



Tel: 519-326-0101 Fax: 519-326-0204
www.bonneaufreight.com

CARRIER AGREEMENT

The following contract shall govern all orders for transportation service by Bonneau Freight Management Inc., herein referred to as BROKER, to _____, herein referred to as the CARRIER.

	CARRIER:	BROKER:
NAME:		Bonneau Freight Management Inc.
ADDRESS:		739 Mersea Road 5, RR#3
		Leamington, ON N8H 3V6

1. **GENERAL.** The purpose of this agreement is to outline the arrangement between the two parties acting in their capacity as a provider of transportation services and a broker of transportation services respectively. Each individual shipment contracted between the two parties will be detailed in a Carrier Confirmation to be provided by BROKER. Carrier Confirmations, therefore, are an integral part of this agreement.

There is no minimum volume of freight contemplated by this Agreement. BROKER is not restricted against tendering its freight to other carriers; CARRIER is not restricted against performing transportation for other shippers.

2. **TERM.** This agreement is in effect as of the _____ day of _____, 20____, and shall remain in effect until terminated in writing. Either party to this agreement can terminate at any time upon not less than 30 days written notice to all other parties.

3. **BROKER REPRESENTATIONS.** BROKER is engaged in the business of providing freight brokerage services pursuant to Broker Authority granted under MC#662978 and holds an effective surety bond. BROKER is acting in its capacity as an agent only in tendering shipments from BROKER'S clients to CARRIER. CARRIER acknowledges full responsibility for the safe and timely delivery of each shipment arranged between BROKER and CARRIER.

BROKER agrees to maintain all the necessary documents, bond, and insurance certificates required under the conditions of this authority.

4. **CARRIER REPRESENTATIONS.** CARRIER is engaged in the business of providing transportation of property. CARRIER represents and warrants that it is duly and legally qualified to provide the transportation services contemplated herein, and CARRIER agrees to comply with all federal, state, provincial and local laws regarding the provision of such services including all Transport Canada and United States Department of Transport (USDOT) regulations. CARRIER further represents and warrants that it does not have a conditional or unsatisfactory safety rating from the USDOT, Transport Canada or the Provincial Departments of Transportation.

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Broker Initials: _____



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5. **OPERABLE EQUIPMENT.** CARRIER, at its sole cost and expense, shall furnish only equipment required for performing services hereunder and shall maintain all equipment in good repair and condition. CARRIER, at its sole cost and expense, shall employ for its services hereunder only competent and legally licensed personnel. CARRIER is responsible for proper loading and securing of cargo.

CARRIER specifically agrees that all freight tendered to it by BROKER shall be transported on equipment operated only under the authority of CARRIER, and that CARRIER shall not in any manner sub-contract, broker, or in any other form including other modes of transportation, arrange for the freight to be transported by a third party without the prior written consent of BROKER, which consent may be unreasonably withheld.

6. **LIABILITY AND INSURANCE.** CARRIER shall be fully liable for loss, damage, or delay of any shipment under CARRIER's care, custody or control and may face possible monetary charges for shipments not delivered as scheduled, while in the possession or control of CARRIER.

CARRIER shall transport all BROKER's shipments without delay. CARRIER shall immediately notify BROKER of any likelihood of delay. Neither party hereto will be liable for the failure to tender or timely transport freight under this Agreement if such failure, delay or other omission is caused by strikes, acts of God, war, civil disorder, or through compliance with legally constituted order of civil or military authorities.

CARRIER's liability shall begin at the time cargo is loaded upon CARRIER's equipment at point of origin, and continue until said cargo is delivered to the designated consignee at destination, or to any intermediate stop-off party. CARRIER 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 or CARRIER's status as defined in this agreement.

CARRIER agrees to maintain, at its sole expense, all certificates and all necessary insurance as recommended or required by law and in any event the Cargo insurance amount must provide full coverage for the shipment. CARRIER agrees to furnish upon BROKER's request a copy of these documents.

CARRIER agrees to hold the following minimum insurance:

1. Commercial /Comprehensive General Liability Insurance: \$2,000,000.
2. Commercial Automobile Liability Insurance: \$2,000,000.
3. Cargo Liability: \$100,000

CARRIER shall cause its insurance company to forward forthwith to BROKER a standard Certificate of Insurance with Bonneau Freight Management Inc. named as the certificate holder. CARRIER must notify BROKER in writing thirty (30) days prior to cancellation of any insurance required or contemplated by this Agreement. Moreover, all insurance coverage necessary or contemplated by this Agreement shall provide the necessary coverage to protect and indemnify the BROKER beyond the term(s) of this Agreement for such period(s) as long as the Broker is exposed to potential liability for any matter arising from this Agreement pursuant to any limitation period set out herein or by virtue of Canadian or U.S. law(s).

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7. **INDEMNIFY.** CARRIER agrees to hold BROKER harmless from and indemnify BROKER from any liability resulting from the loss or damage, including all costs to defend, to any freight transported by CARRIER, and also agrees to hold BROKER harmless from bodily injury or property damage which may occur during the operations of CARRIER pursuant to this agreement including all costs to defend claims.

CARRIER shall pay to BROKER, or it shall allow BROKER to deduct from the amount BROKER owes CARRIER, for customer's loss for the commodities so lost, delayed, damaged or destroyed and the amount of any indemnity, as stated above.

8. **RATES AND PAYMENT.** The rate and other charges that apply to each shipment transported under agreement between BROKER and CARRIER will be clearly stated on the Carrier Confirmation along with specific instructions for handling and delivering the shipment. CARRIER shall be paid the freight charges for the transportation service to be rendered pursuant to this at the rates set forth in BROKER's Carrier Confirmation upon proof of successful delivery and submission of invoice. CARRIER must note BROKER's carrier confirmation number on their invoices. Proof of a successful delivery is identified as an original signed bill of lading.

CARRIER shall notify BROKER one half hour prior to the beginning of wait time charges. CARRIER is responsible to obtain a revised Carrier Confirmation from the BROKER. CARRIER will obtain recorded in and out times on the bill of lading, from the shipper/receiver. CARRIER will fax the bill of lading immediately to the BROKER. Any wait time charges invoiced by the CARRIER to the BROKER for which aforementioned notification was not received will be rejected by the BROKER and will not be paid.

CARRIER shall notify BROKER of all other accessorial charges associated with a shipment within 2 hours of delivery. Any accessorial charges invoiced by the CARRIER to the BROKER for which aforementioned notification was not received will be rejected by the BROKER and will not be paid.

BROKER reserves the right to charge a penalty of \$50 per service failure. That penalty will be deducted from the rate agreed to in the Carrier Confirmation. A service failure includes, but is not limited to:

1. CARRIER and CARRIER employees not identifying themselves as Bonneau Freight Management.
2. CARRIER not notifying BROKER at least one hour prior to appointment time of any delays.
3. CARRIER missing appointment time by more than 15 minutes without prior notice of one hour prior to the appointment time.
4. CARRIER not contacting BROKER upon arrival at pick-up location.
5. CARRIER not contacting BROKER upon arrival at delivery location.

CARRIER will be paid within 45 days of receipt of original signed bill of lading. Upon CARRIER's request, BROKER may provide quick pay options at a discounted rate, 5% discount for payment in 5 days or 2% discount for payment in 15 days.

CARRIER agrees that BROKER is the sole party responsible for payment of CARRIER's invoices and that, under no circumstances, will CARRIER seek payment from the shipper or consignee.

CARRIER shall not withhold any goods of BROKER's clients on account of any dispute as to freight charges or payment and hereby waives and releases all liens that CARRIER might otherwise have to any goods of BROKER's clients in the possession or control of CARRIER.

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- 9. **CLAIMS.** It is the CARRIER’s responsibility to observe both the collection and delivery of each shipment and note any issues with the shipment on the appropriate paperwork and immediately notify BROKER. Either party will notify the other party within 48 hours of delivery of any pending claims. BROKER further agrees to provide substantive evidence of any claims within 30 days of delivery. CARRIER is liable to BROKER for all economic loss, including consequential damages that are incurred by BROKER or BROKER’s clients for any freight loss, damage or delay claim. BROKER retains the right to withhold payment to CARRIER until such time as any outstanding claims have been settled.
- 10. **NON-SOLICITATION.** CARRIER agrees not to solicit any traffic from any shipper, customer, client, consignee, or consignor that it comes in contact with as a result of BROKER’s efforts. If CARRIER breaches this agreement and ‘back-solicits’ freight traffic from any of the above parties or their agents during the term of this agreement or within a two year period following its termination, then BROKER will be entitled, for a period of 18 months from such breach, to a commission of 20% of the total gross transportation revenue received by CARRIER on the movement(s) of the traffic and all costs and reasonable legal fees in the event legal proceedings are necessary to collect the amounts. The provisions of this paragraph shall be applicable to CARRIER and to its officers, directors, predecessor/successor companies, shareholders, employees, agents, drivers, owner-operators, subsidiaries and affiliates.
- 11. **CONFIDENTIALITY.** CARRIER and BROKER agree that the terms and provisions of this agreement, in addition to any and all other information concerning the business operations of customers and shippers, are confidential and that they will not reveal any of its contents or any information concerning the services performed within this contract without the written permission of the other party to this contract or as may be required by law.
- 12. **SEVERABILITY.** Obligations of this agreement are separate and divisible and in the event that any clause is deemed unenforceable, the balance of the agreement shall continue in full force and effect.
- 13. **ENTIRE AGREEMENT.** This agreement along with the individual Carrier Confirmations constitute the full agreement between the Parties and there are no other representations or warranties, express or implied, other than contained herein and this agreement shall supersede all prior arrangements and understandings, if any, between the Parties. Additions and changes the contents of this Agreement shall be binding only if laid down in writing in a document bearing a date and signed by both Parties.
- 14. **GOVERNING LAW.** This agreement shall be governed by the laws of the Province of Ontario, Canada.

IN WITNESS WHEREOF, the parties have executed these Terms and Conditions of Brokered Shipments by their duly authorized representatives on this _____ day of _____, 20____.

“CARRIER”

“BROKER”

Company: _____

Bonneau Freight Management Inc.

By: _____

(SIGNATURE)

(SIGNATURE)

By: _____

Christiana Bonneau – Director/CFO

(PRINTED NAME / TITLE)

(PRINTED NAME / TITLE)