ROCK-IT GLOBAL
EST. 1978

CO- BROKER CONTRACT

I.

Recitals

A. Rock-it Cargo USA LLC d/b/a Rock-it Global ("ROCK-IT") is a licensed provider of logistics services, holding all relevant authorities, including interstate property brokerage authority issued by the Federal Motor Carrier Safety Administration ("FMCSA") that controls the transportation of freight under its contractual arrangements with customers (the "Customer");

B. BROKER is authorized to operate as a broker in interstate and/or intrastate commerce and is qualified, competent and available to arrange for transportation services as may be required by ROCK-IT to service its Customers.

II.

Agreement

1. **TERM AND TERMINATION**.

   a. The Term of this Agreement shall be for one (1) year and shall automatically renew for successive one (1) year periods; provided, however, that this Agreement may be terminated at any time without cause by giving thirty (30) days prior written notice. This Agreement does not grant BROKER an exclusive right to provide transportation related services for ROCK-IT or its Customers, nor does it obligate ROCK-IT to tender any minimum volume of freight to BROKER.

   b. ROCK-IT may additionally terminate this Agreement immediately upon written notice in any of the following events:

      i. BROKER loses its operating authority or otherwise becomes disqualified to perform its obligations under this Agreement;
      ii. BROKER breaches any covenant, obligation, condition, or requirement imposed upon it by this Agreement, and such breach continues for a period of ten (10) days after written notice thereof from ROCK-IT to BROKER;
      iii. BROKER becomes insolvent or becomes unable to pay its debts in a timely manner;
      iv. BROKER fails to procure and maintain any of the insurance coverages required by this Agreement; or
      v. BROKER breaches any obligations hereunder regarding SERVICING MOTOR CARRIERS.

   c. BROKER may additionally terminate this Agreement immediately upon written notice if ROCK-IT breaches any covenant, obligation, condition, or requirement imposed upon it by this Agreement and such breach continues for a period of thirty (30) days after written notice thereof from BROKER.

2. **BROKER'S COMPLIANCE WITH LAW**. BROKER represents and warrants that it is duly and legally licensed under state and federal law to provide the property broker services contemplated herein, including that it is and will remain authorized as a property broker by the FMCSA. BROKER agrees to comply with any and all applicable federal, state and local laws, rules and regulations in arranging for the transportation services contemplated under this Agreement. The parties understand and agree that BROKER acts as an independent contractor in the selling, negotiating, providing and arranging for transportation services for compensation.

3. **PERFORMANCE OF SERVICES**. BROKER's services under this Agreement are specifically designed to meet the distinct needs of ROCK-IT under the specified rates and conditions set forth herein, and pursuant to the scheduled delivery times set forth in each Rate Confirmation Agreement provided by ROCK-IT. BROKER shall arrange for the transport of all shipments provided under this Agreement without delay, and all occurrences which would be likely to cause delay shall be immediately communicated to ROCK-IT by BROKER. BROKER further agrees that it shall use only those motor carriers ("SERVICING MOTOR CARRIERS") who meet the requirements and specifications provided by ROCK-IT for any shipments under this Agreement.

4. **SERVICING MOTOR CARRIERS**. BROKER shall be solely responsible for selecting SERVICING MOTOR CARRIERS. BROKER shall ensure that all SERVICING MOTOR CARRIERS it utilizes for the transportation of cargo under this Agreement are fully authorized to perform services required hereunder in accordance with all applicable laws, rules and regulations. In no event will any SERVICING MOTOR CARRIER selected by BROKER have an unsatisfactory or unfit safety rating or otherwise be prohibited from performing, or unauthorized to perform, services for which it is hired by BROKER. BROKER will also ensure that the SERVICING MOTOR CARRIER has in effect at the time any cargo is tendered to such SERVICING MOTOR CARRIER that the SERVICING MOTOR CARRIER has in effect at the time of such tender the insurance coverages set forth in section 5, and that the SERVICING MOTOR CARRIER is in full compliance with the contractual requirements set forth in section 5. Likewise, BROKER is responsible to ensure that SERVICING MOTOR CARRIER performs all transportation services directly in Equipment operating under SERVICING MOTOR CARRIER's authority, and that in no event will such SERVICING MOTOR CARRIER co-broker, subcontract, or otherwise tender cargo to be transported by any third party.

5. **SERVICING MOTOR CARRIER OBLIGATIONS**. BROKER shall require, by written contract, that each SERVICING MOTOR CARRIER providing transportation services agree:

a. That it is duly and legally licensed under applicable state, provincial and federal law to provide any transportation services required under this Agreement, that it does not have an unsatisfactory or unfit safety rating issued by the United States Department of Transportation ("DOT") or any state or provincial authority with jurisdiction over its operations, that it will comply with all applicable federal, state, provincial and local laws, and that it expressly waives any and all rights and remedies under Subtitle IV Part B of 49 U.S.C. (as allowed by § 14101) to the extent such rights and remedies conflict with the terms and conditions of its agreement with BROKER.

b. That it is performing services pursuant to contract and that in no event shall any provision in any tariff, service guide, bill of lading, delivery receipt, or other shipment documentation apply to services performed with respect to shipments tendered by or to ROCK-IT.

c. That it will obtain a receipt showing the kind and quantity of product delivered to the consignee of each shipment at the destination and cause such receipt to be signed by the consignee.

d. That it will, at its sole cost and expense: (i) furnish all equipment necessary to service shipments tendered under this Agreement, (the "Equipment"); (ii) pay all expenses related to the use or operation of the Equipment; (iii) maintain Equipment in good repair, mechanical condition and appearance; and (iv) utilize only competent, able and legally licensed personnel. It shall also have full control over such personnel and provide all services as an independent contractor and assume complete responsibility for all state and federal taxes, assessments, insurance (including, but not limited to, workers' compensation, unemployment compensation, disability, pension and social security insurance) and any other financial obligations arising out of the transportation services rendered pursuant to this Agreement. It shall also be solely responsible for the acts or omissions of any subcontractor used by it in providing services on shipments tendered under this Agreement.

e. That it shall accept liability as a motor carrier under the Carmack Amendment (as currently codified at 49 U.S.C. § 14706 and as amended from time to time) for loss, damage, or delay

to goods tendered by or to ROCK-IT regardless of whether such standard would apply in the absence of contract and regardless of whether such shipment has an origin or destination in Canada; that, regardless of any state, federal or provincial law limiting or allowing limitation of liability, no limitation of liability shall apply to any such shipment; and that it waives any right to salvage goods (as well as any right to claim entitlement offset salvage value) tendered by or to ROCK-IT.

f. That it will, at its sole cost and expense, procure and maintain during any period in which it handles shipments tendered by or to ROCK-IT:

   i. Automobile liability insurance written on an occurrence form covering bodily injury, death, and property damage, in an amount not less than a combined single limit of $1,000,000 per occurrence, or such larger amount as required by applicable law. This insurance shall cover all owned, all hired, and non-owned automobiles and vehicles (including any Trailers provided by Rock-It or its Customer as addressed below). Insurer must carry an A.M. Best rating of no less than A-.

   ii. Commercial General Liability ("CGL") insurance in the U.S. and all relevant Canadian jurisdictions written on an occurrence form covering bodily injury, death, and property damage in an amount not less than a combined single limit of $1,000,000, and $2,000,000 in the aggregate. Such insurance shall also cover Carriers contractual liability under this agreement, including transportation of shipments and other operations. This insurance shall not include any exclusions or limitations other than those included in standard policy form. Insurer must carry an A.M. Best rating of no less than A-.

   iii. An Umbrella liability policy in an amount not less than $3,000,000 (U.S Dollars). Insurer must carry an A.M. Best rating of no less than A-.

   iv. All Risk Broad Form Motor Truck Cargo Legal Liability ("Cargo") insurance in an amount not less than $250,000.00 (U.S. Dollars) per occurrence. The coverage provided under the policy shall have no exclusions or restrictions of any type that would foreseeably preclude coverage relating to cargo claims including, but not limited to, exclusions for unattended or unattached trailers, theft, commodities transported under this Agreement, refrigerator breakdown or lack of refrigerator fuel. Insurer must carry an A.M. Best rating of no less than A-.

   v. Statutory Workers' Compensation Insurance coverage in such amounts and in such form as required by applicable state law Insurer must carry an A.M. Best rating of no less than A-.

   vi. All insurance policies required by this Agreement shall, as applicable, be primary and shall waive subrogation and contribution against ROCK-IT. SERVICING MOTOR CARRIER shall furnish to ROCK-IT or Broker written certificates obtained from the insurance carrier showing that such insurance has been procured, is being properly maintained, the expiration date, and specifying that written notice of cancellation or modification of the policies shall be given to Broker at least thirty (30) days prior to such cancellation or modification. In addition, ROCK-IT shall be named as an additional insured on CARRIER's CGL and AL policies, and as a loss payee on the Cargo policy as evidenced by an endorsement on the certificates of insurance. Upon request of ROCK-IT or its designated insurance consultant, Broker or SERVICING MOTOR CARRIER shall provide ROCK-IT, ROCK-IT's consultant, or Customer with copies of the applicable insurance policies of the SERVICING MOTOR CARRIER.

g. That it will take no action to assert or collect any transportation charges from ROCK-IT or its Customer for any transportation services provided on shipments tendered by or to ROCK-IT.

h. That the manner of loading and securing cargo upon Equipment of SERVICING MOTOR CARRIER shall be the sole responsibility of SERVICING MOTOR CARRIER. SERVICING MOTOR CARRIER shall represent that each driver utilized by it holds all requisite federal, state, and local licenses and that each such driver shall be competent to manage the loading and transportation of the cargo subject to this Agreement.

i. SERVICING MOTOR CARRIER shall agree to defend, indemnify against, and hold harmless BROKER's customers (including, but not limited to, ROCK-IT and its Customer) from any and all direct or indirect claims, actions, losses, expenses, fines, fees, verdicts, judgments, or any other damages, obligations, or liabilities, including attorneys' fees, arising pursuant to the services provided by SERVICING MOTOR CARRIER.

j. That it will perform the transportation services directly with equipment under its own authority and that it shall not co-broker, trip lease, or otherwise subcontract the transportation or handling of any shipment tendered to it pursuant to this Agreement. The foregoing shall not be construed as prohibiting interlining which, for the purposes of this Agreement, shall mean that the SERVICING MOTOR CARRIER performs some part of the motor carrier transportation in Equipment operating under the SERVICING MOTOR CARRIER's own authority.

k. BROKER ensures SERVICING MOTOR CARRIER shall not co-mingle commodities with any hazardous materials, poisons or garbage, and agrees not to load trailers that have been used to transport hazardous materials, poisons or garbage.

6. **RECEIPTS AND BILLS OF LADING**. Each shipment hereunder shall be evidenced by a Bill of Lading or waybill in such form and manner as acceptable to ROCK-IT. Such bill of lading shall act as a receipt only. Upon delivery of each shipment made hereunder, BROKER shall provide ROCK-IT with a signed receipt showing the kind and quantity of product delivered to the consignee of such shipment at the destination specified by ROCK-IT or the Customer. Any terms, conditions and provisions of any bill of lading, waybill, manifest, tariff, terms & conditions, or other form of receipt or transportation document associated with the transportation of goods tendered hereunder shall not be binding on ROCK-IT or its Customer. BROKER shall notify ROCK-IT immediately of any exception made on the bill of lading or delivery receipt.

7. **RATES AND PAYMENTS**.

a. BROKER will charge and ROCK-IT will pay the rates and charges set forth in a load sheet provided by ROCK-IT, or in an email or other written communication provided by ROCK-IT. BROKER's arrangement of transportation for a load identified in a load sheet or other communication from ROCK-IT subsequent to ROCK-IT's provision of a rate applicable to such shipment constitutes BROKER's agreement to the compensation communicated by ROCK-IT and no other rates or compensation are applicable to, nor shall be paid for, services provided by BROKER.

b. Payment by ROCK-IT will be made within thirty (30) days of receipt by ROCK-IT of BROKER's freight bill, bill of lading, waybill, clear delivery receipt, and any other necessary billing documents enabling ROCK-IT to ascertain that service has been provided at the agreed upon charge.

c. In the event service is provided and it is subsequently discovered that there was no applicable rate agreed to by the parties, the parties agree that the rate paid by ROCK-IT and collected by BROKER shall be the agreed upon contract rate.

d. BROKER agrees that ROCK-IT has the exclusive right to handle all billing of freight charges to the Customer for the transportation services provided herein, and, as such, BROKER agrees to refrain from all collection efforts against the shipper, receiver, consignor,

consignee or the Customer, unless such action is consented to by ROCK-IT in writing. Where BROKER has received payment or credit for transportation services under this Agreement, BROKER will indemnify and hold harmless ROCK-IT and its Customers from any and all claims by SERVICING MOTOR CARRIERS or their subcontractors for such transportation charges. BROKER further agrees that ROCK-IT has the discretionary right to offset any payments owed to BROKER hereunder for liability incurred by BROKER.

8. **FREIGHT LOSS, DAMAGE OR DELAY**. BROKER assumes the liability of a common carrier (i.e. Carmack Amendment liability) for loss, delay, damage to or destruction of any and all of Customer's goods or property from the time it is delivered to a SERVICING MOTOR CARRIER for transportation until delivery to the consignee. BROKER shall pay to ROCK-IT, or allow ROCK-IT to deduct from the amount ROCK-IT owes BROKER, Customer's full actual loss for the kind and quantity of commodities so lost, delayed, damaged or destroyed. Payments by BROKER to ROCK-IT or its Customer, pursuant to the provisions of this section for all undisputed claims, shall be made within thirty (30) days following receipt by BROKER of ROCK-IT's or Customer's invoice and supporting documentation for the claim. ROCK-IT, the Customer, or any other entity entitled to recover on such claim shall have the greater of: (a) the minimum time allowed by law; or (b) nine months from the date of deliver, or the date on which delivery would have occurred in the event that delivery is not made, to file all claims under this section with Broker. Any such claim filing entity shall have two years and one day from the date of denial of all or any part of such claim in which to file suit.

9. **INSURANCE**. BROKER shall procure and maintain, at its sole cost and expense, the following insurance coverages:

a. Commercial General Liability Insurance covering the transportation of shipments and other operations under this Agreement in an amount not less than $1,000,000.00 (U.S. Dollars) per occurrence. Such insurance shall also cover all liability assumed by or required to be assumed by BROKER under this Agreement.

b. Errors and Omissions Insurance (which insurance shall include coverage for damages arising from bodily injury or property damage) or Truck Broker Liability Insurance with limits of not less than $1,000,000 (U.S. Dollars) per occurrence.

c. All Risk Broad Form Motor Truck Cargo Legal Liability insurance or Contingent Truck Cargo Legal Liability Insurance in an amount not less than $100,000 (U.S. Dollars) per occurrence. Such insurance policy shall provide coverage to ROCK-IT, the Customer or the owner and/or consignee for any loss, damage or delay related to any property for transportation services arranged for or provided by BROKER under this Agreement. The coverage provided under this policy shall have no exclusions or restrictions of any type, including but not limited to any exclusion for the commodities being transported, electronics or other delicate or high value products; and unattended vehicles or limitation of coverage when the trailer is unattached to the power unit, that would foreseeably preclude coverage for the tendered shipment.

d. Workers' Compensation insurance coverage as required by applicable law and Employers Liability with limits not less than $1,000,000 or compliance with monopolistic state funds.

e. All coverages required herein shall be with a reputable and financially responsible insurance company (A.M. Best's A- rating or better), name ROCK-IT as an additional insured for coverage (a) above and as a loss payee for coverage (c) above, waive any rights of subrogation and include an endorsement that such coverage shall be primary and non-contributory to any other insurance obtained by ROCK-IT or its Customers.

f. BROKER shall furnish to ROCK-IT written certificates and copies of policy endorsements showing that such insurance and endorsements have been procured, are being properly maintained, the expiration date, and specifying that written notice of cancellation or modification of the policies shall be given to ROCK-IT at least thirty (30) days prior to such cancellation or modification. BROKER shall also provide copies of endorsements naming ROCK-IT as additional

insured or loss payee as applicable. Upon request, BROKER shall provide ROCK-IT with copies of the applicable insurance policies.

10. **INDEMNITY**. **BROKER SHALL DEFEND, INDEMNIFY, AND HOLD ROCK-IT HARMLESS FROM AND AGAINST ALL DIRECT OR INDIRECT LOSS, LIABILITY, DAMAGE, CLAIM, FINE, COST OR EXPENSE, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING OUT OF OR IN ANY WAY RELATED TO THE ARRANGING AND PERFORMANCE OF TRANSPORTATION SERVICES ON SHIPMENTS TENDERED UNDER THIS AGREEMENT OR BREACH OF THIS AGREEMENT (COLLECTIVELY, THE "CLAIMS"), INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR OR RELATED TO PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, EMPLOYMENT STATUS OR BENEFITS, SELECTION OF SERVICING MOTOR CARRIERS, AND THE POSSESSION, USE, MAINTENANCE, CUSTODY OR OPERATION OF THE EQUIPMENT PROVIDING TRANSPORTATION SERVICES; PROVIDED, HOWEVER, THAT BROKER'S INDEMNIFICATION AND HOLD HARMLESS OBLIGATIONS UNDER THIS PARAGRAPH WILL NOT APPLY TO THE EXTENT ANY SUCH CLAIM IS DIRECTLY AND PROXIMATELY CAUSED BY THE NEGLIGENCE OF ROCK-IT.**

11. **CONFIDENTIALITY AND NON-SOLICITATION**. Neither party may disclose the terms of this Agreement to a third party without the written consent of the other party except (1) as required by law or regulation; (2) disclosure is made to its parent, subsidiary, affiliate or related entity; (3) disclosure of the requirements set forth hereunder is necessary to ensure the SERVICING MOTOR CARRIER meets all requirements of ROCK-IT or its Customer; or (4) to facilitate rating or auditing of transportation charges by an authorized agent and such agent agrees to keep the terms of the Agreement confidential. Except pursuant to this Agreement, BROKER will not solicit, accept or arrange for the transportation of traffic from any shipper, consignor, consignee or customer of ROCK-IT where (1) the availability of such traffic first became known to BROKER as a result of ROCK-IT's efforts, or (2) the traffic of the shipper, consignor, consignee or Customer of ROCK-IT was first tendered to BROKER by ROCK-IT. If BROKER breaches this Agreement and directly or indirectly solicits freight, accepts freight from or arranges for the transportation of traffic from customers of ROCK-IT and obtains traffic from such customer during the term of this Agreement or for twelve (12) months thereafter, BROKER shall be obligated to pay ROCK-IT, for a period of fifteen (15) months thereafter, commission in the amount of thirty-five percent (35%) of the transportation revenue resulting from traffic transported for the Customer, and BROKER shall provide ROCK-IT with all documentation requested by ROCK-IT to verify such transportation revenue.

12. **NOTICE**. Any notice required or permitted to be given by either party under this Agreement, unless otherwise indicated, shall be directed to the attention of the individual, address and fax number noted below. Notice shall be given by hand, prepaid registered or certified mail, return receipt requested, by a nationally recognized overnight courier or by facsimile transmission (with a confirming copy sent First Class Mail).

IF TO ROCK-IT: Attn:_____
Address:5343 W Imperial Hwy, Suite 900
Los Angeles, CA 90045
Fax:_____

IF TO BROKER: _____
Attn:_____
Address:_____
_____
Fax:_____

13. **DISPUTE RESOLUTION**. The parties agree that prior to initiating any lawsuit against the other regarding any dispute or claim involving any services provided pursuant to this Agreement, the parties agree to work in good faith to resolve all disputes and claims. Either party may request that each party designate an appropriate employee or representative with authority to bind that party needed to resolve the dispute. Should the dispute remain unresolved, the parties agree to mediate the dispute through a mutually agreeable mediator. The prerequisite of mediation shall not apply should: (1) the expiration of the statute of limitations or cause of action be eminent; (2) injunctive or equitable relief being necessary to mitigate damages.

14. **ASSIGNMENT/MODIFICATION/BENEFIT OF AGREEMENT**. This Agreement may not be assigned or transferred in whole or in part, and supersedes all other representations and agreements, whether oral or written, and all tariffs, rates, classifications and schedules published, filed or otherwise maintained by BROKER. This Agreement shall be binding upon and enure to the benefit of the parties hereto. No amendments or modification of this Agreement shall be effective unless made in writing and executed by the parties.

15. **SEVERABILITY**. In the event that the operation of any portion of this Agreement results in a violation of any law, or any portion held to be invalid or unenforceable, the parties agree that such portion shall be severable and that the remaining provisions of this Agreement shall continue in full force and effect.

16. **WAIVER**. Failure of ROCK-IT to insist upon BROKER's performance under this Agreement or to exercise any right or privilege, shall not be a waiver of any ROCK-IT 's rights or privileges herein.

17. **GOVERNING LAW**. This Agreement shall be deemed to have been drawn in accordance with the statutes and laws of California, and all disputes arising from this Agreement shall be exclusively resolved in a court of proper jurisdiction in California, the personal jurisdiction of which the Parties hereto consent.