereof, or subcontract its services, or any part thereof, to any other person, without the prior written consent of TX Logistics. TX Logistics may act directly or through independent brokers, and may assign this Agreement on notice to, but without the consent of, the Carrier.
- 6. **Modification:** No waiver, alteration or modification of any of the provisions of this Agreement, or any Tender Documents, shall be binding upon a party unless it is in writing and is signed by a duly authorized representative of the party against whom such modification is sought to be enforced. Carrier agrees that Carrier's rules, tariff(s), circular(s) or other publication(s) are not incorporated into this Agreement or any Tender Document. Any printed provisions on the reverse side of Carrier's forms shall be deemed deleted. This Agreement and the Tender Documents issued pursuant hereto by TX Logistics and accepted by Carrier shall constitute the entire agreement between the parties with respect to the services to be provided by the Carrier for TX Logistics.
- 7. **Saving Clause:** If any provision of this Agreement or any Tender Document is held to be invalid or unenforceable as contrary to an Applicable Law in any jurisdiction, the remainder of the Agreement or the Tender Document shall remain in full force and effect with the invalid term or condition being deemed stricken from the Agreement or Tender Document to the extent necessary to comply with the Applicable Law of such jurisdiction (and only in respect of such jurisdiction where the term or condition is invalid or unenforceable). Carrier agrees that the termination, breach or invalidity of this Agreement or any Tender Document does not cause Carrier's rule(s), tariff(s), circular(s) or other publication(s) to govern the transportation services that Carrier provides to TX Logistics or its Customers.
- 8. **Waiver:** No provision of this Agreement or any Tender Document shall be waived by any party hereto, unless such waiver is written and signed by an authorized representative of the party against whom such waiver is sought to be enforced. Waiver by either party of any breach or failure to comply with any provision of this Agreement or any Tender Document by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of or failure to comply with any other provision of this Agreement or any Tender Document.

9. **Notices:** All notices required by or related to this Agreement shall be in writing (except where otherwise specified herein) and sent to, in the case of the Carrier, the address, fax number or email address specified at the top of page 1, and in the case of TX Logistics, to the following address, fax number or email address: TransX Ltd., 7459 McLean Road, Guelph, Ontario N1H 6H9, Fax No.: (519) 763-7188, Email address: _____ . Any notice provided hereunder shall be deemed given when personally delivered or successfully transmitted by confirmed facsimile transmission or email, or three (3) days after having been mailed by registered mail, return receipt requested. Either party may change the address to which future notices are to be addressed by giving written notice of such change to the other party.
10. **Non-Exclusive Dealing:** This Agreement does not grant Carrier any exclusive or preferential right to perform the transportation services for TX Logistics or its Customer(s). TX Logistics does not guarantee any specific amount of shipments, tonnage or revenue to Carrier. TX Logistics is not restricted in any way against tendering its freight to other carriers or otherwise engaging other carriers to provide transportation services for TX Logistics, whether or not competitive with the Carrier. Neither TX Logistics nor any subsidiary, affiliate or contractor of TX Logistics is restricted or prohibited in any way from performing transportation services directly, whether or not in competition with the Carrier. Carrier is not restricted or prohibited from performing transportation for other shippers, customers, brokers or carriers, subject always to full compliance by the Carrier with section 4 hereof.
11. **Factoring:** Carrier shall provide TX Logistics with written notice of any assignment, factoring or other transfer of its right to receive payments arising under this Agreement or any Tender Document at least thirty (30) days prior to such assignment, factoring or other transfer taking legal effect. Such written notice shall include the name and address of the assignee/factor/transferee, the date that the assignment, factoring arrangement or other transfer is to take legal effect, and the terms of the assignment, factoring arrangement or other transfer, and shall be considered delivered upon actual receipt of such written notice by TX Logistics from the Carrier (and not before). Carrier shall be allowed to have only one such assignment, factoring arrangement or transfer legally effective at any one point in time relative to payments hereunder, and no multiple assignments. TX Logistics shall be entitled to rely upon such written notice until it is withdrawn in writing by Carrier and confirmed in writing as withdrawn by the assignee, factor or transferee, and TX Logistics shall have no obligation to verify with the Carrier or otherwise that it remains in effect at the time of any payment under this Agreement of any Tender Document. Carrier shall indemnify TX Logistics against and hold TX Logistics harmless from any and all lawsuits, claims, actions, damages (including reasonable attorneys' fees and costs, obligations, liabilities and liens) arising or imposed in connection with the assignment, factoring or transfer of any account or right to payment arising hereunder. Carrier also releases and waives any right, claim or action against TX Logistics for any amount due and owing under this Agreement where the Carrier has not complied with the notice requirements of this section. Nothing herein limits the right of TX Logistics to withhold payment for services not completed or not properly performed by Carrier, or to apply deductions or set-offs against amounts due to the Carrier to which TX Logistics is entitled hereunder or at law, including for any amounts owed by the Carrier to TX Logistics.
12. **Miscellaneous:** This Agreement may be executed and delivered by facsimile or email, and in one or more counterparts, and each of such counterparts shall, for all purposes, be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. In the event either party incurs attorney's fees, costs or expenses in enforcing any of the provision of this Agreement, or in exercising any right or remedy arising out of any breach of this Agreement by the other party or their agents, subcontractors or representatives, the prevailing party shall be entitled to an award of attorney's fees, costs and expenses against the defaulting party.

INSURANCE & LIABILITY

13. **Insurance:** Carrier represents and warrants to TX Logistics (for itself and its Customers) that it now meets, and will at all times while this Agreement remains in effect meet (at its sole cost and expense), all of the following insurance requirements:

- (a) Carrier shall provide TX Logistics with a certificate of insurance naming "TransX Ltd." as an additional named insured providing for not less than 30 days' notice prior to any cancellation or amendment of the Carrier's insurance policy, and evidencing the following insurance coverage, prior to providing any services to TX Logistics under this Agreement and forthwith upon request by TX Logistics from time to time.
- (b) Carrier shall maintain all risk cargo insurance with a minimum limit of not less than \$250,000 per shipment. Such insurance policy shall provide coverage to TX Logistics, the Customer(s) of such shipment and the owner(s) and/or consignee(s) of the freight being shipped, for any loss, damage or delay related to any property coming into the possession of Carrier under this Agreement. The coverage provided under the policy shall have no exclusions or restrictions of any type that would foreseeable preclude or limit coverage relating to cargo claims.
- (c) Carrier shall maintain public liability insurance with a minimum limit of not less than \$1,000,000 per occurrence or such greater amount as may be required by Applicable Law, including federal regulation (BMC-91 on file).
- (d) Carrier shall maintain any and all such other insurance coverage as may be required by any Government Entity with jurisdiction or under any Applicable Law, including, without limitation, worker's compensation (if applicable) for the types of transportation services provided by the Carrier.
- (e) Carrier shall have commercial general liability coverage with a minimum limit of not less than \$1,000,000 per occurrence.

If Carrier fails to maintain such insurance, TX Logistics may (but shall not be obligated to) obtain such coverage and charge Carrier for such cost and set-off such cost against amounts due to the Carrier under this Agreement or any Tender Document. This is without limitation to any other rights or remedies available to TX Logistics hereunder or at law, including to terminate this Agreement. Carrier shall, at its own cost and expense, carry such other insurance as it deems necessary or advisable in its discretion, it being acknowledged by the Carrier that the foregoing constitutes TX Logistics' minimum insurance requirements hereunder.

14. **Cargo Liability & No Unauthorized Passengers:** Carrier assumes liability as a common carrier for loss, damage to or destruction of all freight, equipment and any other property entrusted to it or its subcontractor's care, custody or control. Carrier shall indemnify TX Logistics for all direct or indirect, special or consequential damages, or other special economic losses, including lost profits, that might be awarded against TX Logistics on any claim arising out of services provided by Carrier hereunder. Carrier shall pay to TX Logistics, or it shall allow TX Logistics to deduct from the amount TX Logistics owes Carrier, for any loss caused to the Customer or TX Logistics for any freight, equipment or other property that is lost, delayed, damaged or destroyed, and the amount of any indemnity, as stated above. Carrier shall not allow any freight, equipment or other property to be sold or made available for sale or otherwise disposed of in any salvage markets, employee stores or any other secondary outlets without TX Logistics' prior written consent. Carrier agrees to either pay or settle all cargo claims within 60 days of the receipt of a claim. Carrier agrees to notify TX Logistics' Claims Department in writing immediately whenever an accident or potential claim occurs and provide TX Logistics with any written reports, affidavits or other assistance deemed necessary or advisable by TX Logistics or its duly authorized representatives to assess, defend, pay-out or settle the claim. Carrier also specifically covenants that no person shall ride as a passenger in any of the vehicles operated by Carrier or any subcontractor thereof at any time while performing services for TX Logistics hereunder, unless such person has been authorized by TX Logistics to accompany the Carrier or the subcontractor.
15. **Indemnification:** Carrier agrees to indemnify, defend and hold TX Logistics and its Customers, and their respective officers, employees, agents and directors, harmless from and against any and all fines, penalties, costs, demands, damages (including death or bodily injury and including property damage), losses, obligations, claims, liabilities and expenses (including attorney's fees and costs) of whatever type or nature arising out of or related to: a) any act or omission of Carrier or any employee or subcontractor of Carrier; or b) any breach of this Agreement or of any Tender Document; or c) the performance by the Carrier or any subcontractor of the

Carrier of the services under this Agreement or any Tender Document; or d) any use, operation, maintenance or possession by Carrier or any subcontractor of Carrier of any owned or leased equipment or other property of TX Logistics. Carrier further agrees to indemnify, defend and hold TX Logistics and its Customers, together with their respective officers, employees, agents and directors, harmless from and against any and all fines, penalties, costs, losses, claims, obligations, liabilities, demands, damages and expenses (including attorney's fees and costs) of whatever type or nature arising out of or related to the use, operation, maintenance or possession of the Carrier or any subcontractor thereof of any owned or leased equipment or other property of any Customer or other third party used by the Carrier or a subcontractor thereto to transport freight tendered by TX Logistics hereunder or pursuant to any Tender Document. The obligations of Carrier under this section shall survive termination of this Agreement.

SERVICE

16. **Performance of Services:** Carrier agrees to meet all of TX Logistics' transit and pricing requirements agreed to by the parties from time to time for each shipment of freight after the Effective Date as confirmed by the issuance by TX Logistics to the Carrier of a Tender Document for such shipment. Carrier also agrees to the following service requirements:
- (a) Carrier shall transport all shipments of TX Logistics without delay. Carrier shall immediately notify TX Logistics of any likelihood of delay.
 - (b) Carrier shall transport all freight tendered by TX Logistics only on equipment operated under Carrier's authority.
 - (c) Carrier shall comply with all reasonable shipping instructions communicated by TX Logistics to Carrier, and with all Applicable Laws
 - (d) Carrier shall obtain from the consignee a completed and signed delivery receipt for each shipment, and it shall notify TX Logistics immediately of any exception on any such document.
 - (e) Carrier shall send to TX Logistics delivery receipts and bills of lading within twenty-four (24) hours of delivery, as TX Logistics directs.
 - (f) Documents for each of TX Logistics' shipments shall name TX Logistics as "broker" and Carrier as "carrier". If there is a wrongly worded document, the parties will treat it as if it showed Broker as "broker" and Carrier as "carrier". If there is a conflict between this Agreement and any Tender Document or any other transportation document related to any TX Logistics' shipment, this Agreement shall govern to the extent of the conflict.
 - (g) Carrier is responsible for ensuring that all freight is properly blocked and braced for transportation to allow for the safe and damage-free delivery of the freight and to avoid damage to other property.
 - (h) Carrier is responsible to determine that the freight being shipped is in apparent good order and condition, to the extent that this is ascertainable through a visual examination of the exterior of the freight being shipped, before loading and, in the event that it is not, Carrier will contact TX Logistics for further instructions.
17. **Bill of Lading (BOL) and Proof of Delivery (POD):** Carrier will issue and sign a standard, uniform straight bill of lading or other receipt acceptable to TX Logistics and Customer, upon acceptance of the freight for transportation. All terms and conditions written or printed on the receipts or bills of lading which have not been specifically agreed to by TX Logistics, either in this Agreement or on any signed addenda hereto or in any Tender Document issued pursuant hereto, shall have no binding effect upon or against TX Logistics. The receipt of bill of lading issued or executed by Carrier shall be prima-facie evidence of receipt of the freight in good order and condition by Carrier unless otherwise noted on the face of the said document and in respect of which notice is given to TX Logistics prior to commencement of services. Carrier shall submit to TX Logistics the original signed bill of lading evidencing good delivery of the freight, unless an alternate arrangement is

specifically agreed to by TX Logistics; and in that case, Carrier shall maintain custody of the original signed bill of lading and will provide it to TX Logistics forthwith upon request. Carrier acknowledges that TX Logistics requires clean, clear and legible copies of all bills of lading faxed to the attention of TX Logistics, with date, time and signature of the consignee. If Carrier fails to maintain and provide the bills of lading as agreed, Carrier assumes all risk of loss resulting from the failure to prove good delivery. In the event that Carrier's personnel are not allowed or afforded an opportunity to view and/or examine the freight in order to ascertain the condition of such freight prior to loading it on to Carrier's vehicle, Carrier's personnel shall immediately notify TX Logistics and wait for instructions prior to transporting the shipment, and shall note on the bill of lading that they were not allowed or afforded an opportunity to view and/or examine the freight shipped.

EQUIPMENT

18. **Authorization:** In consideration of and subject to Carrier's covenants, representations and warranties contained in this Agreement, Customer or TX Logistics may (but shall not be obligated to) authorize Carrier from time to time to use equipment owned or leased by the Customer or TX Logistics to transport freight in accordance with work assigned to Carrier by TX Logistics. Carrier shall NOT be permitted to use any equipment owned or leased by the Customer or TX Logistics for transporting or storing any freight except for movements specifically authorized by TX Logistics and assigned to the Carrier by TX Logistics. No subcontractor of Carrier is allowed to use any such equipment without the prior written authorization of TX Logistics and, as the circumstances require, the Customer.
19. **Equipment:** Carrier agrees to provide, operate and maintain in good working condition all equipment necessary to perform the transportation and related services under this Agreement in a safe, efficient and economical manner. All equipment used by Carrier shall be clean, dry and free of any defects or contaminating odor, and shall in all other respects be suitable and legal for the transportation of freight tendered to Carrier, and, without limitation to the foregoing, none of the equipment provided for the transportation of food or food products or cosmetics will have ever been used for the transportation of any waste of any kind, garbage, hazardous material or any other commodity that might adulterate or contaminate food, food products or cosmetics.
20. **Equipment Inspection:** To the extent that Carrier uses any equipment either owned or leased by Customer or TX Logistics, Carrier or its authorized agent agrees to thoroughly inspect such equipment prior to taking either possession or control of the equipment for any damage or defect to the equipment. If Carrier detects any damage or defect to such equipment, the Carrier shall promptly notify TX Logistics thereof in writing, and to the extent that such damage or defect makes the equipment unsafe, illegal or inoperable, the Carrier shall not use or operate such equipment. By taking possession or control of any of Customer's or TX Logistics' equipment, Carrier acknowledges that the equipment is free of any damage or defects except as otherwise reported in writing prior to Carrier's use of such equipment, and Carrier accepts sole and exclusive responsibility for any damage, liability, cost, expense or loss occurring to the equipment or the contents therein. Carrier agrees to provide Customer and/or TX Logistics with a daily update of the status of all of Customer's or TX Logistics' equipment in Carrier's possession or control, which daily update shall include the unit number, the date that Carrier received the equipment, the location of the equipment and the date that Carrier expects to return the equipment to the Customer or TX Logistics, as the case may be.
21. **Misuse:** To the extent that Carrier uses any equipment either owned or leased by Customer or TX Logistics, any such equipment that is not promptly returned to Customer or TX Logistics upon completion of the tendered load, or that is returned in poor condition (as determined by TX Logistics or Customer), or that is used for any purpose other than what is provided for by this Agreement, shall be considered to have been misused by Carrier. Nothing in this Agreement shall be construed to permit Carrier to secure, or place a seal on, any Customer's or TX Logistics' equipment not offered in interchange, and any such action on the part of Carrier shall be considered misuse. In addition to the requirements of sections 22 and 23 hereof, TX Logistics shall have the right, on behalf of itself or the Customer, to assess a fee of TEN THOUSAND dollars (\$10,000) per unit for each offense of misuse and TWO HUNDRED dollars (\$200) per day per equipment unit not returned, until the equipment is returned to Customer or TX Logistics, as the case may be. From time to time, Customer or TX Logistics may notify Carrier that these fees are being modified, which modifications shall be immediately effective upon notice. In addition to the foregoing fees, TX Logistics may in the event of any misuse of any such

equipment by the Carrier immediately terminate this Agreement, which termination shall not affect any obligation or rights of the parties accruing or incurred prior to, and as a result of, such termination. Misuse of equipment by a subcontractor of Carrier shall be deemed to be misuse by Carrier.

22. **Equipment Repairs:** To the extent that Carrier uses any equipment either owned or leased by Customer or TX Logistics, if such equipment is damaged while in Carrier's possession or control, or at any time after pick up and before delivery back to the sole control and possession of TX Logistics or the Customer, as the case may be, then Carrier shall be responsible for the cost of all such repairs, loss, or damage to such equipment. Carrier shall immediately notify TX Logistics of any damage to any of the owned or leased equipment of Customer or TX Logistics. TX Logistics (on its own behalf or on behalf of the Customer, as the case may be) shall have the option to instruct Carrier, at Carrier's cost, to perform the repairs so long as Carrier can repair the equipment to the required specifications and to the satisfaction of TX Logistics and the Customer. In the alternative, if Carrier returns the damaged equipment to Customer or TX Logistics, TX Logistics (on its own behalf or on behalf of the Customer), or the Customer, may, at Carrier's cost, repair the damaged equipment to the required fleet specifications and shall invoice Carrier for all costs of repair. All such payments shall be immediately due and payable. Any delay in the return of the equipment to Customer or TX Logistics shall result in a per diem charge of \$200 per unit per day, until the return of the equipment to the Customer or TX Logistics in good condition. TX Logistics may notify Carrier of a change in these rates from time to time, which change shall be immediately effective upon notice.
23. **Lost, Stolen, Irreparably Damaged or Destroyed Equipment:** To the extent that Carrier uses any equipment either owned or leased by Customer or TX Logistics, if any such equipment is lost, stolen, irreparably damaged or destroyed, all as determined within the sole discretion of TX Logistics (on its own behalf or on behalf of the Customer), then the charges under section 22 (the "Charges") shall stop accruing on the date that Carrier pays to TX Logistics (on its own behalf or on behalf of the Customer), the replacement value of the lost, stolen, irreparably damaged or destroyed equipment, together with any accrued Charges, all as determined by TX Logistics. In the event that lost or stolen equipment is recovered by TX Logistics or the Customer after Carrier's payment hereunder, Carrier shall be entitled to recover from TX Logistics (on its own behalf or on behalf of the Customer), the lesser of the amount previously paid by the Carrier for the replacement value of such equipment (but not including the Charges accrued or paid) and the value of the equipment as so recovered, after Carrier has returned the equipment to TX Logistics or the Customer in the same condition as it was originally received by the Carrier, normal wear and tear only excepted, and upon Carrier paying all accrued Charges from the date the Charges started accruing until the equipment is returned to TX Logistics or the Customer.

BUSINESS CONDUCT, TENDER DOCUMENTS, RATES AND PAYMENT

24. **Waiver of Carrier's Lien:** Neither the Carrier nor any of its subcontractors shall withhold or refuse to deliver or part with possession or control of any freight, equipment or other property of TX Logistics or of any Customer on account of any dispute under this Agreement or any Tender Document, whether as to applicable rates or charges, or any alleged failure to receive payment of freight charges due under this Agreement or under any Tender Document, or for any other dispute whatsoever, and Carrier irrevocably waives any lien claims or rights it may have against any such freight, equipment or other property, whether or not otherwise available under Applicable Law. Carrier further agrees that TX Logistics has the discretionary right to offset against any payments owed to Carrier hereunder for any amounts owed by Carrier to TX Logistics or any Customer, including, without limitation, to satisfy an indemnity claim pursuant to this Agreement, including Section 15 hereof.
25. **Force Majeure:** In the event that either party to this Agreement shall be prevented from or delayed in performing any of its obligations hereunder on account of Applicable Law, or act of any Government Entity, or on account of war, act of God, labour disturbance or any other cause wholly beyond the control of such party (but specifically excluding the financial distress of such party), such party shall be excused from performing its obligations hereunder to a like extent and neither party shall be liable to the other for damages by reason of delay or suspension of performance resulting from the occurrence of such event of force majeure. Provided however, that the party under the event of force majeure shall use all reasonable efforts to overcome such event as soon as reasonably possible in the circumstances.

26. **Rates and Charges:** The rates and charges that shall be in effect for all movements tendered to Carrier by TX Logistics shall be as set forth on the Tender Document issued by TX Logistics and given to Carrier ("the Rates"). For purposes of this Agreement, "Tender Document" shall be defined as the work assignment sheet and the rate contract sheet, or such other load tender document as TX Logistics may use from time to time, which is issued by TX Logistics and is sent to and accepted by Carrier. Carrier represents, warrants and agrees that there are no other applicable rates or charges except those set forth on the Tender Document issued by TX Logistics from time to time. TX Logistics shall pay Carrier within 30 days after the receipt by TX Logistics of Carrier's invoice, shipper's bill of lading, signed and clear delivery receipt and such other documents as may be reasonably required by TX Logistics or the Customer (which may include but shall not be limited to log books required by the Department of Transportation, Canada Custom documents, USDA inspections, cancelled inbound manifests and any other documents necessary for TX Logistics to secure payment from the Customer). Carrier acknowledges that TX Logistics may also require the submission of additional documents after payment, and it shall be a breach of this Agreement for Carrier not to comply with any such reasonable requirement. Carrier agrees that it shall not bill the shipper/consignee or any third party directly, nor shall it communicate in any manner, directly or indirectly, with the Customers, consignors, consignees or any party other than TX Logistics, concerning the collection of any Rates relating to transportation services performed under this Agreement or any Tender Document, and Carrier waives any right it may otherwise have to proceed or commence any action against any Customer for the collection of any freight bills arising out of transportation services performed by Carrier under this Agreement or any Tender Document. Carrier will not accept payment from any shipper/consignee or any third party for providing transportation services under this Agreement or any Tender Document. Carrier's acceptance of the freight or the performance of the services contained in the Tender Document, or its commencement to perform the said services, shall be deemed for all purposes as Carrier's confirmation of its agreement to perform the said services and its acceptance of the Rates for such services as contained in the Tender Document. No other rates, terms, conditions, charges, fees, expenses or any other amounts shall be payable by TX Logistics to Carrier unless they are included in the written Tender Document. Nothing in any bill of lading or other Carrier-issued document shall be binding upon TX Logistics or the Customer. Unless specifically included in the Tender Document, TX Logistics shall not be required to make payment for any accessorial charges, equipment or escort rentals for the tendered movement, or any other special permitting or operating expenses.
27. **Subcontracting:** Except as provided in this section, Carrier shall not, in any manner, sub-contract, broker or tender to any third party for transportation, any freight tendered to Carrier by TX Logistics for transportation services pursuant to this Agreement. Carrier may subcontract the services that Carrier has agreed to perform for TX Logistics under this Agreement, only if:
- a) Carrier provides TX Logistics with prior written notice of such subcontracting in advance of the services to be subcontracted being performed, with such details as to the freight to be subcontracted and the subcontractor as TX Logistics shall require; and
 - b) Broker acknowledges in writing, in advance of the services, that the subcontracting is approved; and
 - c) Carrier remains liable for the full and faithful performance of all obligations contained in this Agreement, including the obligation to indemnify TX Logistics and the Customers in accordance with Section 15, as if no such subcontracting has taken place.

Nothing in this Agreement shall permit or allow Carrier to assign or delegate any of its other duties and responsibilities hereunder.

28. **Payment:** On a monthly basis, TX Logistics will issue to Carrier an invoice for any undisputed amounts due and owing by the Carrier to TX Logistics (for itself or for any Customer) pursuant to this Agreement. Separate invoices for repairs, penalties, and any other miscellaneous charges will be issued as necessary. Payment in full of an invoice shall be made by Carrier within fifteen (15) days from the date of the invoice. In the event that Carrier contests any portion of an invoice, Carrier shall provide a written explanation and submit substantiating documentation to TX Logistics within the fifteen (15) day time period. Payment for all portions of the invoice not being contested shall be made by Carrier within the fifteen (15) day time period. Carrier also agrees to pay TX Logistics all costs it incurs to collect a past due invoice, including reasonable attorneys' fees.

29. **Optional Services/Products:** TX Logistics may, directly or through its affiliates, from time to time offer at its discretion (but shall not be obliged to offer) various services and products to the Carrier for purchase, including, without limiting the generality of the foregoing, a fuel or oil purchase program, the conversion of Canadian currency to United States currency (and vice versa), repairs and maintenance services, terminal access and usage and the provision of fuel credit cards. Any charges to the Carrier for any of the foregoing will include such administrative costs as TX Logistics, in its absolute discretion, deems proper for providing such services or offering such products for purchase, which will include a profit margin for TX Logistics. It shall be entirely Carrier's choice, at its discretion having regard for its own best interest, as to whether or not it purchases such services and/or products from TX Logistics. The purchase of any such optional services and products by the Carrier from TX Logistics is not mandatory.
30. **Insolvency:** In the event of insolvency proceedings being instituted by or against Carrier, TX Logistics, any agent of TX Logistics or the Customer may immediately enter upon any owned or leased property of Carrier where any cargo or freight or any equipment or other property owned or leased by TX Logistics or the Customer may be found and take possession of such cargo, freight, equipment or other property without notice or liability to Carrier.
31. **Set-Off:** TX Logistics or its Customer, each for the other, may set off, withhold, recover or recoup any amounts payable to Carrier (whether pursuant to Applicable Law, under this Agreement or pursuant to any other agreement or arrangement between Carrier and either TX Logistics or the Customer, or any of their respective affiliates, subsidiaries, or parent companies), against any amounts due from Carrier to either TX Logistics or the Customer (whether pursuant to Applicable Law, under this Agreement or pursuant to any other agreement or arrangement between Carrier and either TX Logistics or the Customer, or any of their respective affiliates, subsidiaries, or parent companies) or which arises out of the transportation services provided by Carrier hereunder or under any Tender Document or pursuant to any other agreement or arrangement between Carrier on the one hand and TX Logistics or the Customer or their respective affiliates, subsidiaries or parent companies, on the other hand. In addition, in the event that TX Logistics makes payment to Carrier as provided herein and Carrier fails to make payment to any subcontractor permitted under Section 27 above, then TX Logistics may, at its option, pay such subcontractor and offset the amount paid against any amounts owed or to be owing to Carrier by TX Logistics.
32. **Entire Agreement:** This Agreement, together with the Tender Documents issued by TX Logistics hereunder, constitutes the entire agreement between the parties and supersedes all contemporaneous oral agreements and all prior oral and written communications, agreements and contracts between Carrier and TX Logistics with respect to the subject matter of this Agreement. Any provisions on any Carrier-provided form, whether before or after the execution of this Agreement, shall be deemed null and void and of no effect and shall not modify the terms and conditions of this Agreement or any Tender Document. TX Logistics may, from time to time, modify or amend the terms or conditions of this Agreement by means of a written amendment which it shall promptly deliver to Carrier. Said modification or amendment shall become effective three (3) business days after delivery of same to the Carrier hereunder. Carrier's continued acceptance of freight tendered by TX Logistics or its Customers thereafter shall constitute acceptance by Carrier of such modification or amendment of this Agreement. In the event that any portion of this Agreement is declared void or unenforceable, then such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect.
33. **Warranty as to Carrier's Ability to Perform:** Carrier warrants to TX Logistics that it has read this Agreement in its entirety and, having regard for the terms hereof, Carrier possesses the unrestricted right to enter into and perform this Agreement and it has the full right, skills, abilities and resources to render full and timely performance of the services to be performed by the Carrier hereunder.



TX LOGISTICS SERVICES

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized representatives as of the date written below.

TX Logistics Services,
a division of **TRANSX LTD.**

Carrier: _____

Broker Authority: _____

Motor Carrier #: _____

Signed By: Ashkan Fadaiefard

Signed By (Print Name): _____

Signature: _____

Signature: _____

Title: Director of Logistics

Title: _____

Date: _____
I have the authority to bind the broker

Date: _____
I have the authority to bind the Carrier