

CARRIER SET-UP PACKAGE

Carrier Name: _____

Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

Email: _____

Authority Number MC: _____ USDOT: _____

SCAC: _____ Smartway: YES OR NO

Remittance Name: _____

Address: _____

City, State, Zip: _____

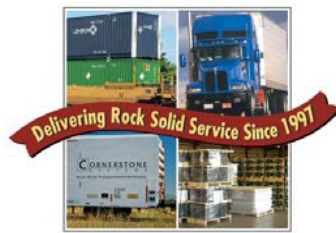
Phone: _____ Fax: _____

Email: _____

Required Documentation

- Contract Authority, SCAC, Smartway, Signed Contract **(Must initial all pages of contract)**
- Insurance Certificate (Please provide with packet)
- W-9 Completed
- DOT Number
- MC Authority Letter
- Haz-Mat Authority (Provide Certificate) (if applicable)
- Haz-Mat Security Plan Certification –addendum attached to Agreement t (if applicable)
- Pallet Exchange Liquor Permit Bonded Shipments (if applicable)

Set up packet must be emailed to vendors@cornerstone-systems.com or faxed to 901-312-9360



CARRIER INFORMATION

Type of Service (Please check any box that applies)

	Truck/OTR		LTL
--	------------------	--	------------

Type of Equipment (Please check any box that applies)

	48' Trailer		48' Air Ride		48' Refrigerated		48' Container
	53' Trailer		53' Air Ride		53' Refrigerated		53' Container
	20' Container		40' Container		45' Container		Heavy Haul
	Flatbeds		Drop Deck		Chassis		Curtain Van

Set up packet must be emailed to vendors@cornerstone-systems.com or faxed to 901-312-9360



CARRIER INFORMATION

TERRITORY

USA

AL		MT	
AK		NC	
AR		ND	
AZ		NE	
CA		NH	
CO		NJ	
CT		NM	
DE		NV	
FL		NY	
GA		OH	
HI		OK	
IA		OR	
ID		PA	
IL		RI	
IN		SC	
KS		SD	
KY		TN	
LA		TX	
MA		UT	
MD		VA	
ME		VT	
MI		WA	
MN		WI	
MO		WV	
MS		WY	

Canada

AB	
BC	
MB	
NB	
NF	
NS	
NT	
NU	
ON	
PE	
PQ	
SK	
YT	

Mexico

Aguascalientes	Baja California	
Baja California Sur	Campeche	
Chiapas	Chihuahua	
Coahuila	Colima	
Distro Federal	Durango	
Estado De Mexico	Guanajuato	
Guerrero	Hidalgo	
Jalisco	Michoacan	
Morelos	Nayarit	
Nuevo Leon	Oaxoca	
Puebla	Queretaro	
Quintana Roo	San Luis Potosi	
Sinaloa	Sonora	
Tabasco	Tamaulipas	
Tlaxcala	Veracruz	
Yucatan	Zacatecas	

Set up packet must be emailed to vendors@cornerstone-systems.com or faxed to 901-312-9360



CORNERSTONE SYSTEMS INFORMATION

Corporate Address:

3250 Players Club Parkway
Memphis, Tennessee 38125-8844

Date Incorporated: April 21, 1997

State of Incorporation: Tennessee

Type of Corporation: Privately Held

Federal ID #: 62-1686354

D&B #: 00-873-5615

MC #: 321007

Billing Instructions:

Invoices can be emailed to invoices@cornerstone-systems.com or faxed to 901-312-9374.

Billing Address:

3250 Players Club Parkway
Memphis, Tennessee 38125-8844

The Cornerstone BOL number must appear on all invoices to ensure prompt payment (e.g. TNME123456 or TN01234567). All supporting documents including signed BOL, POD, scale tickets shall be provided with the invoice.

Credit References:

- 1) Jimmie Tucker Trucking, Broken Bow, OK
(580) 584-3421 Fax Contact: Joyce Stafford
- 2) Empire Express, Inc., Memphis, TN
(901) 942-3300 Phone (901) 251-1221 Fax Contact: Credit Dept.
- 3) PNC Bank, Charlotte, NC
(704) 551-8504 Phone (704) 643-7918 Fax Contact: Stephanie O'Madigan

Set up packet must be emailed to vendors@cornerstone-systems.com or faxed to 901-312-9360



BROKER – MOTOR CARRIER AGREEMENT

This Agreement is entered into this ____ day of _____, 20__, by and between **Cornerstone Systems, Inc.**, ("**BROKER**"), a Registered Property Broker, License Number MC-321007, and _____, a Registered Motor Carrier, Permit/Certificate No. DOT- _____ ("**CARRIER**"); collectively, the "Parties". ("Registered" means operated under authority issued by the Federal Motor Carrier Safety Administration (or its predecessors) within the U.S. Department of Transportation.).

1. CARRIER REPRESENTS AND WARRANTS THAT IT:

- A. Is a Registered Motor Carrier of Property authorized to provide transportation of property under contracts with shippers and receivers and/or brokers of general commodities.
- B. 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 BROKER to enter into this Agreement.
- D. Agrees that a Shipper's insertion of BROKER's name as the carrier on a bill of lading shall be for the Shipper's convenience only and shall not change BROKER's status as a property broker nor CARRIER's status as a motor carrier.
- E. **Will not re-broker, co-broker, subcontract, assign, interline, pass off, or hand off the transportation of shipments hereunder to any other persons or entity without prior written consent of BROKER.** If CARRIER breaches this provision, BROKER shall have the right of paying the monies it owes CARRIER directly to the "Delivering Carrier", in lieu of payment to CARRIER. Upon BROKER's payment to Delivering Carrier, CARRIER shall not be released from any liability to BROKER under this Agreement. In addition to the indemnity obligation in Section 1(H)(i), CARRIER will be liable for consequential damages for violation of this provision. **"Delivering Carrier" means the carrier that physically transported the freight. If the freight is damaged or lost while in the custody or care of the Delivering Carrier, the CARRIER is liable for the amount of the claim filed by the BROKER.**
- F. (i.) If CARRIER transports hazardous materials it 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, qualification 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.) All CARRIER's drivers shall be and are subject to the exclusive direction, control and supervision of CARRIER and not BROKER. In order to satisfy shipping requirements of BROKER's

CARRIER INITIALS _____

customers and/or the contractual service obligations of BROKER, any information furnished by BROKER to CARRIER verbally or in writing, including, but not limited to, routes, pick-up and delivery dates, and times, special handling requirements, bracing and blocking requirements, dimensions and weights are provided for informational purposes only and CARRIER assumes full responsibility for the performance of its drivers hereunder.

(iii.) Any communications or reporting requirements regarding the location of freight (tracing) are made in order to satisfy BROKER's customer's requirements or BROKER's contractual service obligations to its customers. The method and manner of performance of the requirements under this Agreement are the sole responsibility and control of CARRIER.

- G. CARRIER will notify BROKER 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.) To the extent permissible under applicable federal and state law, CARRIER shall defend, indemnify and hold BROKER 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, personal injury or death, penalties and fines assessed by government agency due to CARRIERS failure to comply with federal, state, and local statutes and regulations. 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 Section 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 Section 3(D).
- I. Carrier agrees that at no time during the term of its contract with BROKER shall it have an "Unsatisfactory" or "Unfit" or an equivalent safety rating as determined by the Federal Motor Carrier Safety Administration (FMCSA), and that it has no knowledge of any threatened or pending interventions by FMCSA under CSA 2010; nor is it subject to any investigation or disciplinary action by any state agency related to enforcement of safety laws and regulations. **If Carrier receives an "Unsatisfactory" or "Unfit" safety rating, or a rating is changed from "Satisfactory" to "Conditional" or from "Continue to Operate" to "Marginal" it shall immediately notify BROKER and shall not transport any shipment hereunder without Brokers prior written consent.** The provisions of this paragraph are intended to include safety rating designations which may replace those above, which are subject to change by FMCSA at any time.
- J. Nonrated carriers and conditional do not have more than two SMS BASIC scores greater than the threshold established by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation, and will notify BROKER in writing immediately if its SMS BASIC's change to more than two areas above the threshold. Satisfactory rated carriers do not have more than three SMS BASIC scores greater than the threshold established by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation, and will notify BROKER in writing immediately if its SMS BASIC's change to more than two areas above the threshold.
- K. Authorizes BROKER to invoice CARRIER's freight charges to shipper, consignee, or third parties responsible for payment. If CARRIER attempts to impose a lien or hold freight hostage BROKER may notify their customers of said action.
- L. Has investigated, monitors, and agrees to conduct business hereunder based on the credit-worthiness of BROKER and is granting BROKER credit terms accordingly.
- M. If CARRIER transports hazardous materials it shall comply with all applicable laws and regulations relating to the transportation of Hazardous Materials as defined in 49 C.F.R. § 172.800, §173, and §397, et seq. (including any amendments) to the extent that any shipments hereunder constitute Hazardous Materials. CARRIER shall be solely responsible for any violation of the applicable laws and regulations, and shall defend, indemnify, and hold BROKER and its customers harmless and pay

BROKER on demand from any claims, losses, damages or liability incurred, including, but not limited to reasonable attorney's fees arising from any non-compliance.

- N. Will not consolidate, co-load, mingle or add to other customer's freight with freight tendered by BROKER hereunder without prior written consent of BROKER. CARRIER shall provide exclusive use of the equipment for the shipment that is tendered to CARRIER from BROKER by the LOAD CONFIRMATION SHEET.
- O. CARRIER, if transporting freight as an intrastate California motor carrier or into or out of California as an interstate motor carrier, CARRIER agrees to utilize only CARB compliant equipment. **CARRIER or its agent certifies that any equipment furnished will be in compliance with the in-use requirements of California's regulations. CARRIER shall provide documentation for verification of compliance with CARB to BROKER on an annual basis.**

2. BROKER RESPONSIBILITIES:

- A. **SHIPMENTS, BILLING & RATES:** BROKER shall offer CARRIER at least three (3) loads/shipments annually. BROKER shall inform CARRIER of (a) place of origin and destination of all shipments; and (b) if applicable, any special shipping and handling instructions, or special equipment requirements, of which BROKER has been timely notified.
- B. BROKER agrees to conduct all billing services to shippers, consignees, or other party responsible for payment. CARRIER shall invoice BROKER for its (CARRIER's) charges, as mutually agreed in writing, by fax, or by electronic means, contained in BROKER'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, BROKER 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. **RATES:** Additionally, any rates, which may be verbally agreed upon, shall be deemed confirmed in writing where CARRIER has billed the agreed rate and BROKER 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. **PAYMENT:** The Parties agree that BROKER is the sole party responsible for payment of CARRIER's charges. Failure of BROKER to collect payment from its customer shall not exonerate BROKER of its obligation to pay CARRIER. BROKER 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, provided invoice and other required documentation is received no later than 60 days after date of delivery, or scheduled date of delivery of the freight whichever is earlier. Arbitration action for alleged nonpayment for CARRIER services hereunder must be commenced within one year of date of delivery or scheduled date of delivery whichever is earlier in order to avoid being permanently barred. Upon receipt of payment of any amounts by CARRIER arising out of this Agreement, CARRIER automatically assigns all of its rights to payment from shippers, consignees, or third parties to BROKER. CARRIER shall not seek payment from Shipper, consignees, or third parties, if they can prove payment to BROKER.
- E. **BOND:** BROKER 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.
- F. BROKER's responsibility is limited to arranging for, but not actually performing, transportation of a shipper's freight.

3. CARRIER RESPONSIBILITIES:

- A. EQUIPMENT:** 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 BROKER 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. BILLS OF LADING:** 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 Section 1(H) for freight loss and damage claims under this Section 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 Section C(ii) above.
- (iv.)** Except as provided in Section 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 be for the full invoice value of the goods/property/freight for which is sold. For goods/property/freight not sold it shall be for the shipper invoice cost.
- D. INSURANCE:** CARRIER shall furnish BROKER 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; motor vehicle (including hired and non-owned vehicles) \$1,000,000 (\$5,000,000 if transporting hazardous materials including environmental damages due to release or discharge of hazardous substances); cargo damage/loss, \$100,000; 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. Nothing in this Agreement shall be construed to avoid or limit CARRIER's liability due to any exclusion or deductible in any insurance policy. Coverage provided CARRIER's insurance policies shall have no exclusions or restrictions of any type that would foreseeably preclude coverage relating to loss and damage claims. CARRIER grants permission to BROKER, and shall require its insurance underwriters and agents, to provide BROKER upon BROKER's request a copy of all insurance policies including copies of all exclusions on any cargo policy. The cargo insurance policy shall not exclude coverage for infidelity, fraud, dishonesty, or criminal acts of CARRIER, its employees, officers

and directors, contractors, subcontractors, owner-operators, or agents of CARRIER. If any such policy contains those exclusions, CARRIER shall obtain and furnish endorsements in the policy providing coverage to the satisfaction of BROKER. No policy of insurance provided to BROKER hereunder shall have a deductible greater than \$5,000.

- E. **ASSIGNMENT OF RIGHTS:** CARRIER automatically assigns to BROKER all its rights to collect freight charges from Shipper or any responsible third party on receipt of payment of its freight charges from BROKER.
- F. **PROHIBITED LIENS:** CARRIER is strictly prohibited from imposing liens or holding freight hostage. Should CARRIER attempt such action, BROKER shall have the right to notify their customer base of CARRIERS said action.
- G. 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. BROKER shall not be liable for any of the payroll-related tax obligations specified above and CARRIER shall indemnify, defend, and hold BROKER harmless from any claim or liability imposed or asserted against BROKER for any such obligations.

4. **CARRIER REQUIREMENTS FOR REFRIGERATED LOADS**

A. **CARRIER AGREES THAT ITS DRIVER MUST:**

- (i.) Prior to loading, confirm that the reefer unit is working properly and the trailer is pre-cooled to the required temperature.
- (ii.) Trailers used for transporting produce must have air chute clear and in good condition for proper circulation, no exceptions! Make sure the chute is not damaged, obstructed or blocked in any way.
- (iii.) Be certain that space is provided for proper air circulation in front, rear, top, bottom and between the load.
- (iv.) Check pulp temperature of products to ensure required pre-cooling. Driver must not accept any fresh product which pulps over 2 degrees (or other agreed amount) above the required temperature stated on the BROKER rate confirmation.
- (v.) If the temperature on the BROKER Rate Confirmation differs from that on the Bill of Lading, contact BROKER before signing the bills of lading at the shipper. **If the shipment is accepted contrary to the terms of the BROKER Rate Confirmation, CARRIER accepts all resulting risk of loss.**
- (vi.) Make sure that the pulp temperature documentation of the product loaded appears on the original Bill of Lading and agrees with that temperature.
- (vii.) **When driver signs the Bill of Lading, he is confirming that he received the correct product, at the correct count and at the proper temperature. Be sure this information agrees with the information on the Bill of Lading.**
- (viii.) Maintain continuous temperature stated on Broker's Rate Confirmation in-route, unless otherwise instructed in writing by BROKER.
- (ix.) Notify BROKER immediately (before leaving receiver/consignee) if the shipment is damaged or rejected in whole or in part. (Allows Broker time to get USDA inspection.)

B. No disposition of any rejected product shall be made without instructions from BROKER.

C. Carrier assumes all risk of loss arising out of any failure to follow these directions.

D. Carrier represents that reefer equipment is and has been properly maintained and that it has record (written) proof of compliance with manufacturers' maintenance requirements.

5. **MISCELLANEOUS:**

- A. INDEPENDENT CONTRACTOR:** It is understood and agreed that the relationship between BROKER 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. BROKER 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 BROKER.
- B. NON-EXCLUSIVE AGREEMENT:** CARRIER and BROKER 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. FORCE MAJEURE:** Neither Party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder on account of strikes, riots, insurrection, fires, flood, storm, explosions, acts of God, war, governmental action, labor conditions, earthquakes, or any other causes that are beyond the reasonable control of such Party.
- D. WAIVER OF PROVISIONS:**
- (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.
- E. DEFAULT:** In the event of a material breach by CARRIER of any provisions of this Agreement, BROKER shall have the right to withhold and/or set off any payments owing to CARRIER and/or received from shippers which BROKER is obligated to pay CARRIER. If a CARRIER is in material breach of this agreement and there is a resulting freight claim as a result of the breach, then CARRIER is fully liable for the value of the claim filed by customer. The right of withholding and/or setoff is not an exclusive remedy and BROKER shall have and may exercise, subject to this agreement, all other remedies it may have at law or in equity against CARRIER.
- F. DISPUTES:** In the event of a dispute arising out of this Agreement, including but not limited to Federal or State statutory claims, BROKER shall sole right to determine Arbitration or Litigation. Arbitration proceedings shall be conducted under the rules of the Transportation Arbitration and Mediation PLLC (TAM), or Transportation ADR Council, Inc. (ADR), upon mutual agreement of the Parties, or if no agreement, then at BROKER's sole discretion. Arbitration or Litigations 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 or ADR. 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 TAM or ADR nearest Memphis, Tennessee or such other place including by teleconference, or video conference, as mutually agreed upon in writing or directed by the acting arbitration association. Provided, however, either Party may apply to a court of competent jurisdiction for injunctive relief. Unless preempted or controlled by federal transportation law and regulations, the laws of the State of Tennessee shall be controlling notwithstanding applicable conflicts of laws rules. The arbitration provisions of this paragraph shall not apply to enforcement of the award of arbitration.

In the event of litigation the prevailing Party shall be entitled to recover costs, expenses and reasonable attorney fees, including but not limited to any incurred on appeals. Venue, controlling law, and jurisdiction in any legal proceedings shall be in Shelby County in the State of Tennessee not withstanding conflicts of laws and rules to the contrary.

G. NO BACK SOLICITATION:

(i.) CARRIER shall not directly or indirectly solicit, divert, back-solicit or perform any freight transportation (with or without compensation) for any customer of BROKER, when such customer(s) was serviced as a result of this Agreement. Transportation of freight hereunder by CARRIER, shall be deemed conclusive evidence of CARRIER's transportation service to BROKER's customers.

(ii.) In the event of breach of this provision, BROKER shall be entitled, for a period of 12 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, BROKER may seek injunctive relief and in the event it is successful, CARRIER shall be liable for all costs and expenses incurred by BROKER, including, but not limited to, reasonable attorney's fees.

H. CONFIDENTIALITY:

(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 entitled to all costs and expenses incurred, including but not limited to reasonable attorney's fees.

I. 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.

J. **MODIFICATION OF AGREEMENT:** This Agreement and Exhibit A et. seq. attached may not be amended, except by mutual written agreement, or the procedures set forth above in Section 2(B) and 2(C).

K. NOTICES:

(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.

L. **CONTRACT TERM:** The term of this Agreement shall be for one (1) year from the date shown above and thereafter it shall automatically be renewed for successive one year periods, unless terminated upon 30 days prior written notice with or without cause, by either party at any time, including the initial term. In the event of such termination the Parties shall be obligated to complete their performance obligations to each other for unfinished work in process and related payments.

M. **SEVERANCE: SURVIVAL:** 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.

- N. **COUNTERPARTS:** This Agreement may be executed in any number of counterparts each of which shall be deemed to be a duplicate original hereof.
- O. **FAX CONSENT:** 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.
- P. **ENTIRE AGREEMENT:** 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.

IN WITNESS WHEREOF, we have signed this Agreement the date and year first shown above.

Cornerstone Systems, Inc.
(BROKER)

(CARRIER)

Authorized Signature

Authorized Signature

Printed Name

Printed Name

Title

Title

Company Address:

3250 Players Club Parkway

Memphis, TN 38125

901-842-0660 901-312-9360

Phone: Fax:

jward@cornerstone-systems.com

Email:

Company Address:

Phone:

Fax:

Email:

Amendment to Broker/Carrier Agreement between

Cornerstone Systems Inc. and _____.
Certification Number _____; Dated _____.

CONFIRMATION OF HAZARDOUS MATERIALS REGISTRATION, SECURITY PLAN, AND TRAINING

The Federal Code of Regulations mandates that all carriers transporting hazardous materials in placardable quantities obtain annually a Certificate of Registration, have a written security plan in place and provide in depth security training.(49 CFR §107.608;§ 172.701-704;§ 172.800-804).

Security plans must be in place by or after September 25th, 2003. As such, it is essential that we confirm adherence to these regulations by all carriers handling/transporting hazardous materials for our clients. The Parties agree that paragraph 1.F and 1.M of the Agreement identified above shall be amended by adding the following:

Our records show that your company is, or previously was, authorized to handle/transport hazardous materials. Please confirm, by your signature below, that your company:

1. Has and will maintain a current Certificate of Registration issued by the Research Special Programs Administration, (USDOT), and any of its predecessor or successor agencies;
2. Has adopted and implemented a security plan by or after September 25, 2003 and thereafter which complies with the requirements of the federal regulations;
3. Provides in depth security training for all haz-mat employees as required by the federal regulations.

I represent and confirm that my company is in compliance with the registration, security plan and training requirements of the federal regulations (and any amendments or revisions of them) which are identified above.

This Amendment is agreed to and approved:

Signature of Security Officer or Authorized Representative Date

Printed Name

Company Name

Address

Phone

CORNERSTONE SYSTEMS, INC.

By: _____
(Authorized representative signature)

Printed Name: Jonathan Ward, Risk Manager