

BROKER-SHIPPER TRANSPORTATION AGREEMENT

Form KSBK BSTA 201 (file 2062-089) Rev. 10.27.2016

This BROKER-SHIPPER TRANSPORTATION AGREEMENT ("Agreement" or "BSTA") by and between **K & J LOGISTICS, INC.**, a South Dakota corporation, hereinafter referred to as "BROKER" or "KSBK", and the shipper, receiver or owner of goods further identified below, hereinafter referenced as "SHIPPER," effective the date entered herein and for the term provided;

Whereas, BROKER is licensed by Federal Motor Carrier Safety Administration ("FMCSA") as a broker of property transportation services, (the "Services") under license MC-176595 (USDOT 2212826), and agrees to provide such Services for the benefit of SHIPPER; and

Whereas, BROKER represents that it is in compliance with federal, state and local laws regarding the provision of Services under this Agreement, and BROKER will continuously maintain a Broker's surety bond (Form BMC-84), in the amount of \$75,000, for the benefit of both SHIPPER and those carrier or carriers rendering transportation of SHIPPER's goods and regarding the disposition of funds of SHIPPER paid over to BROKER in respect of the Services; *NOW THEREFORE, IT IS AGREED:*

1. MUTUAL OBLIGATION OF PARTIES: SHIPPER, from time to time, agrees to offer to BROKER shipments of goods, for purposes of arranging for the transportation thereof within the territory of the United States or Canada, and BROKER agrees to use reasonable efforts to secure transportation thereof by suitable motor truck equipment (clean, food-grade, and temperature controlled, if required, or other types of equipment as may be required by the goods), subject in all cases to public demand or need and the governing provisions of this Agreement. This Agreement is intended to control the relationship of BROKER and SHIPPER as to all shipments offered to BROKER and accepted by BROKER for purposes of obtaining motor truck transportation (the "Traffic").

2. RATES, LOAD MEMO, REASONABLE DISPATCH: BROKER will invoice SHIPPER for all transportation services rendered for the Traffic on the basis of on the basis of the mutual agreement of the parties, to be further described in a certain order (or orders) for the Services, whether initiated by BROKER or SHIPPER, describing the Traffic, the Rate to be applied thereto as between BROKER and SHIPPER, and all other details desired by SHIPPER, or as mutually agreed upon by the parties in the course of prior telephonic or electronic communications. Unless otherwise mutually agreed in writing, BROKER's invoice to SHIPPER shall be paid not later than 20 days from date of a shipment delivery. The order (orders) for the Services, describing the Traffic, shall be outlined in BROKER's *Load Memo A*, in such approximate form and content as provided in Schedule A, annexed. BROKER shall thereafter endeavor to hire and contract with a qualified motor carrier (or carriers) to transport the Traffic with reasonable dispatch, and to complete delivery, consistently with the mutually agreed commitment described in *Load Memo A*, and BROKER shall undertake the exclusive duty and responsibility to pay the motor carrier for transporting the Traffic, and shall indemnify SHIPPER with respect to any such obligations. SHIPPER, *inter alia*, must disclose actual value of the Traffic, on a per shipment or truckload basis; in the event no contrary information is provided concerning value, the parties, by these provisions, have stipulated actual value does not exceed \$100,000.

3. QUALIFICATIONS OF HIRED CARRIERS: BROKER will hire (and shall timely pay, upon collection of the invoice to SHIPPER) for all hired motor carrier transportation services related to the Traffic, provided the motor carrier engaged for service has completed delivery in accordance with the requirements of BROKER's contract with or engagement of such motor carrier, including timely delivery free of claim. Each such motor carrier used for the Traffic is to be qualified by BROKER with respect to having proper USDOT registration, business auto and general liability in minimum requirements of federal law, cargo insurance equal to or in excess of \$100,000 (or in such greater amount, if any, as may be identified as desired by SHIPPER from time to time). Upon request of SHIPPER, BROKER shall furnish suitable evidence of the motor carrier's insurance coverage as may be used for the Traffic of SHIPPER. BROKER shall utilize motor carriers having a "satisfactory" rating (SAFER-SYS), and having a "continue operations" status (CSA 2010).

4. DOCUMENTS, CLAIMS: Unless otherwise agreed in writing, all shipments tendered shall be accompanied by SHIPPER's Bill of Lading, describing the Traffic. In case of conflict between the terms of such bill and this Agreement, this Agreement shall control. BROKER will advise SHIPPER of accidents or other events in transit as may cause delay in delivery. In the event of a loss or damage claim, SHIPPER agrees to promptly notify BROKER in writing, and to further cooperate with BROKER in the preparation and prosecution of a cargo claim against the motor carrier in accord with 49 CFR 370. BROKER shall render reasonable assistance in the claim process but shall not otherwise have liability to SHIPPER for the loss or damage to cargo. BROKER will not settle any such claim without the written consent of SHIPPER. BROKER requires the motor carrier to obtain a signed or noted delivery receipt from consignee.

5. **INDEPENDENT CONTRACTOR, NOT A GUARANTOR:** BROKER's relationship to SHIPPER shall, at all times, be that of an independent contractor. BROKER is further recognized as not being a guarantor of the schedule or transit time of the motor carrier; BROKER assumes no liability to SHIPPER regarding shortage, loss, damage or injury to the Traffic.

6. **TERM, TERMINATION, COMPLETENESS:** This Agreement shall be and remain in effect continuously from its date until cancelled by either party upon not less than thirty (30) days prior written notice to the other. This Agreement contains the entire agreement of BROKER and SHIPPER as to the relationship and subjects expressed, and may not be changed, waived, or modified except by a subsequent writing, signed by the party against whom enforcement is sought.

7. **VENUE:** The parties especially agree that any action related to or arising out of this Agreement, whether by or on behalf of BROKER or SHIPPER, may be maintained only in the Second Judicial Circuit Court, in and for Minnehaha County, State of South Dakota, and each party expressly consents irrevocably to submit to the exclusive personal jurisdiction of said court in any matter touching or concerning the relationship herein expressed. Any party substantially prevailing on any claim or defense in such court may, in addition, seek recovery of reasonable attorney's fees and other costs.

8. **EXECUTION:** The parties have entered into this Agreement by and through their duly authorized representatives or agents, effective the last date below written:

<i>Broker:</i> K & J LOGISTICS, INC.	<i>Shipper:</i> _____
By _____ Title _____ Date: _____	By _____ Title _____ Date: _____
MC-176595 (USDOT 2212826)	Full Address: _____
ADDRESS: 1800 E. 50 th St. North Sioux Falls, SD 57104	_____
Telephone 605-332-5531	Telephone _____
Telecopy: 605-332-6016	Telecopier: _____
E-mail: tpauley@kandjlogistics.com	E-mail: _____
SCAC: KSBK	
BSTA 201 (Rev. 10.27.2016)	

SCHEDULE A to Form KSBK BCTA 201 (Rev. 10.27.2016):

The form of Load Memo A, between Shipper and Broker, may include the following information and such additional relevant items as the parties may reasonably request and require, from time to time:

LOAD MEMO A (via Telecopier or E-mail) BSTA-201(Rev.10-27-2016)

Shipper confirms that KSBK is authorized to arrange motor carrier transportation for the following shipment(s):

1. KSBK Order(s) No. _____ 2. Load Date: _____ Time: _____
2. Origin (address): _____ Ref. # _____
3. Receiver(s) & Del. Address: _____
Total Stops: _____
4. Del. Date: _____ Time: _____ Appt. Call: _____
5. Cargo: _____ Est. Wt.: _____ Protect (Y/N) _____ Temp. _____ F.
6. Other Instructions: _____
7. Actual Value (USD): \$ _____ (Surcharge May Apply if Value Exceeds \$100,000).
8. Rate Payable to Broker:
\$ _____ Per: _____ Est. Route Miles: _____ (PC Miler, Ver20)
Additional Stops: \$ _____ Unloading: \$ _____ Surcharge: \$ _____

Freight Charges under this Load Memo A must be invoiced to and paid by Shipper in accord with Form BSTA 201; Broker assumes all responsibility to pay Motor Carrier upon collection of freight charges from Shipper.