

CO-BROKERAGE AGREEMENT

This co-brokerage agreement is between OWI Specialized, Inc., and _____ (the arranging broker collectively referred to hereinafter as "AB").

OWI is licensed as a property broker by the Federal Motor Carrier Safety Administration ("FMCSA"), docket number MC685132, and as a licensed broker, arranges for transportation by motor carriers. Attached as Appendix "A" is a copy of OWI's FMCSA authority and attached as Appendix "B" is a copy of OWI's surety bond or trust fund agreement.

AB is licensed as a property broker by the FMCSA, docket number MC_____, and as a licensed broker, arranges for transportation by motor carriers. Attached as Appendix "C" is a copy of AB's FMCSA authority and attached as Appendix "D" is a copy of AB's surety bond or trust fund agreement.

On occasion and on a non-exclusive basis, OWI desires to use AB's brokerage services to arrange the transportation of OWI's customers' freight, which traffic AB desires to service.

Now therefore the parties agree as follows:

1.0 TERM. The term of this agreement shall be for one year from the Effective Date under section 24.0 and shall automatically renew for successive one-year periods. Either party may terminate the agreement at any time by giving 30 days' prior written notice.

2.0 SERVICE. AB shall arrange the transportation of OWI's customers' freight in compliance with all applicable federal, state, and local laws and regulations.

3.0 VOLUME.

3.1 This agreement guarantees no minimum volume of freight. OWI agrees to tender freight to AB on an as-needed basis and AB agrees to arrange the transportation of freight as to which AB accepts the tender.

3.2 OWI shall be responsible to AB for timely and accurate delivery instructions and descriptions of the freight, including any special handling or security requirements.

4.0 CARGO CARRIAGE. AB has entered into or will enter into a bilateral written contract of carriage ("contract of carriage") with each licensed and insured motor carrier that AB arranges to perform transportation under this agreement. AB shall be solely responsible for exercising due diligence in selecting such licensed and insured motor carriers, which diligence shall include verifying each motor carrier's identity to prevent fictitious pick-up of freight by an imposter who has stolen the identity of the motor carrier.

AB's contracts of carriage shall comply with all applicable federal and state laws and regulations and shall include the following provisions:

4.1 Each motor carrier shall be in and shall maintain compliance during the term of this agreement with all applicable federal, state, and local laws relating to all aspects of the motor carrier's operations, including the following:

4.1.1 transportation of hazardous materials, including the licensing and training of drivers, as defined in 49 C.F.R. sections 172.800, 173, and 397 *et seq.*, to the extent that any shipments hereunder constitute hazardous materials;

- 4.1.2 security regulations;
- 4.1.3 owner/operator lease regulations;
- 4.1.4 loading and securement of freight regulations;
- 4.1.5 implementation and maintenance of driver safety regulations, including hiring, controlled substances, and hours of service regulations;
- 4.1.6 sanitation, temperature, and contamination requirements for transporting food, perishable, and other products, qualification and licensing and training of drivers;
- 4.1.7 implementation and maintenance of equipment safety regulations;
- 4.1.8 maintenance and control of the means and method of transportation, including the performance of its drivers.

4.2 Each motor carrier shall agree to defend, indemnify, and hold OWI and AB harmless from and against all damages, claims, or losses, including reasonable attorneys' fees, arising out of its performance of the contract of carriage, including cargo loss and damage, theft, delay, damage to property, and personal injury or death.

4.3 Each motor carrier shall agree that its liability for cargo loss or damage shall be no less than that of a carrier under 49 U.S.C. section 14706, i.e., the Carmack Amendment. Exclusions in a motor carrier's insurance coverage shall not exonerate or reduce the motor carrier's liability under the Carmack Amendment.

4.4 Each motor carrier shall agree to maintain during the term of its contract of carriage, insurance coverages with limits not less than the following:

- | | | |
|-------|-----------------------------------|---------------------|
| 4.4.1 | General liability | \$1,000,000; |
| 4.4.2 | Auto liability | \$1,000,000; |
| 4.4.3 | Motor truck cargo legal liability | \$100,000; and |
| 4.4.4 | Workers' compensation | As required by law. |

AB shall verify that each motor carrier it uses in the performance of this agreement has the above insurance coverages during the term of this agreement.

4.5 Each motor carrier shall agree that 49 C.F.R. 370.1 *et seq.* shall govern the processing of claims for loss, damage, injury, or delay to property and the processing of salvage.

4.6 The parties agree that AB is the sole party responsible for the payment of any motor carrier's charges. Failure of OWI to collect payment from its customer shall not relieve AB of its duty to pay the motor carrier in question. AB agrees to pay each motor carrier's invoice according to its terms, at the latest within 30 days of receipt of the bill of lading or proof of delivery, provided the motor carrier is not in default. AB agrees that no motor carrier will seek payment from OWI or any other party if OWI or such other party can prove payment to AB.

4.7 AB states that each motor carrier shall agree that at no time during the term of the contract of carriage with AB shall the motor carrier have an "Unsatisfactory" safety rating from the FMCSA. If a motor carrier receives an "Unsatisfactory" safety rating, then it shall immediately notify AB, which shall not knowingly use any motor carrier with an "Unsatisfactory" safety rating in the performance of this agreement.

4.8 AB states that each motor carrier shall agree that its contract of carriage with AB shall apply on all shipments it transports for AB that it arranges under this agreement. Any terms in a motor carrier's tariff, bill of lading, or any other document that are inconsistent with the contract of carriage shall be subordinate to the terms of the contract of carriage.

4.9 AB further states it will require proof of insurance and operating authority from each motor carrier. If AB were to use a motor carrier to transport freight under this agreement, which motor carrier does not have proof of insurance and operating authority, then AB shall defend, indemnify and hold OWI harmless from and against any valid claims that a motor carrier or an insurer fails to pay, including claims for loss of or damage to freight and including reasonable attorneys' fees.

4.10 On behalf of all motor carriers AB arranges to transport freight under this agreement, AB states that each motor carrier has reviewed the CARB ATCM for TRUs on the Internet at www.arb.ca.gov/diesel/tru/tru.htm and www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm and that all refrigerated equipment necessary or required for the performance of each motor carrier's obligations ("Equipment"), including 53-foot trailers, both dry-van and refrigerated Equipment, operated within California are in compliance with CARB's ATCM for TRUs and that prior to transporting any goods under the agreement, each motor carrier shall inspect its Equipment for compliance with CARB ATCM TRU regulations, cleanliness, odors, dirt, or debris before loading.

5.0 SUB-CONTRACTING PROHIBITION WARRANTY. As a condition to OWI's willingness to enter into this agreement, AB agrees that it shall not sub-contract, broker, co-broker, double-broker, assign, or interline any loads that OWI tenders to AB under this agreement without OWI's prior written consent.

_____ AB's initials as to sub-contracting prohibition warranty

6.0 RECEIPTS AND BILLS OF LADING. If OWI were to so request, then AB will provide OWI with proof of delivery of any load in the form of a signed bill of lading or proof of delivery, as OWI will specify. OWI's insertion of AB's name on the bill of lading shall be for OWI's convenience only and shall not change AB's status as a property broker. No bill of lading or any other freight documentation that either AB or a motor carrier uses shall supplement or modify this agreement.

7.0 PAYMENTS. AB shall invoice OWI according to the rates, charges, and provisions in Appendix "E" and any supplements or revisions as to which the parties may agree in a writing signed by both. If the parties were to negotiate rates, but not confirm them in writing, then such rates shall nevertheless be binding upon AB's invoice to OWI and its payment of that invoice. OWI agrees to pay AB's invoice within 30 days of its date, without deduction or set-off. AB shall apply payment to the amount due for the specified invoice, regardless of whether there are earlier unpaid invoices. Payment of the freight charges to AB shall relieve OWI, the freight's consignee, and any other potentially responsible party from any liability to the underlying motor carrier for non-payment of its freight charges. AB agrees to defend, indemnify, and hold OWI, the consignee, and any other potentially responsible party harmless against such liability, including reasonable attorneys' fees.

8.0 CLAIMS.

8.1 Freight Claims. OWI must file claims for cargo loss or damage with AB within nine months from the date of such loss, shortage, or damage, which for purposes of the agreement shall be the delivery date or, in the event of non-delivery, the scheduled delivery date. OWI must file any civil action against AB within two years from the date the underlying motor carrier or AB provides written notice to OWI that the motor carrier has disallowed any part of the claim in the notice. Motor carriers that AB uses to transport freight under this agreement shall agree in writing with AB to be liable for cargo loss or damage as stated in section 4.3 of this agreement. A motor carrier's liability for any one shipment shall not exceed \$100,000 unless, before the transportation, OWI notifies AB of the increased value with reasonably advanced notice to allow AB or the motor carrier to procure additional insurance coverage. AB shall assist OWI in the filing of claims with the motor carrier. If AB were to pay a claim to OWI, then it would automatically assign its rights and interest in the claim to AB. In

no event shall AB or the underlying motor carrier be liable to OWI for special, incidental, or consequential damages that relate to loss, damage or delay to a shipment, unless OWI has informed AB in written or electronic form, prior to or when tendering a shipment or series of shipments to AB, of the potential nature, type, and approximate amount of such damages.

8.2 All Other Claims. The parties shall notify each other of all known material details within 60 days of receiving notice of any claims other than cargo loss or damage claims, and the parties shall update each other promptly as more information becomes available.

9.0 INSURANCE. As a condition to performing services under this agreement, AB shall procure and maintain, at its expense, the following insurance coverages from insurers with an A.M. Best rating of "A" or above:

9.1	General liability	\$1,000,000;
9.2	Contingent auto liability	\$1,000,000;
9.3	Errors and omissions	\$250,000; and
9.4	Contingent cargo legal liability	\$100,000.

To evidence the above coverages, AB shall provide OWI certificates of insurance that state that OWI is a certificate holder, copies of policy endorsements, where applicable, or copies of insurance policies and shall provide 30 days' prior written notice of cancellation, termination, or modification of any of the above policies. As a condition to OWI's willingness to enter into this agreement, AB states that one or more of the above insurance coverages cover potential liabilities that AB has contractually assumed in this agreement. AB shall defend, indemnify, and hold OWI harmless from and against any loss, damage, liability, claim, demand, action, proceeding, cost, or expense, including reasonable attorneys' fees, expenses of investigation, judgments, fines, or penalties that OWI has paid or incurred, that arises out of or is in any way connected with the failure of any of the above insurers to cover any claim in its entirety. AB shall defend, indemnify, and hold OWI harmless from and against any loss, damage, liability, additional insurance premium, claim, demand, action, proceeding, cost, or expense, including reasonable attorneys' fees, expenses of investigation, judgments, fines, or penalties that OWI has paid or incurred, that arises out of any motor carrier's failure to obtain workers' compensation insurance for any drivers, regardless of their classification as the motor carrier's employees or as independent contractors.

10.0 HAZARDOUS MATERIALS. OWI and AB shall comply with all applicable laws and regulations relating to the transportation of hazardous materials as defined in 49 C.F.R. sections 172.800, 173, and 397, to the extent that any shipments constitute hazardous materials. OWI is obligated to inform AB immediately if any such shipments constitute hazardous materials. OWI shall defend, indemnify, and hold AB harmless from and against any penalties or liabilities of any kind, including reasonable attorneys' fees, arising out of OWI's failure to so notify AB.

11.0 DEFAULT. The parties will discuss any perceived deficiency in performance and will promptly attempt to resolve all disputes in good faith. But if either party were to materially fail to perform its duties under this agreement, then the other party may terminate this agreement on 10 days' written notice.

12.0 INDEMNIFICATION. Each party will defend, indemnify, and hold the other party harmless from and against any damages, losses, fines, penalties, duties, taxes, interest, and expenses the other party pays or incurs, including reasonable attorneys' fees, arising out of or in any way connected with or caused by, in whole or in part, any claim, demand, action, or proceeding that a third-party may bring caused by or resulting from the indemnifying party's breach of this agreement or any other negligent or intentional act or omission by the indemnifying party related to its performance of services or the exercise of its rights under this agreement.

13.0 NON-WAIVER AND NON-ASSIGNMENT. No waiver by either party of any breach or default under this agreement shall be deemed to be a waiver of any other breach or default under this agreement. Neither party may assign or transfer any right or obligation under this agreement without the prior written consent of the other party's chief executive officer or president. The parties understand and agree that there are no third-party beneficiaries of this agreement.

14.0 NO MODIFICATIONS. The parties may only change this agreement in a writing signed by each party's chief executive officer or president.

15.0 INDEPENDENT CONTRACTOR. AB is not an agent of OWI or of any motor carrier. AB is and shall remain an independent contractor. OWI does not exercise or retain any control or supervision over AB, its operations, employees, or any motor carriers that AB contracts.

16.0 NOTICES. The parties shall provide any notice, demand, or request that this agreement requires or permits in writing and shall send the same by e-mail to the attention of the below individuals. The date of the notice, demand, or request shall be the date of the e-mail.

If to OWI:

Daniel Benoit
daniel@owispecialized.com

If to AB:

Name: _____
E-mail: _____

17. FORCE MAJEURE.

17.1 If a Force Majeure Event were to occur, then the party that is prevented by that Force Majeure Event from performing any one or more obligations under this agreement (the "Nonperforming Party") will be excused from performing those obligations, on condition that it complies with its obligations under section 17.3.

17.2 In this agreement, "Force Majeure Event" means any event or circumstance, regardless of whether it was foreseeable, that prevents a party from performing any of its obligations under this agreement, other than an obligation to pay money, on condition that that party uses reasonable efforts to do so.

17.3 Upon occurrence of a Force Majeure Event, the Nonperforming Party shall promptly notify the other party of the occurrence of that Force Majeure Event, its effect on performance, and how long that party expects it to last. The Nonperforming Party shall update that information as reasonably necessary. During a Force Majeure Event, the Nonperforming Party shall use reasonable efforts to limit damages to the other party and to resume performance.

19.0 CONFIDENTIALITY AND NON-SOLICITATION. Neither party may disclose the terms of this agreement to any person without the prior written consent of the other party except (1) as required by law or regulation, (2) disclosure to a party's parent, subsidiary, or affiliate company, or (3) to facilitate rating or auditing of transportation charges by an authorized agent and such agent agrees to keep the terms of the agreement confidential. AB shall not solicit traffic from any shipper, consignor, consignee, or customer of OWI where (1) the availability of such traffic first became known to AB through OWI's efforts, or (2) the traffic of the shipper, consignor, consignee, or customer of OWI was first tendered to AB by OWI. If AB breaches this agreement and directly or indirectly solicits traffic from customers of OWI and obtains traffic from such customers during the term of this agreement or within 12 months of its termination, then AB shall be obligated to pay OWI, for a period of 15 months after OWI's discovery of such breach, commission in the amount of 35 percent of the revenue resulting from traffic transported for such customer, and AB shall provide OWI with all documentation OWI requests to verify such revenue.

20.0 ENTIRE AGREEMENT. This agreement is the parties' final expression and entire agreement arising out of or in any way relating to its subject matter. This agreement states the parties' entire understanding and it supersedes any contemporaneous and prior oral and written understandings and agreements that arise out of or are in any way related to the subject matter of the agreement. This agreement shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each party.

21.0 SEVERABILITY. If any provision of this agreement shall for any reason be held to be invalid or unenforceable, then the remainder of this agreement shall be unaffected and remain in effect.

22.0 MANDATORY LAW, VENUE, AND JURISDICTION. All claims or disputes arising out of or in any way related to this agreement shall be determined under the laws of the State of California, without regard to its conflict of laws rules. Without prejudice to a party's right to remove an action to federal court, the exclusive and mandatory venue for any such claims or disputes shall be the federal or state courts in Los Angeles County, California, to the exclusion of all other courts. The parties agree to irrevocably submit to the personal jurisdiction of the above courts and to waive any jurisdictional, venue, or inconvenient forum objections to those courts.

23.0 COUNTERPARTS. The parties may sign this agreement in counterparts, and each signed counterpart shall become part of the final agreement and shall have the same force and effect. A copy of any signature on a signature page, including, without limitation, a facsimile or scanned electronic copy, shall be as valid and binding as an original signature.

24.0 EFFECTIVE DATE. This agreement will become effective when all the parties have signed it. The date this agreement is signed by the last party to sign it, as indicated by the date stated under that party's signature, will be deemed the date of this agreement.

OWI SPECIALIZED, INC.

ARRANGING BROKER NAME

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

PRINTED NAME

PRINTED NAME

TITLE

TITLE

DATE

DATE

APPENDIX “A”

OWI’S FMCSA BROKER’S OPERATING AUTHORITY

APPENDIX “B”

OWI’S SURETY BOND OR TRUST AGREEMENT

APPENDIX “C”

AB’S FMCSA BROKER’S OPERATING AUTHORITY

APPENDIX “D”

AB’S SURETY BOND OR TRUST AGREEMENT

APPENDIX “E”
SCHEDULE OF RATES