

## TERMS AND CONDITIONS TO BROKER CONFIRMATION

1. This agreement between FAK, Inc. (hereinafter called "Broker") and Carrier shown and agreed to in writing by Broker on the BROKER CONFIRMATION confirms a legally binding contract between Broker and Carrier.
2. Broker warrants that it will pay Carrier the compensation (net of accessorial charges) shown on the BROKER CONFIRMATION upon presentation by Carrier of a clear original delivery receipt signed by the receiver without exception or notation. Compensation paid under this agreement may be withheld in whole or in part by Broker to satisfy claims or shortages arising out of this or other agreements or to satisfy monetary advances made to or on behalf of Carrier by Broker or to satisfy any debt owed by Carrier to Broker.
3. Carrier agrees that a penalty of non-payment of charges will result if any load is brokered, sub-hauled and or trip leased.
4. Carrier agrees in order to be paid for transportation charges that it will place its name on all prepared shipper bills of Lading and or receipts by the driver agent therefore; the documents may be assigned for collection purposes.
5. On perishable loads requiring refrigeration, temperature protection, or any other special handling, Carrier is solely responsible to determine that the commodities are properly pre-cooled before loading, that commodity temperatures will be maintained in transit as specified by the Bill of Lading or BROKER CONFIRMATION, and that any special handling instructions on the Bill of Lading or BROKER CONFIRMATION will be followed. Properly pre-cooled commodities shall be verified by the Carrier to be at the temperature designated on the Bill of Lading or BROKER CONFIRMATION to be maintained in transit by the Carrier. In the event the commodities are not properly pre-cooled, Carrier shall refuse to load said commodities, or shall not proceed if already loaded, and will immediately contact Broker for further instructions. In the event there is any conflict between the BROKER CONFIRMATION and the Bill of Lading as to refrigeration, temperature protection, or other special handling instructions, the Bill of Lading shall control as to the loading(s) specified herein.
6. Carrier agrees that it shall speak with the Broker at least one (1) time each day to (a) update Broker on the location and status of the shipment, and (b) notify Broker of any problems encountered by Carrier that might affect the delivery date of the freight, and/or the condition of the freight. Carrier agrees that in the event it fails to comply with this requirement, it is subject to a fine of \$100.00 per day for each day it fails to comply, at the sole discretion of Broker.
7. Carrier agrees that it shall immediately notify Broker upon delivery if the consignee marks, stamps, or annotates the delivery receipt with any exception whatsoever; and will submit to Broker original signed Bill(s) of Lading. If Carrier fails to submit original Bill(s) of Lading, Carrier acknowledges that it will not be paid unless/ or until the Broker is paid. Any deductions due to Carrier's failure to submit original Bill(s) of Lading will be charged to the Carrier.
8. Carrier agrees that it understands the requirements of its driver(s) and its equipment pertaining to this BROKER CONFIRMATION, and shall operate in compliance with all federal, state, and local laws, ordinances, governmental rules and regulations related to services performed in conjunction with this BROKER CONFIRMATION. In addition to Broker's other rights and remedies, Broker shall have the right to terminate the Master Carrier Agreement immediately, without payment for any services performed after the date of such termination, if Carrier fails to operate in compliance with all federal, state, and local laws, ordinances, governmental rules and regulations.
9. Carrier agrees that it shall obtain Broker's written agreement to pay to Carrier any accessorial or additional freight charges and that all such charges and required documentation will be presented to Broker on the Carrier's original freight bill. Carrier acknowledges that failure to comply with the requirements specified herein may result in non-payment, or delayed payment, of such additional charges if the freight bill-paying party refuses to pay, or delays payment, respectively to Broker for any accessorial or additional charges. The Broker reserves the right to withhold payment of the accessorial and/or additional charges until paid by freight bill-paying party.
10. Carrier agrees that in the event that Carrier requests an operating advance payment of the charges shown on the BROKER CONFIRMATION, and in the event that FAK agrees to such an operating advance payment, which is at its sole discretion, Carrier shall be charged and agrees to pay to Broker an advance fee as agreed to on the BROKER CONFIRMATION or in line with the current advance fee schedule, whichever is higher, PLUS the then-current per-check fee (currently \$15.50) per advance requested equal to or less than \$1,000.00 -- this per-check fee is subject to change without notice).
11. If Carrier requests a Quick Pay and the Broker agrees to grant it, Carrier agrees to pay to Broker, a Quick Pay fee in line with the current fee schedule. Broker reserves the right to deny a quick pay at their discretion.
12. It is mutually agreed that the relationship created by this agreement is governed by the terms of the separate Master Carrier Agreement previously executed between Broker and Carrier. In the event there exists any conflict between the BROKER CONFIRMATION and/or the TERMS AND CONDITIONS TO BROKER CONFIRMATION herein and terms of the applicable Master Carrier Agreement, the terms of this BROKER CONFIRMATION shall control as to the loading(s) specified herein.