

BROKER/CARRIER AGREEMENT

THIS BROKER/CARRIER AGREEMENT (this "Agreement") is entered into effective as of _____, 20__ (the "Effective Date"), by and between NAS, LLC, an Iowa limited liability company d/b/a Northern Ag Transportation ("BROKER"), and _____, a(n) _____
 corporation limited liability company partnership sole proprietorship ("CARRIER").

WHEREAS, for purposes of this Agreement, BROKER is: (a) a "broker" as that term is defined under 49 U.S.C. § 13102(2), as amended, or any applicable regulation or rule by which the United States or any agency thereof defines a "broker"; (b) not engaged in the business of and does not act as a "carrier", "motor carrier", "water carrier", or "freight forwarder" as those terms are defined under 49 U.S.C. § 13102; and (c) not engaged in the business of and does not act as a "rail carrier" as that term is defined under 49 U.S.C. § 10102(5).

WHEREAS, for purposes of this Agreement, CARRIER is a "carrier" as that term is defined under 49 U.S.C. § 13102(3), as amended, or any applicable regulation or rule by which the United States or any agency thereof defines a "carrier".

WHEREAS, for purposes of this Agreement, CARRIER is also a "motor carrier" as that term is defined under 49 U.S.C. § 13102(14), as amended, or any applicable regulation or rule by which the United States or any agency thereof defines a "motor carrier".

WHEREAS, BROKER desires to arrange for the freight tendered by a shipper to be transported by CARRIER under the means, manner, method, and terms selected by the shipper and/or CARRIER.

WHEREAS, CARRIER desires to transport freight identified by BROKER as requiring transportation services.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Services. BROKER hereby agrees to arrange for certain freight tendered by a shipper to be transported by CARRIER under the means, manner, method, and terms selected and identified, in writing, by the shipper and/or CARRIER, and CARRIER hereby agrees to transport certain freight identified by BROKER as requiring transportation services.

2. Term. The term of this Agreement shall be one (1) year commencing on the Effective Date. If not cancelled by one of the parties, the Agreement shall automatically renew for additional one-year terms. This Agreement may be terminated, with or without cause, at any time by either of the parties by providing thirty (30) days' advance written notice to the other party;

provided, however, all amounts due and services to be performed under this Agreement must be paid and performed by the obligated party.

3. Broker Representations and Warranties. BROKER represents and warrants that: (a) it is licensed to arrange freight transportation pursuant to license number MC-425412; (b) it does not itself transport freight; (c) it will maintain authority to arrange freight transportation as required by applicable federal and state laws and regulations during the term of this Agreement; and (d) it will maintain a surety bond or trust fund agreement as required by the Federal Motor Carrier Safety Administration (“FMCSA”) in the amount of Seventy-Five Thousand and No/100 Dollars (\$75,000.00) or in such amount as the FMCSA may require from time to time.

4. Broker Obligations.

a. BROKER shall pay CARRIER as set forth in Section 8 below.

b. BROKER agrees to arrange for the transportation of a shipper’s freight with CARRIER pursuant to the terms of this Agreement, and to comply with all federal, state, and local laws and regulations pertaining to the brokerage services covered by this Agreement.

c. The parties agree that BROKER’s responsibilities under this Agreement are limited to arranging for the transportation of a shipper’s freight with CARRIER. BROKER will not, and is not required to, perform the transportation services, possess the freight, or control the means or methods of the transportation.

5. Carrier Representations and Warranties. CARRIER represents and warrants that: (a) it will act as a “motor carrier” as defined herein; (b) it will remain licensed and authorized by the Federal Motor Carrier Safety Administration to provide interstate transportation services or that it provides only intrastate service and complies with all applicable state registration requirements; (c) it will maintain insurance or otherwise demonstrate financial responsibility in accordance with all applicable federal and state regulations; and (d) it is in compliance with and shall maintain compliance with all applicable federal, state and local laws relating to the provision of its services.

6. Carrier Obligations.

a. CARRIER is solely responsible for: (i) the safety and operation of the equipment; (ii) actions of all drivers and other persons or entities responsible for the transportation of freight; (iii) any other persons associated with the operation of the equipment; (iv) transportation of freight; and (v) securement or any other aspect of actions of a “motor carrier”.

b. Notwithstanding anything to the contrary herein, CARRIER shall operate safely and in accordance with all laws, rules, and accepted best practices of a “motor carrier”.

c. In addition to the requirements in Paragraph 6(b) above, CARRIER agrees that it shall not, at any time, have a safety rating or evaluation of “unsatisfactory” or “conditional”

as rated by the U.S. Department of Transportation (“USDOT”) or under any other rating system. CARRIER shall immediately notify BROKER in writing upon any change in CARRIER’s safety rating. If CARRIER’s rating becomes “unsatisfactory” or “conditional” under any rating system, CARRIER shall no longer be authorized as a CARRIER under this Agreement.

d. CARRIER shall immediately notify BROKER in writing if: (i) its USDOT Operating Authority (i.e., MC Number) is revoked, suspended or rendered inactive for any reason; (ii) all, or substantially all, of its assets are sold or there is a change in control of ownership; and/or (iii) any insurance required hereunder is threatened to be or is terminated, cancelled (whether by an insurer or surety provider by CARRIER, or by any person or entity), suspended, or revoked for any reason.

e. Upon written request from BROKER, CARRIER shall provide to BROKER copies of its USDOT Operating Authority, policy or policies of insurance, including, without limitation, all endorsements, certificates of insurance, sureties, and financial responsibilities.

f. If requested by BROKER, CARRIER shall utilize BROKER’S Transportation Management System (TMS) for load confirmation and shipment tracking.

7. Food Protocols.

a. CARRIER shall ensure that all equipment provided for the transportation of food or food grade products shall comply with the requirements of the FDA Food Safety Modernization Act, and its implementing regulations, as amended (collectively, “FSMA”). To the extent that CARRIER performs services hereunder within, to or from Canada, CARRIER shall also ensure that such equipment complies with the Food and Drug Acts and all other applicable statutes and regulations, including, without limitation, the Ontario Food Safety and Quality Act, 2001, or its equivalent in any other Canadian jurisdiction. In any event, CARRIER shall ensure that none of the equipment so provided has been or will be used for the transportation of any waste of any kind, garbage, hazardous materials, poisons, pesticides, herbicides, or any other commodity that might adulterate or contaminate food, food products or cosmetics.

b. Where a seal is placed on a trailer by consignor, shipper, CARRIER or any other party, CARRIER is responsible for maintaining the seal intact until removed by an authorized employee of consignee upon delivery. CARRIER shall be liable for any and all claims, losses, or liabilities arising from or as a result of any unauthorized removal of seal, broken seal, missing seal, tampered seal, or mismatched seal number. CARRIER shall be solely responsible for ensuring that cargo is maintained according to any requirements stated on the Bill of Lading (defined below) or Load Confirmation (defined below).

c. CARRIER shall ensure that all personnel transporting or handling freight subject to FSMA receive all training required by FSMA. BROKER will transmit to CARRIER, on the Load Confirmation or by separate written notice, the shipper’s or consignee’s protocols and requirements for transporting food shipments subject to FSMA. CARRIER shall strictly comply with all such protocols and requirements. CARRIER’s failure to comply with such protocols and

requirements will provide the consignor, consignee, or BROKER with the right to declare any freight transported on any noncompliant shipment to be rejected and a total loss.

8. Payment; Load Confirmations.

a. BROKER shall pay CARRIER for services rendered in an amount equal to the rates and charges agreed to as set forth on any load confirmations that are issued (each, a "Load Confirmation," and collectively, the "Load Confirmations").

b. A Load Confirmation supplements and amends this Agreement to the extent its terms conflict with those in this Agreement.

c. This Agreement or the Load Confirmation also governs all accessorial services which may be required or performed.

d. CARRIER shall not bill for any accessorial or other charge not approved in this Agreement or in the applicable Load Confirmation.

e. As a condition precedent to payment, CARRIER is required to submit proof of delivery with its invoices, and the invoices are required to reflect that CARRIER delivered the freight to its final destination.

9. Relationship of the Parties and Others; Control.

a. The parties agree that BROKER is an independent contractor, and not an employee, agent, or principal of CARRIER or of any shipper.

b. CARRIER acknowledges and agrees that, as the motor carrier transporting a shipper's freight pursuant to this Agreement, CARRIER is an independent contractor, and not an employee, agent or principal of BROKER. Further, CARRIER acknowledges and agrees that its employees and agents, including the driver(s) transporting freight, are not employees or agents of BROKER, and that BROKER does not control or have the right to control the CARRIER, its employees, agents, drivers, or any person or entity associated with the CARRIER.

c. CARRIER shall comply with all laws and regulations and shall not interpret any provision of this Agreement or any communication from any employee or agent of BROKER, a shipper, a consignor, or BROKER's customer(s) as authorization or encouragement, directly or by implication, that CARRIER deviate from any law or regulation applicable to CARRIER's operations as a motor carrier.

d. The parties agree that BROKER shall not assert any control nor have any right to exercise control over a shipper's freight, including, without limitation, taking possession of a shipper's freight. BROKER shall not direct or control the routes taken by CARRIER in the transportation of a shipper's freight. Any directions or instructions given by BROKER to CARRIER for the transportation of the freight shall be for information and convenience only.

CARRIER retains full control of the details of transportation of freight assigned to CARRIER under this Agreement. BROKER will not impose fines on CARRIER unless BROKER is instructed to do so by the shipper.

10. Indemnification and Liability.

a. CARRIER shall defend, indemnify and hold harmless:

i. BROKER for any cargo loss or damage, or for delay in the delivery of a shipper's freight, or for any actual or consequential damages resulting therefrom.

ii. BROKER and its customers from any claims, actions or damages, arising out of CARRIER's performance under this Agreement, including, without limitation, cargo loss and damage, theft, delay, property damage, bodily injury or death.

iii. BROKER, its employees, officers, directors, agents, principals and assigns from any liability, settlements, judgments, verdicts, attorney fees or expense of any nature whatsoever arising out of any claims, demands or suits against BROKER which in any way relate to a claim of BROKER's liability or culpability for the actions of CARRIER, including, without limitation, negligent or improper hiring or retention of the CARRIER, its employees (statutory or otherwise) agents, principals, officers, directors, assigns or anyone acting by or for CARRIER, for any aspect of the transportation of freight, public liability, personal injury, bodily injury, emotional or mental distress, wrongful death, loss of consortium, cargo liability or any claim or cause of action recognized by any state, municipality, county or jurisdiction, administrative agency, or the United States government.

b. Notwithstanding anything to the contrary herein, CARRIER acknowledges and agrees that BROKER shall not be liable to CARRIER or any shipper for any act or omission of the CARRIER or any of CARRIER's "employees" which transport a shipper's freight, as the term "employee" is defined under 49 C.F.R. § 390.5 or for any of CARRIER's agents, principals, assigns or subcontractors.

c. The obligation to defend as required herein shall include all fees, costs and expenses of defense as they accrue.

d. CARRIER agrees to have insurance to cover its obligations and liability under the terms of this Agreement, but CARRIER's indemnification obligations are not capped by the amount of any available insurance.

e. In addition to CARRIER's indemnification obligations under the terms of this Agreement, CARRIER hereby assumes the liability of a "carrier" or "motor carrier" as provided in 49 U.S.C. § 14706, as amended (the "Carmack Amendment").

f. All claims for loss, damage and/or salvage will be handled and processed in accordance with 49 C.F.R. part 370.

11. Bills of Lading.

a. For all property received by, and for each shipment tendered to CARRIER for transportation under this Agreement, CARRIER shall issue and provide to the shipper a standard bill of lading (each, a "Bill of Lading," and collectively, the "Bills of Lading") that comports with 49 U.S.C. § 80101 et seq. and 49 C.F.R. part 373, as amended, listing the consignor and consignee, the origins and destinations, the number of packages, the description of the freight, and the weight, volume or measurement of the freight.

b. Unless otherwise agreed by the parties in writing, CARRIER shall become responsible and liable for the freight when it takes or receives possession thereof, regardless of whether loaded on the trailer(s) or a Bill of Lading has been issued/received for the freight. Such responsibility and liability of CARRIER shall continue until delivery of the freight to the consignee and CARRIER's receipt of the consignee's signature on the Bill of Lading or other delivery receipt.

c. Any terms of a Bill of Lading, including, without limitation, payment terms, released rates or released value, that are inconsistent with the terms of this Agreement shall be ineffective and the terms of this Agreement shall govern such matters. Failure to issue a Bill of Lading or sign a Bill of Lading acknowledging receipt of the freight by CARRIER shall not discharge or affect the liability of CARRIER. Each of said Bills of Lading are intended by the parties to be a "bill of lading", as that term is interpreted under the Carmack Amendment and applicable law and are not to be construed merely as "delivery receipts", "freight receipts" or any similar term.

d. The parties hereto agree that BROKER will not be listed on any Bills of Lading. CARRIER shall be listed on all Bills of Lading as the party in possession and control of the freight. In the event BROKER is listed as the carrier on any Bill of Lading, shipping manifest or other similar document: (i) such designation shall be for the convenience of the shipper only; (ii) CARRIER shall, at all times, be the actual carrier of goods; (iii) BROKER's role shall be limited to that of arranging for transportation; and (iv) CARRIER shall replace BROKER's name with CARRIER's name on such document.

e. CARRIER acknowledges that re-brokering or double brokering may be prohibited by law, and CARRIER agrees that it shall not re-broker, assign or interline any shipment hereunder without the express written consent of BROKER prior to such shipment being tendered to any other CARRIER. If CARRIER breaches this provision, BROKER shall have the right to pay the monies it owes CARRIER directly to the delivering carrier, in lieu of payment to CARRIER, and BROKER shall thereby be released from any further obligation to pay CARRIER. Notwithstanding any such payment by BROKER to the delivering carrier, CARRIER shall not be released from any liability to BROKER under this Agreement. IN ADDITION TO CARRIER'S INDEMNIFICATION OBLIGATIONS HEREUNDER, CARRIER SHALL BE LIABLE FOR

ANY AND ALL CONSEQUENTIAL DAMAGES ARISING FROM VIOLATION OF THIS SUBSECTION.

f. The parties agree that the shipment of freight will be transported pursuant to the terms and conditions listed in the Bill of Lading; provided, however, the terms and conditions of the Bill of Lading shall not operate to alter or modify the terms of this Agreement between CARRIER and BROKER.

12. Non-Solicitation of Shippers. CARRIER shall not, directly or indirectly, solicit or conduct business with any shipper whose freight was transported pursuant to this Agreement for a period of two (2) years beginning with the last day such service was performed by CARRIER for that shipper. The parties agree that a breach of this Section shall entitle BROKER, as reasonable liquidated damages and not as a penalty, to the aggregate amount of commissions and/or compensation under the terms set forth in this Agreement that would have been due to BROKER had it arranged for the movement of said freight. In addition to the foregoing, BROKER shall also be entitled to any and all other remedies available at law or in equity.

13. Insurance. Unless otherwise agreed in writing, CARRIER shall maintain the following insurance coverage:

a. Commercial general liability insurance with combined bodily injury and property damage in the minimum amount of One Million Dollars (\$1,000,000) each occurrence to include broad form blanket contractual, broad form property damage, personal injury liability and products/completed operations coverage covering bodily injury and property.

b. Commercial automobile or commercial motor vehicle insurance with combined bodily injury and property damage in the minimum amount of One Million Dollars (\$1,000,000). If transporting hazardous materials, the minimum amount required is Five Million Dollars (\$5,000,000) and the following additional requirements shall apply:

i. Coverage must include environmental damages due to release or discharge of hazardous substances.

ii. Hazmat carriers must have endorsement CA9948, sudden and accidental pollution coverage, and this endorsement must be shown on the Certificate of Insurance provided to BROKER.

c. Cargo Legal Liability in the minimum amount of Twenty-Five Thousand Dollars (\$25,000) per shipment of cargoes valued up to Twenty-Five Thousand Dollars (\$25,000) and One Hundred Thousand Dollars (\$100,000) per shipment of cargoes valued in excess of Twenty-Five

Thousand Dollars (\$25,000) and the following additional requirements shall apply:

- i. Coverage shall be All Risk Broad Form Motor Truck Cargo Legal Liability Coverage.
 - ii. Coverage provided under the policy shall have no exclusions or restrictions that would foreseeably preclude coverage relating to cargo claims including, without limitation, exclusions of unattended or unattached trailers, unattended or unlocked vehicles, theft, or for any commodities transported under this Agreement, refrigeration breakdown or lack of refrigerator fuel.
 - iii. If the commodity being hauled is refrigerated, CARRIER shall provide refrigeration breakdown coverage and CARRIER will honor and abide by the servicing requirements set forth in the insurance policy or endorsement.
 - iv. If the commodity being hauled is on a flatbed or similar open conveyance, there shall be no exclusion for wetness, rust, corrosion or moisture.
- d. Workers' compensation with limits as required by applicable law.
 - e. Except for the higher coverage limits which may be specified above, CARRIER's insurance policies and financial responsibility shall comply with minimum requirements of the FMCSA and any applicable regulatory state agency.
 - f. Nothing in this Agreement shall be construed to limit CARRIER's liability due to any exclusion or deductible of any insurance policy or to limit CARRIER's liability for contribution and/or indemnification and defense of BROKER.
 - g. Coverage must be written with an insurance company rated A- or better as rated by AM Best Company.
 - h. When an intrastate policy is issued, BROKER must be named as an additional insured.
 - i. CARRIER shall furnish BROKER with Certificate(s) of Insurance and financial responsibility or insurance policies evidencing the foregoing coverages.

j. CARRIER shall provide BROKER with thirty (30) days' advance written notice of cancellation or termination of any such policies.

14. Non-Exclusive Agreement. CARRIER and BROKER acknowledge and agree that this Agreement does not bind the respective parties to provide exclusive services to each other. Either party may enter into similar agreements with other carriers, brokers, or freight forwarders.

15. Assignment. Neither CARRIER nor BROKER may assign or transfer any rights under this Agreement, in whole or in part, by operation of law or otherwise, without the prior written consent of the other party.

16. Modification. This Agreement may not be amended or modified without the prior written agreement of an expressly authorized representative of both parties. For BROKER, only a company representative with the title of Vice President or higher is authorized to agree to amendments to this Agreement. Any amendments or modifications to this Agreement not agreed to as set forth in this Section 16 shall be null and void.

17. Waiver.

a. Failure of either party to enforce a breach 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.

b. 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 the ICC Termination Act of 1995, 49 U.S.C. subtitle IV, part B, as amended (the "ICC Act"), the parties expressly waive any or all rights and remedies they may have under the ICC Act.

18. Severability. If any portion or provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the parties agree that said portion or provision of the Agreement shall be severable, and that the remaining provisions of the Agreement shall continue in full force and effect.

19. Notices. Any and all written notices required or permitted to be given under this Agreement shall be delivered to the following mailing address and/or email address:

If to BROKER:

NAS, LLC d/b/a Northern Ag Transportation
Attn: NAT Manager
PO Box 7567
Urbandale, IA 50323-0567
Email: phil@northernagsuppliers.com

If to CARRIER:

Attn: _____

Email: _____

20. Force Majeure. In the event that fire, flood, other natural disaster, war, embargo, riot, or civil disobedience prevents the performance of either BROKER's or CARRIER's obligations under this Agreement, the affected party shall not be liable to the other party for such failure to perform.

21. Choice of Law and Venue. All issues concerning the construction, interpretation, validity, and enforceability of this Agreement, and any other dispute arising out of this Agreement, whether in a court of law or in alternative dispute resolution, shall be governed by and construed and enforced in accordance with the laws of the State of Iowa, including the applicable statutes of limitations under Iowa law, without giving effect to any choice of law provision applying the laws of another jurisdiction.

22. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, representations, warranties, and understandings, whether oral or in writing.

23. Counterparts. This Agreement may be executed and delivered in multiple counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the Effective Date in their respective names by their fully authorized representatives below.

BROKER:

CARRIER:

Signed

Signed

Printed

Printed

Title

Title