



Frugal Logistics Inc.

PO Box 871, Los Banos CA 93635

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E-mail: dispatch@frugallogistics.com

MC# 619316

Federal ID# 51 0639175

CARRIER REQUIREMENTS: FRUGAL NEEDS THE FOLLOWING DOCUMENTS BACK FROM CARRIER BEFORE PICKING UP LOAD:

- ✓ Completely filled and signed contract. Make sure all contract pages have initials.
- ✓ Certificate of Insurance (GL & Auto Lia. Min 1 M, Preferred 2M, Cargo, Min. 100K, Preferred 150K(including Refer break down, Workers Comp. and Employers Liability with Statutory limits))
- ✓ Copy of ICC MCP Authority
- ✓ Completely filled & signed W-9 form
- ✓ DOT Safer rating needs to be Satisfactory, as it will be verified
- ✓ Blank copy of your company invoice

Physical Address:

Company name: _____

Date: _____

Street Name: _____

City: _____ State: _____ Zip: _____

Tel: _____

Fax: _____

Email: _____

President/CEO:

Name: _____

Tel: _____

Email: _____

Dispatch Phone# _____

Emergency/After Hrs. Phone# _____

Dispatch Fax# _____

Mailing Address:

P O Box/Street Address: _____

City _____ **State** _____ **Zip** _____

FRUGAL LOGISTICS, INC. PO BOX 871, LOS BANOS, CA 93635
 PH:(209)827-6700, FAX: (209)826-6855, EMAIL: dispatch@frugallogistics.com
EMAIL OR FAX FULLY COMPLETED CONTRACT & CARRIER INFO

BROKER / CONTRACT CARRIER & SERVICES AGREEMENT

This Broker / Contract Carrier Services Agreement (the "**Agreement**") is made this _____ day of _____, 2018, between **Frugal Logistics Inc**, a California ("**Broker**"), whose address is P.O. Box 871, Los Banos, California 93635, in its capacity as an authorized property broker, and _____ ("**ServicingCarrier**" or "**Carrier**") whose address is _____, in its capacity as an authorized and independent for-hire motor carrier.

I.

RECITALS

A. **WHEREAS**, Broker is a duly registered broker of property and, as such, arranges for transportation services contracting with independently owned and operated motor carriers to deliver product ("**Product**"). In the course of Broker's business, Broker requires the services of duly registered and licensed for-hire motor carriers under separate contracts with Broker for providing the pick-up and delivery of Product sold by customers ("**Customer**" or "**Customers**") to their respective end-users ("**End-User**"). For purposes of this Agreement, the transportation services performed by Servicing Carrier shall be referred to as the ("**Carrier Service**" or "**Services**").

B. **WHEREAS**, Servicing Carrier is authorized by the Federal Motor Carrier Safety Administration ("**FMCSA**") of the U.S. Department of Transportation ("**DOT**") to operate as a motor carrier in interstate and foreign commerce and/or is authorized by appropriate state agencies to operate in intrastate commerce. Copies of Servicing Carrier's current FMCSA interstate and any applicable state issued intrastate operating authorities are attached as Schedule A hereto. In accordance with these authorities, Servicing Carrier represents that it is fully qualified, competent, and available to provide the Carrier Services required by Broker as specified in this Agreement. Servicing Carrier also holds any and all necessary licenses and authorities to provide the Services for Products also moving intrastate. Servicing Carrier agrees that this Agreement shall apply to any Shipment hereunder whether interstate or intrastate in nature.

C. **WHEREAS**, By this Agreement, and as part of its business, Broker's intent is to enter into contracts with motor carriers, such as Servicing Carrier, who are committed to continued, reliable service and Broker believes that this commitment to the trucking industry is evidenced by operations conducted by and as formal business entities. Therefore, Servicing Carrier agrees to take prompt and appropriate steps to become and operate as a limited liability company ("**LLC**") or a duly formed corporation in the event it is currently operating as a sole proprietorship.

D. **WHEREAS**, in the scope and course of its broker and logistics services, Broker contracts with a number of Customers to arrange for the transportation of Products by carriers, such as Servicing Carrier. Accordingly, the Services performed by Servicing Carrier pursuant to this Agreement shall relate to Broker's contractual arrangements with Customers, consistent

with the terms of this Agreement, including the Schedules attached hereto, which are incorporated herein as part of this Agreement. Servicing Carrier acknowledges and agrees that each such Customer is not a party hereto, nor shall be deemed to be a party to this Agreement.

E. **WHEREAS**, Servicing Carrier, as a separate business enterprise, agrees to and will provide Carrier Services hereunder, providing the necessary equipment ("**Equipment**") for the transportation of shipments ("**Shipment**" and/or "**Shipments**") of Products tendered to and accepted by Servicing Carrier.

NOW THEREFORE, intending to be legally bound, and in consideration of the promises and mutual covenants and conditions hereinafter set forth, Broker and Servicing Carrier mutually agree as follows:

II.

AGREEMENT

BROKER SERVICES. Servicing Carrier acknowledges and agrees that Broker is a property broker regulated and authorized to operate as such pursuant to authority issued by the FMCSA. As required by the Moving Ahead for Progress in the 21st Century Act ("**MAP-21**"), Broker confirms that it enters into this Agreement as a property broker. As a property broker, the regulations of the FMCSA prohibit Broker from representing its operations as being those of a motor carrier. As a property broker, Broker is in the business of identifying, contracting and assigning Shipments hereunder to be performed by motor carriers, such as Servicing Carrier, authorized to transport the Product of Broker's customers. As a property broker, Broker is not a motor carrier and does not operate motor vehicle equipment to deliver Customer's Product, and is not subject to FMCSA regulations governing motor carrier safety. Broker has and maintains a surety bond on file with the FMCSA as required by applicable law and FMCSA regulation.

MOTOR CARRIER SERVICES OF AND TO BE PERFORMED BY SERVICING CARRIER UNDER THIS AGREEMENT.

By way of illustration, and not limitation, the Carrier Services to be provided by Servicing Carrier will include pick-up and delivery of Product for each shipment tendered to and accepted by Carrier in the course and scope of Carrier's business. Within the scope of its Carrier Service, Servicing Carrier agrees to perform such Carrier Service with reasonable dispatch and in accordance with the terms and conditions contained in this Agreement and to perform its Services in such a manner as to meet the agreed upon requirements for each pick-up and delivery schedule and other transportation requirements accepted by Broker in accordance with Broker's contract(s) with Customers which are communicated to Servicing Carrier.

Schedule A – Copies of Servicing Carrier's duly authorized U.S. DOT Motor Carrier Authority and any operating licenses issued as necessary for intrastate services performed by Servicing Carrier under the Agreement.

Schedule B – Agreed Base Rates and Charges.

Servicing Carrier understands and will consider in its own discretion, suggestions offered by Broker or input regarding aspects the Carrier Services to decrease costs and provide more efficient, responsive service to Broker's Customers when and where appropriate.

Servicing Carrier is and at all times shall be an independent contractor. By this Agreement, the Parties hereto do not intend to provide for division of profits between Servicing Carrier, Broker and/or any Customer or to create in Broker and/or Customer joint control over Servicing Carrier's performance of the Carrier Services, or otherwise to create a *de facto* or *de jure* joint venture, joint enterprise or partnership between Servicing Carrier, Broker and/or any Customer. Servicing Carrier shall not be subject to the direction, control or supervision of Broker with respect to the time spent, procedures followed, routes taken and/or methods used in performing the Carrier Services. Instead, Servicing Carrier will manage its own Carrier Services in accordance with the terms of this Agreement. As a professional and qualified motor carrier and as a critical part of its business, Servicing Carrier agrees that it can and will meet and satisfy the service requirements of Broker on each Shipment accepted by Servicing Carrier hereunder.

All Carrier Services performed by Servicing Carrier pursuant to this Agreement shall be as a motor carrier of property in United States in both intrastate and interstate or foreign commerce and all of which shall be rendered as contract carriage within the meaning of 49 U.S.C. §§ 13102(4)(B) and 14101(b)(1). In connection with the Carrier Services, Broker and Carrier hereby expressly waive all provisions of Chapters 137 and 147 and any other provision of Subtitle IV, Part B of Title 49, United States Code. Servicing Carrier and Broker do not, however, waive those provisions of that subtitle relating to registration, insurance, or safety fitness. All intrastate Services performed by Servicing Carrier in California, shall be in accordance with this Agreement, as well as the Motor Carrier Permit ("**MCP**") issued to Servicing Carrier by the California Department of Motor Vehicles ("**DMV**").

Servicing Carrier shall bear all costs and expenses incidental to the operation of the Equipment used in the Carrier Services. Servicing Carrier shall be liable for all fines and penalties incurred during the operation of the Equipment. If Broker or any subsidiary or affiliate of Broker is required to pay any expenses on behalf of Servicing Carrier, Servicing Carrier shall reimburse Broker or the subsidiary or affiliate of Broker in full within thirty (30) days, unless otherwise agreed in writing. In the event that Servicing Carrier shall fail to reimburse Broker for any such expense, Broker may unilaterally and, without prior notice to the Servicing Carrier, offset any such amounts against any amounts otherwise owed to Servicing Carrier by Broker. Any such offset hereunder is fully authorized by Servicing Carrier.

Servicing Carrier shall provide duly qualified and properly licensed drivers. In addition, it is agreed and understood that Servicing Carrier may, from time-to-time, utilize the service of contracted and qualified "**Owner-Operators**" (or "**Subcontractors**") to facilitate delivery of Product hereunder. For the purpose of clarification, "Owner-Operators" are individuals or a company that owns his/hers/its own equipment and operates that equipment under the exclusive authority of the Servicing Carrier that is executing this Agreement. Servicing Carrier will not, in any situation, "trip lease", broker or in any way engage the services of another carrier without prior notice to and acknowledgment of Broker. Servicing Carrier shall be solely responsible to pay all of its employees and/or Subcontractors for all services provided by the Subcontractors. Any Service Carrier Subcontractor is not under contract with Broker. Servicing Carrier shall indemnify Broker from and against any claims or liabilities relating to Servicing Carrier's use of a Subcontractor, including claims for payment of freight charges made against Broker or Customer, with respect to any Shipment hereunder.

This Agreement does not obligate Servicing Carrier to accept for transportation every or any Shipment offered by Broker to Servicing Carrier, nor does it obligate Broker to offer any Shipments to Servicing Carrier. Servicing Carrier expressly acknowledges that it understands

that Broker is not obligated to utilize Servicing Carrier's Services. Broker acknowledges that Servicing Carrier may accept or decline any Shipment tendered to Servicing Carrier in the course and scope of its own business. Furthermore, Servicing Carrier understands that there are no guarantees of Shipment volume and/or any specific lane volumes. In the event Servicing Carrier accepts a shipment offered by Broker, Servicing Carrier agrees to transport and deliver each Shipment in conformity with the terms and conditions of this Agreement. In the event that Servicing Carrier is not able to fulfill Services promised, Broker agrees to give Servicing Carrier, at Servicing Carrier's expense, the opportunity to provide alternate transportation that: (i) completes the commitment of Services promised; (ii) represents limited exposure to risk of additional failure; and, (iii) is agreeable to Broker. If, after Servicing Carrier has taken possession of a shipment offered by Broker, Servicing Carrier is, for any reason within Servicing Carrier's control, unable to complete Services as promised, or if Servicing Carrier is unreasonably delayed in completing delivery, Broker may arrange for completion of delivery at Servicing Carrier's expense. In accordance with Section 2.7, any expense incurred by Broker as a result of Servicing Carrier's inability to perform Services as agreed between the Parties may be deducted from any amounts otherwise due to Servicing Carrier under this Agreement.

EQUIPMENT AND SUPPLIES

Servicing Carrier shall have exclusive possession, control, and use of the Equipment provided by Servicing Carrier to perform the Services hereunder for the duration of each Shipment accepted by Servicing Carrier. Servicing Carrier agrees to provide the Equipment when and as necessary to meet the requirements of each Shipment accepted by Servicing Carrier. The foregoing notwithstanding, in connection with Servicing Carrier's transportation business, Servicing Carrier shall be free to utilize the Equipment for the provision of services to other shippers, brokers, and Servicing Carrier's clients, not solely customers of Broker, without the need to obtain any consent from Broker. If Equipment is not available due to a condition of disrepair, Servicing Carrier will promptly repair such Equipment or provide similar Equipment at no additional cost to Broker.

In the course of its business, Servicing Carrier shall, at its sole cost and expense, furnish all supplies and qualified drivers and Equipment necessary for the safe and efficient operation and maintenance of the Equipment. Servicing Carrier, as a motor carrier conducting its own transportation business, shall pay all operating expenses, including expenses related to repairs and maintenance, in connection with the use and operation of the Equipment and shall, at all times during the term of this Agreement, maintain the Equipment in good order and repair, mechanical condition, and appearance, and ensure that the Equipment is clean and free of any conditions or contents that could or would harm the Product transported by Servicing Carrier in its performance of the Carrier Services hereunder.

RATES, CHARGES AND PAYMENT TO SERVICING CARRIER.

As compensation for, and in consideration of, Servicing Carrier's providing the Carrier Services performed hereunder, Broker agrees to pay the charges (the "**Charges**") set forth in Schedule B of this Agreement. Servicing Carrier shall be responsible for paying all its own operating expenses including those related to any service performed by Servicing Carrier in connection with performing all Carrier Services. Broker shall settle with and pay the required compensation to Servicing Carrier within two (2) weeks from end of the workweek (Sunday through Saturday) in which Servicing Carrier completes delivery, with such compensation based upon the daily cover or recap sheets itemizing mileage and stops en route.

From time-to-time, and in recognition that the Carrier Services are not arranged on a pre-paid basis, Broker may, in its sole discretion, and to the extent that such expenses relate to Servicing Carrier's Services hereunder, advance to Servicing Carrier a portion of existing, but yet unpaid, or future transportation charges, to cover Servicing Carrier's own operational expenses, such as fuel, but not in amount which exceeds \$1,000. When Broker elects to provide such an advance, Servicing Carrier authorizes Broker to offset, deduct, or otherwise recover from Servicing Carrier amounts equal to those advances pursuant to the terms hereof, including deductions from compensation owed Servicing Carrier for Carrier Services and, if necessary, from the Performance Deposit established pursuant to Paragraph 4.4, below.

Servicing Carrier agrees that Broker also may offset against payments otherwise due Servicing Carrier (the "**Settlement Payment**") or, if necessary, from the Performance Deposit, any payments owed by Servicing Carrier under this Agreement for any liability related to Servicing Carrier's acts or omissions, including, but not limited to, claims for freight loss, damage, or delay under Section 12 of this Agreement and/or any advances made under Section 4.2 above.

As reasonable security for Servicing Carrier's performance obligations under this Agreement, including those related to advances under paragraph 4.2, Servicing Carrier agrees to submit a performance deposit in an account with Broker in the amount of \$_____ ("**Performance Deposit**") for each unit of Equipment used to provide the Carrier Services under this Agreement. If at any time during the life of the Agreement, the Performance Deposit is less than the above-specified Performance Deposit amount, Servicing Carrier authorizes Broker to deduct up to \$200.00 per settlement per unit of assigned Equipment from the compensation owed Carrier until the full Performance Deposit has been restored. Upon any deduction of the balance of the Performance Deposit for any reason, Servicing Carrier shall replenish the deposit, by offset or otherwise, to bring the Performance Deposit current to the balance required herein.

The Performance Deposit and all amounts deposited therein, whether by offset or otherwise, are independent of the collection of monies owed to Broker by Servicing Carrier for any damage or cargo claims which are determined as Servicing Carrier's liability hereunder. Servicing Carrier authorizes Broker to deduct additional monies, over and above any amount of the Performance Deposit, from the Servicing Carrier's gross Settlement Payment due hereunder as permissible offset for all outstanding liabilities until such liabilities are paid in full. Servicing Carrier expressly authorizes Broker to use the Performance Deposit as a commercially acceptable source to pay to reimburse any amounts otherwise due and owing from Servicing Carrier to Broker prior to final settlement upon termination of the Agreement by either Party. Any final Settlement Payment (the "**Final Settlement Payment**") between Servicing Carrier and Broker will not occur until at least sixty (60) days after Servicing Carrier's last day of Carrier Services hereunder to ensure resolution of any and all outstanding claims. Broker shall, in the Final Settlement Payment, return the Performance Deposit balance, if any, to Servicing Carrier.

Servicing Carrier agrees that:

it shall be Servicing Carrier's responsibility to invoice Broker for the freight charges due to Servicing Carrier as herein provided;

it shall be Broker's sole responsibility to invoice any Customer for Broker's charges, including Broker's commissions or other fees;

it shall be Broker's responsibility, and not that of any Customer, to remit freight charges owed to Servicing Carrier within the time periods set forth in Section 4, above; and,

Servicing Carrier will have no right to, and hereby expressly waives any claim in its name or by any third-parties claiming by or through Servicing Carrier, to collect or receive payment of charges from any Customer relative to a Shipment transported by Servicing Carrier arranged by Broker. Servicing Carrier hereby waives and releases Customer from any claim for any freight charges or other fees by Servicing Carrier or any assignee thereof.

TERM

This Agreement shall be effective beginning the date first stated hereinabove ("Effective Date") and shall continue for one (1) year from the Effective Date (the "**Initial Term**"). Upon expiration of the Initial Term, this Agreement may be renewed upon written consent of both Parties for additional one-year periods commencing on the anniversary of the Effective Date ("**Renewal Term**").

In addition to any other rights of termination as set forth in Section 17 hereof, Servicing Carrier or Broker may terminate this Agreement without cause upon giving the other Party thirty (30) days' prior written notice of such termination.

SERVICING CARRIER'S PERSONNEL

All personnel utilized by Servicing Carrier in the performance of the Carrier Services, whether as drivers or otherwise, including subcontractors, are and shall be treated by Servicing Carrier as its employees for all purposes including, but not limited to, salary, benefits, federal taxes, state taxes, local taxes, unemployment taxes, and workers' compensation benefits.

Servicing Carrier shall satisfy at a minimum all driver qualification standards consistent with all applicable requirements of the FMCSA, including, but not limited to, familiarity and compliance with state and federal motor carrier safety laws and regulations, and who shall:

Be duly licensed and qualified to operate Servicing Carrier's Equipment; and,

Obtain and maintain all permits, licenses, or authority required by federal, state, or local law, rule, or regulation which are required for the performance of the Carrier Services.

Servicing Carrier assumes full responsibility for the payment of any applicable federal, state, and local payroll taxes or unemployment insurance, workers' compensation, or social security payments for its employees. Servicing Carrier shall maintain, at its sole cost and expense, workers' compensation insurance required under applicable laws. Servicing Carrier shall maintain records evidencing its compliance with the obligations set forth herein during the term of this Agreement and for a period of three (3) years thereafter.

In order to meet service standards applicable to the shipment and installation of Merchandise hereunder, Servicing Carrier agrees that Broker shall have the right to request that any personnel used by Servicing Carrier not perform Carrier Services on behalf of Broker and its Customers. For this purpose, Servicing Carrier acknowledges and agrees that Broker requires and Servicing Carrier shall provide updates regarding all aspects of Servicing Carrier's operations as a motor carrier, including its status with the FMCSA. Broker shall not, however, have the right to affect the employment status of any employee of Servicing Carrier.

In addition to any other indemnity obligation of Servicing Carrier hereunder, in the event of any claim whatsoever, of any nature or kind, made by any employee and/or Subcontractor of Servicing Carrier that he/she/it is, or should be deemed to be, an employee of Broker and/or Customer, in any respect, the Servicing Carrier and its owner(s) or member(s) shall defend, indemnify and hold harmless Broker and/or Broker's Customer from and against any such claim, including any and all damages, attorney's fees and costs incurred by Broker and/or Customer in defending such a claim. In this regard, to the extent that Servicing Carrier conducts business as a corporation or limited liability company, the shareholders or members thereof, as the case may be, represent and covenant that they shall and will maintain in good standing and shall not disavow, in whole or part, such entity status for any purpose or reason, including a claim of employment with Broker and/or Customer.

LICENSES, PERMITS AND TAXES. Servicing Carrier is now and at all times during this Agreement shall procure and maintain all necessary vehicle licenses and permits as are required by federal, state and local authorities to perform the Carrier Services. Servicing Carrier shall pay any and all fuel, property, ad valorem, excise and third-party road taxes, and any other taxes, fees and related assessments, associated with or related to the operation of Servicing Carrier's Equipment.

INDEPENDENT CONTRACTOR. Servicing Carrier is and shall perform the Carrier Services provided for hereunder as an independent contractor, and neither Servicing Carrier nor any of its employees, personnel or Subcontractors shall be deemed to be an employee of or engaged in a joint venture with Broker. As between Servicing Carrier and Broker and subject to the requirements of U.S. Department of Transportation, including 49 CFR Part 376, and any state regulatory agency having jurisdiction, Servicing Carrier shall have exclusive control and direction of the persons operating and/or loading the Equipment or otherwise engaged in providing any of the Carrier Services hereunder and shall be entitled to exercise the discretion and judgment of an independent contractor in determining the manner and means of performing its obligations under this Agreement.

COMPLIANCE WITH LAWS. Each Party agrees to comply at all times with any and all applicable federal, state and local laws which may govern such Party's conduct hereunder. In addition, Servicing Carrier shall comply, and shall have its drivers and helpers comply, with all applicable federal, state, and local laws, rules, and regulations regarding safety ("**Safety Regulations**") including, as applicable, Safety Regulations regarding the Equipment, drivers, helpers, drug and alcohol screening, and hours of service.

CONTINUOUS COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.

Servicing Carrier is responsible for full compliance with all respective and applicable federal, state and municipal rules and regulations relating to the operation and maintenance of the Equipment and Services covered by this Agreement, as may be applicable to Servicing Carrier's performance hereunder, including the preparation and filing of logs, time cards, or other documents, as well as documentation and notification of accidents in a timely manner as required by law and this Agreement.

CSA or CSA 2010 refers to the regulatory program adopted and implemented by the FMCSA, as part of the DOT, which represents that agency's Safety Management System ("**SMS**") BASIC to measure, monitor and characterize the safety performance of carriers' services under the methodology adopted by FMCSA for such purposes. Within the requirements of the SMS, the term "Alert" is used as a designation to characterize a motor carrier's safety

performance within the BASIC parameters adopted by FMCSA. Servicing Carrier represents and warrants that at all times, Servicing Carrier will be in full compliance with all such regulations and law, including maintaining a "Satisfactory" safety rating at all times. In addition, if Servicing Carrier is notified of an "Alert" warning from the FMCSA, Servicing Carrier will immediately inform Broker of such notice, whereupon Broker may investigate, with Servicing Carrier's full cooperation, the circumstances leading to the "Alert" status. Notwithstanding any other provision related to termination of this Agreement, Broker in its sole discretion may terminate this Agreement on one (1) day's written notice, in its sole discretion, on the basis of the results of such an independent investigation.

Servicing Carrier shall maintain adequate safety management controls to meet that portion of the safety fitness standards prescribed in 49 C.F.R. § 385.5(a) as to all Shipments hereunder, whether intrastate or interstate in nature. In the event that Servicing Carrier shall fail to: (a) comply with any applicable law or regulation related to its operation and the Services performed hereunder; (b) maintain in Broker's sole discretion appropriate compliances with the safety methodology of CSA as provided in Section 10.2 above, including the assignment of an "Alert" status; (c) keep active and in good standing any authority necessary to transport Product; and/or, (d) keep and maintain insurance coverage as herein provided, Broker notwithstanding any other provision related to terminating this Agreement, may thereupon and in its sole discretion immediately terminate this Agreement upon one (1) day's written notice to Servicing Carrier. Servicing Carrier agrees not to undertake to use Subcontractors who themselves do not meet the compliance standards of this Section 10 when Broker has consented to such an arrangement.

Upon failure of Servicing Carrier to fulfill any requirements imposed by any law, rule or regulation, Servicing Carrier expressly agrees that Broker may, in its sole discretion, either reduce Servicing Carrier's payments hereunder in any reasonable amount necessary to offset Broker's losses and expenses, arising out of such default, and/or may terminate this Agreement forthwith, or both.

Compliance by Servicing Carrier's employees with the mandates of any law related to their respective performances hereunder shall be the sole responsibility of Servicing Carrier. Servicing Carrier recognizes that neither Broker nor Broker's employees or agents are authorized to supervise Servicing Carrier or Servicing Carrier's employees or agents and Servicing Carrier acknowledges its responsibility to exercise such supervision.

Servicing Carrier shall promptly report to Broker all accidents, claims, losses, injuries and citations giving rise to claims of responsibility under California Vehicle Code ("**CVC**") § 40001 or any similar state or federal statute or requirement existing at the location of the accident, or damage of any kind whatsoever which arises while Servicing Carrier is performing requested Services for Broker or displaying Broker's name or other identification. Servicing Carrier will provide to Broker such reports as may be reasonably necessary to communicate the facts surrounding such circumstances and shall otherwise cooperate with Broker and Broker's insurers in the handling and resolution of any claims or inquiries arising therefrom.

Servicing Carrier shall indemnify and hold harmless Broker against any and all liability, including attorney's fees and other legal expenses, imposed, or claimed to be imposed, upon Broker, arising directly or indirectly from the failure of Servicing Carrier and Servicing Carrier's employees, agents, servants, Subcontractors or representatives to comply with the provisions of state or federal law, rule, regulation or of this Agreement with respect to the Services performed hereunder.

INDEMNIFICATION.

In addition to any other indemnity obligation of Servicing Carrier set forth herein, and except to the extent of any negligence, in whole or part, attributable to Broker under the circumstances, Servicing Carrier shall defend, indemnify, and hold harmless Broker and any of Broker's Customers for which Services were performed hereunder, including, without limitation, any officers, directors, agents, employees and/or contractors, of Broker and any such Customer, from and against all loss, liability, damage, claim, fine, cost or expense, including reasonable attorney's fees and court costs, arising out of or in any way related to the performance or breach of this Agreement by Servicing Carrier, its employees or Subcontractors working for Servicing Carrier (collectively, the "Claims"), including, but not limited to, Claims arising from: (a) personal injury (including death) or property damage; (b) Servicing Carrier's possession, use, maintenance, custody or operation of the Equipment; (c) claims by any governmental agency or authority for violation of any law or regulation related to the Carrier Services (including claims by governmental agencies for unemployment, income or other taxes or workers' compensation); and, (d) any and all damages to or loss of any Product while under the care, custody and control of Servicing Carrier.

Except to the extent of any liability attributable to Servicing Carrier, Broker shall defend or indemnify, and hold harmless Servicing Carrier and its directors, officers, agents, and employees from and against all claims, proceedings, causes of action, and suits alleged to arise out of or relate to: (a) any act, omission, or breach of any provision of this Agreement by Broker; and, (b) any accident, injury, or damage whatsoever occurring, to the extent arising out of negligent acts or omissions on the part of Broker with respect to this Agreement; provided however, that Broker's indemnification and hold harmless obligations under this paragraph will not apply to the extent that any such claims are caused by Servicing Carrier, in whole or part.

In the event such Claims, proceedings, causes of action and suits are alleged to arise from or relate to the joint and concurrent negligence of the Parties, or the Parties and a third-party, the indemnity obligations of the Parties under this Section 11 of the Agreement for such Claims, proceedings, causes of action, and suits shall be borne by each Party in proportion to its degree of fault. In no event shall the Party requesting indemnification under this Section 11 be entitled to such indemnification, defense, or to be held harmless for the proportionate responsibility that its own negligence bears for causing the accident, injury, or damage giving rise to the Claims, proceedings, cause of action, or suit for which indemnification is sought.

Except to the extent of any claim made by Broker's Customer against Broker related to any indemnity claim by Customer against Broker which arises from any liability of Servicing Carrier, in no event shall either Party be liable to the other under this Section 11 for any consequential, special, punitive, or exemplary damages. Any indemnified party under this Section shall promptly tender the defense of any claim to the indemnifying party. Servicing Carrier's liability for cargo damage, loss, theft, or delay shall be governed by Section 13, below.

The obligations of this Section 11 of the Agreement shall survive termination of the Agreement.

INSURANCE. Servicing Carrier agrees to carry, at its sole expense, the following insurance coverages, with an insurance company or companies satisfactory to Broker, insuring Servicing Carrier's liability to pay for any loss, damage, or injury arising out of the performance by Servicing Carrier of this Agreement. The following minimum coverage limits shall be maintained in full force and effect during the term of this Agreement.

Automobile Liability (“AL”) Insurance to cover liability for bodily injury, including death, and property damage with a combined single limit of at least \$1,000,000 per occurrence, or such greater amount as required by applicable law, indicating coverage of “Any Auto” or Scheduled, Hired and Non-owned (all units owned, leased, or rented (Hired auto coverage)). Such policy shall contain no exclusion for commercial operations. This coverage shall include Contractual Liability to cover any liability assumed under this Agreement.

Commercial General Liability (“CGL”) Insurance with a combined single limit of at least \$1,000,000 per occurrence with a \$2,000,000 aggregate. This coverage shall include Contractual Liability to cover any liability assumed under this Agreement.

Excess Umbrella Liability (“EUL”) insurance with minimum limits of \$2,000,000 per occurrence, over both AL and CGL, and, in the event applicable law requires more insurance than is required by this Agreement or insurance other than that required by this Agreement, then Servicing Carrier shall also acquire the insurance required by applicable law.

Servicing Carrier shall obtain and maintain Cargo liability insurance of a coverage limit of not less than \$100,000.00 per occurrence. Said insurance shall provide coverage and without limitation or offset as to contribution under any policy which Broker may have obtained. The cost of such insurance shall be borne exclusively by Servicing Carrier.

Servicing Carrier shall maintain all required State workers' compensation coverage and comply with all applicable worker's compensation laws, including contribution to state funds where applicable.

Before performing any Carrier Services under this Agreement, Servicing Carrier shall furnish to Broker any and all Certificates and Endorsements to demonstrate that Broker is a named additional insured as to all coverages required above and containing the unequivocal agreement on the part of the insurer to notify Broker of the cancellation of or any material changes in said insurances at least thirty (30) days prior to such cancellation or change.

Servicing Carrier's failure to comply with any element of the insurance requirements set forth herein shall entitle Broker, in Broker's sole discretion, to immediately suspend all performance hereunder pending compliance by Servicing Carrier, or to terminate this Agreement immediately. The rights and remedies of Broker contained in this provision shall not affect any other rights and remedies available to Broker under this Agreement or under applicable law.

CARGO LIABILITY. Servicing Carrier shall be liable to Broker and, as the case may be, directly to Customer for any and all loss, theft, damage, and/or delay to any Product occurring while in the possession of or under the control of Servicing Carrier. Broker, for itself or the particular Customer, shall be entitled to any and all remedies relative to any such loss or damage to Product. Servicing Carrier shall immediately report to Broker all cargo claims, including all shortages, overages, delays, mis-delivery, and any direct damage claim relating to lost, damaged, or contaminated loads, arising out of or in connection with the Carrier Services. The liability of Servicing Carrier for any claim for loss, theft, damage, and/or delay shall not be limited by any exclusion in Servicing Carrier's cargo insurance, by the limit of such insurance, or by any other source document under which Servicing Carrier seeks to limit damages to other than full liability.

FORCE MAJEURE. Except to the extent of any negligence attributable to a Party relative to any event by Force Majeure, neither Party shall not be liable for failure or delay in its respective performance hereunder if such failure or delay results from a national emergency, federal, state, provincial or local laws, rules or regulations, shortages, fuel allocation programs, fire, riot, strike, acts of God, or any other cause or causes beyond the control of Servicing Carrier.

WAIVER OF LIEN AND CUSTOMER BILLING. Servicing Carrier shall not withhold any Product transported hereunder on account of any dispute as to rates or any alleged failure of Broker to pay charges incurred under this Agreement as to any Shipment hereunder. Servicing Carrier is relying upon the general credit of Broker for payment of its Services hereunder, and hereby expressly waives and releases all liens of any nature which Servicing Carrier might otherwise have relative to the Shipment of any Product in the possession or control of Servicing Carrier. If Servicing Carrier breaches this provision, Servicing Carrier agrees that Broker shall have no adequate remedy at law to take possession of any Product or goods withheld by Servicing Carrier. Accordingly, Servicing Carrier agrees that in such circumstance, and notwithstanding any other remedy in this Agreement, Broker may seek appropriate injunctive relief to protect and obtain possession and control of such goods and Products, and Servicing Carrier shall hold harmless, indemnify and defend Broker from any claims by Broker's Customer relative to such goods and Products, including all costs and fees, including attorney fees, incurred by Broker to protect such Product or goods.

OPERATING AUTHORITY AND COMPLIANCE WITH LAWS. Except as otherwise provided herein, each and every Shipment tendered to Servicing Carrier by Broker on or after the Effective Date of this Agreement shall be deemed to be a tender to Servicing Carrier as a for-hire motor carrier and shall be subject only to the terms of this Agreement and provisions of law applicable to motor carriage hereunder. Servicing Carrier represents and warrants that it has and will continue to have during the term of this Agreement all required authorities, licenses, and permits required to perform the Carrier Services. Servicing Carrier further represents and warrants that it does not have an Unsatisfactory Safety rating issued by the FMCSA. In the event that Servicing Carrier receives an Unsatisfactory Safety rating or has its interstate and/or intrastate operating authorities suspended or revoked, Servicing Carrier shall notify Broker immediately of such fact and shall not transport any Shipments thereafter. Servicing Carrier shall comply with all applicable laws, rules and regulations in general as well as all other federal and state laws or regulations specifically applicable to a motor carrier, its employees, drivers and personnel related to transportation of Shipments tendered under this Agreement.

TERMINATION. Except as otherwise provided herein, Broker shall have the right to terminate this Agreement immediately upon written notice to Servicing Carrier in the event that:

Servicing Carrier commits a material breach of this Agreement;

Servicing Carrier loses its operating authority, is issued an "Unsatisfactory" safety rating by the FMCSA, or otherwise becomes disqualified to perform its obligations under this Agreement;

Servicing Carrier is unable or unwilling to meet and maintain its financial or insurance obligations under this Agreement in a timely manner;

Servicing Carrier is insolvent, dissolves, or otherwise makes an assignment for the benefit of creditors;

A proceeding in bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceedings is instituted by or against Servicing Carrier;

A trustee or receiver is appointed for Servicing Carrier; and/or,

Servicing Carrier changes its business structure or status (e.g. from corporation to limited liability company) without notifying Broker of such change or corporate dissolution at least thirty (30) days in advance of its effective date.

CONFIDENTIAL INFORMATION.

Servicing Carrier hereby recognizes and acknowledges that any list of Broker's Customers is a valuable, special and unique asset of Broker. Servicing Carrier agrees, during and after the term of this Agreement, not to disclose any of Broker's Customers to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever without Broker's prior written consent. Servicing Carrier agrees to preserve as "Confidential Matters" all trade secrets, know-how and information relating to Broker's business, forms, processes, developments, sales and promotional systems, prices and operations, which information may be obtained from tariffs, contracts, freight bills, letters, reports, disclosures, reproductions, books, records, or other carriers under contract to Broker, and other sources of any kind resulting from this Agreement. Servicing Carrier agrees to regard such Confidential Matters as the sole property of Broker, and shall not publish, disclose or disseminate the same to others without the written consent of Broker. In the event of any breach or threatened breach by Servicing Carrier of the provisions of this paragraph, Broker shall be entitled to an injunction, restraining Servicing Carrier from disclosing, in whole or in part, the list of Broker's Customers, and all other Confidential Matters. Servicing Carrier agrees that Broker will be irreparably damaged in the event of any breach of this provision by Servicing Carrier. Accordingly, in addition to any other legal or equitable remedies that may be available to Broker, Servicing Carrier agrees that Broker will be able to seek and obtain immediate injunctive relief in the form of a temporary restraining order without notice, preliminary injunction, or permanent injunction against Servicing Carrier to enforce this confidentiality provision. Broker shall not be required to post any bond or other security and shall not be required to demonstrate any actual injury or damage to obtain injunctive relief from the courts. Nothing hereunder shall be construed as prohibiting Broker from pursuing any remedies available to Broker at law or in equity for such breach, including the recovery of monetary damages from Servicing Carrier.

No use or access granted Servicing Carrier by Broker nor the assessment of any charges to Servicing Carrier, will afford Servicing Carrier any use, license, or ownership rights in any confidential or proprietary information, or intellectual property of Broker or Customer.

The terms of this Agreement shall be considered proprietary and confidential information, and Servicing Carrier may not disclose such terms to a third party without the written consent of Broker except: (1) as required by law or regulation; (2) disclosure is made to its parent, subsidiary or affiliate company; or, (3) to facilitate rating or auditing of transportation charges by an authorized agent, only if such agent has agreed to keep the terms of the Agreement confidential.

DISPUTE RESOLUTION.

Having entered into this Agreement in good faith, and for their own respective business purposes, the Servicing Carrier and Broker (referenced herein for purposes of this Section 19 as

“Party” or “Parties”) agree that it is in their own best and mutual interests that any dispute related to the terms of, performance of or claims under this Agreement with respect to the application, interpretation and/or breach of any term, duty or obligation of and under this Agreement, including, without limitation, any claim by Carrier, its employees, agents, servants and/or Subcontractors, that any one of them claims to be and/or is determined to be an employee of Broker, the Parties herewith agree, for themselves and/or any employee or agent, to resolve any such dispute (“Dispute”) only in accordance with and solely under the following procedures:

Meet and Confer; Mediation. Either Party may give written notice to the other regarding the existence of a Dispute to conduct a meet and confer sessions(s) between them the (“**Meet and Confer**” process). Within the thirty (30) days following the date of receipt of such notice by the other Party, an authorized representative of each of the Parties having full settlement authority shall meet and confer at least once in an effort to resolve the Dispute informally. If such effort fails to mutually resolve the Dispute between them, either Party may request, and the other Party shall participate in, a procedure whereby the Dispute is submitted to an experienced mediator upon terms as may be mutually agreeable to the Parties to conduct a mediation (“**Mediation**”) between the Parties for such time as necessary to implement and complete such Mediation (“**Mediation Period**”).

Arbitration. If after the expiration of the thirty (30)-day Meet and Confer or the Mediation Period, as the case may be, the subject Dispute is not resolved, the Parties shall submit the Dispute for final and binding arbitration (“**Arbitration**”) through and before JAMS (Judicial and Mediation Service) in _____, California, under the rules set forth by JAMS, before a single arbitrator (“**Arbitrator**”) with appropriate subject matter expertise. The award of the Arbitrator may be enforced in any court of competent jurisdiction.

Selection of Arbitrator. If the Parties are unable to mutually agree on an Arbitrator, the Parties shall each submit to the other a list of acceptable and qualified arbitrators in order of preference. The first common name to appear on both of the lists shall be appointed the Arbitrator. The Arbitrator shall be reimbursed all expenses and compensated at his or her standard rate for such purposes.

Procedures for Arbitration. The Parties agree that in order to expedite any such Arbitration hereunder, discovery will be limited to: (a) no more than two (2) depositions per side; (b) twenty (20) interrogatories; (c) twenty (20) requests for admissions, and (d) ten (10) requests for production of documents. Each Party shall be responsible for its own costs and fees for such Arbitration. The Parties also agree and represent that, to the extent they are doing business as a corporation or limited liability company, then their respective owners agree to and shall participate in and be bound by the results of any such Arbitration. It is the intent of the Parties that the Arbitration shall resolve any and all Disputes between the Parties. Any Party may apply to the Arbitrator seeking injunctive relief until the Arbitration award is rendered or the controversy is otherwise resolved. Any Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim, extraordinary, injunctive or provisional relief that is necessary to protect the rights or property of that Party pending the Arbitration.

Authority of Arbitrator.

Subject to Section 19.4 above, the Arbitrator shall have the sole power to order the Parties to present evidence, including documents or testimony that the Arbitrator deems

necessary to the rendering of a fair and equitable decision. The Arbitrator shall have the final judgment, in accordance with California law, as to what evidence and testimony to permit to be entered in the proceeding and the weight to be accorded each.

The Arbitrator shall have no power to award punitive damages and any arbitration award of damages hereunder to either Party shall be limited to actual damages.

The Parties expressly agree that this Agreement shall confer no power or authority upon the Arbitrator to render any judgment or award that is erroneous in its application of the terms of this Agreement or substantive law.

The Arbitrator shall render the award in writing and, unless both Parties agree otherwise, shall include an explanation of the reasons for the award, which explanation may be limited to matters necessary to support the award and need not attempt to cover all issues raised by the Parties.

The Parties expressly agree and acknowledge that the assigned Arbitrator shall have absolute authority to determine whether any Dispute hereunder is arbitrable under this Section 19.

Equitable Relief. The Arbitrator shall have the power to order equitable relief, including protection of the status quo pending the completion of the Arbitration and the issuance of the decision. Pending the settlement of the Dispute by voluntary means pursuant to paragraph 19.5 or the appointment of an Arbitrator under paragraph 19.3, either Party may go to a court of competent jurisdiction to seek equitable relief, including a temporary injunction or restraining order. Upon the appointment of the Arbitrator, any relief granted by the court shall remain in effect until reversed or removed by the Arbitrator or until a final Arbitration decision is issued and entered.

Waiver. For purposes of this Section 19, and to assure that the terms hereof shall be and are the sole remedy available to either Party as to any Dispute hereunder, each of the Parties hereto represent, covenant and warrant to the other that each of them hereby mutually waive and will not participate as a Party in or to any class action proceeding which is in any manner contrary to the purpose of this Section 19 that all Disputes of any nature between the Parties shall be resolved and determined in accordance with the provisions of this Section 19. In the event that either Party shall breach this or any other term of this Section 19, then such Party is and shall be required to reimburse the other Party for any and all costs, including attorneys' fees, related to having to enforce the rights and obligations of this Section 19.

Confidentiality. The Parties agree that any Meet and Confer, Mediation and/or Arbitration shall be subject to the Confidentiality provisions as set forth herein.

INITIALS

INITIALS

SUCCESSORS. This Agreement shall bind the heirs, executors, administrators, successors and assigns of the Parties hereto. Any assignment of this Agreement by Servicing Carrier shall be subject to the prior written consent of Broker in its sole discretion.

WAIVER OF RIGHTS. Broker and Servicing Carrier expressly waive any and all rights and remedies allowed under 49 U.S.C. § 14101 to the extent such rights and remedies conflict with

this Agreement, and/or the attached appendices. Any delay or failure by either Party to exercise any right under this Agreement shall not be construed as a waiver of the right to exercise the same or any other right at any other time and from time-to-time thereafter.

SAVINGS CLAUSE. This Agreement is intended for general use primarily in the United States. In the event any of the terms and provisions hereof are in violation of or prohibited by any federal, state, or local law, statute, or ordinance of the United States where used, such terms and provisions shall be of no force and effect to the extent of such violations or prohibition without invalidating other terms and provisions of this Agreement.

NOTICES. Any notice shall be sent by certified mail, overnight mail, or electronic facsimile to the address written above or such other address as either Party may provide. Notice shall be deemed delivered upon deposit in the United States Mail or confirmed delivery by the overnight carrier or confirmation of transmission of electronic facsimile.

ENTIRE AGREEMENT. This Agreement and Appendices represent the entire Agreement between Servicing Carrier and Broker. All previous and/or contemporaneous representations, either written or oral, are annulled. No modifications shall be binding on either Party unless in writing and executed by Servicing Carrier and Broker. Broker has not acquired title, interest, or proprietary rights to the Equipment.

GOVERNING LAW. This Agreement shall be deemed to have been prepared in accordance with the laws of the State of California. The Parties hereby consent to the exclusive personal jurisdiction of the state and federal courts located in California and waive jurisdiction of all other courts. In event of any disagreement or dispute, the laws of the State of California shall govern all interpretations of this Agreement or any rights or liabilities stemming from it or related to it in any such action. The obligations in this paragraph shall survive termination of the Agreement.

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be executed in their respective names by their duly authorized representatives as of the date first above written.

Broker:

Servicing Carrier:

By: _____

By: _____

Print Name

Print Name

Title

Title

SCHEDULE A

SERVICING CARRIER’S OPERATING AUTHORITIES

This Schedule A is incorporated in and made a part of the Broker / Contract Carrier and Services Agreement (“Agreement”) dated _____, 2015, as follows:

U.S. DOT (copy attached): _____

Motor Carrier Number (copy attached): _____

Intrastate (as necessary) (copies attached):

WORKERS COMPENSATION HOLD HARMELESS LETTER

_____ (“Carrier”) agrees to hold harmless and indemnify Frugal Logistics, Inc against any award by a Workers Compensation Court or similar administrative body or court of law, arising out of claims by any employee or agent of Carrier for work-related injuries.

(name of officer)

(date and location)

Please answer the following questions truthfully, to the best of your knowledge.

Do you currently, or have you or any of your relatives, affiliates or acquaintances ever worked for or with any of the following companies:

Coast Express, Inc
Super Trucking

Eagle Carriers
Harry Logistics

If yes, please specify which company (companies) and the time frame in which you/they worked for or with them.

Do you have any friends, relatives, affiliates or acquaintances that currently or have ever worked with Frugal Logistics?

If yes, please give their names and estimated time frames in which they worked for or with Frugal Logistics.

Have you ever deliberately held a load, or made a late delivery, to spite a broker/ customer?

Yes No

If yes, please explain:

Equipment: No of Tractors: _____

No of Trailers: _____

Billing/Invoice Contact _____

I declare and affirm under penalty of perjury that the statements made herein are true and correct.

Name: _____ Tel: _____

Title: _____

Signature: _____

Please attach 3 references. **NO load will be tendered without completion of all documents.**

To: All New and Existing Frugal supporting Carrier Base (Asset/Broker)
From: Frugal Logistics
Re: California ARB – TRU – ATCM
Date: 12-03-2012

This letter is being sent to all carriers who transport refrigerated products for Frugal Logistics within California.

Effective January 1, 2013, the new California Air Resources Board’s (ARB) Transportation Refrigeration Unit (TRU) Airborne Toxic Control Measure (ATCM) requirements for brokers, forwarders, shippers, receivers, motor carriers and drivers goes into effect.

In order to ensure that all carriers who Frugal Logistics tenders freight to (Asset or Broker) are in compliance with California’s ARB TRU ATCM, we are requiring that **all brokers, forwarders, or its agents certifies that any TRU equipment hired or furnished will be in compliance with the in-use requirements of California’s TRU regulations.** Frugal Logistics does not condone the use of non-approved equipment and requires that all carriers only use ARB compliant TRU’s on California highways and railways.

Your signature below (including your company name, address, phone number and MC #) acknowledges that you have read and understood the requests/requirements of Frugal Logistics and are **only** utilizing fully compliant TRU equipment on any and all loads being transported for us within California’s boundaries.

Please direct any questions or concerns to Sunny Singh, s.singh@frugallogistics.com.

Sunny Singh

Frugal Logistics

Carrier Name: _____

Carrier Rep: _____

Carrier Signature: _____

Carrier Address: _____

Carrier Phone #: _____

MC#: _____

Frugal Logistics, Inc

Preferred Payment Agreement

**Please choose from the following payment options available

Please note, checks are **ONLY generated on Fridays

- **Normal** – payment is made 21 days from the day we receive all original paperwork (clean BOLs, lumper receipts, temp strips, etc.) pertaining to the load.

Signature: _____

Print Name: _____

- **QuickPay** – 5% charge – payment is made within 7 days from the day we receive all original paperwork (clean BOLs, lumper receipts, temp strips, etc.) pertaining to the load. Paperwork must be received by 4pm on Wednesday to be paid that Friday; if not check will be processed the following Friday. Please note, QuickPay will not be an option on loads that have rejections, damages or other claims.

Signature: _____

Print Name: _____

*Fuel advances are also available, (on a case by case basis) for up to 40% of the load rate. The charge for an advance up to \$1000.00 will be a minimum of \$25.00. Any advances over \$1000.00 will be charged 2.5% of the advance.

PAPERWORK RELEASE



WE REQUIRE ORIGINAL PAPERWORK (BILL OF LADINGS, LUMPER RECEIPTS, ETC.) ON ALL LOADS. NO EXCEPTIONS WILL BE MADE. WE DO UNDERSTAND THAT MORE AND MORE OF OUR SUBHAULERS ARE GOING WITH FACTORING COMPANIES AND WE HAVE NO PROBLEM WITH THAT BUT PLEASE MAKE SURE YOU LET THEM KNOW WE REQUIRE ORIGINAL PAPERWORK ON ALL LOADS. WE ARE BOOKING THE LOAD WITH YOU NOT YOUR FACTORING COMPANY SO YOU NEED TO DO YOUR PART TO MAKE THEM UNDERSTAND OUR TERMS.

PLEASE BE AWARE THAT PAYMENT EVEN QUICKPAY WILL NOT BE ISSUED OFF OF FAXED OR MAILED COPIES OF THE BILLS OF LADING, LUMPER RECEIPTS, ETC. IN ORDER TO BE PAID QUICKLY AND WITHIN TERMS PLEASE MAKE SURE YOU SEND THE ORIGINALS AS SOON AS YOUR DONE DELIVERING THE LOAD.

I _____ hereby agree that I will submit only the original paperwork to Frugal Logistics upon completion of the load brokered to me by Frugal Logistics.

Company Name: _____

Authorized Signature: _____

Date: _____



Frugal Logistics Inc.

PO Box 871 Los Banos, CA. 93635

Ph: (209) 827-6700

Fax: (209) 826-6855

E-mail: dispatch@frugallogistics.com

MC# 619316

Federal ID# 51 0639175

We understand that most carriers elect to utilize the services of factoring companies due to their convenience and quick process. However, in order to avoid any delays in our payment process, we ask that you please understand our load requirements. In order to process payments in a timely manner, we ask that you submit all **original** BOL's, temp strips, and receipts for any **previously approved** accessorial charges (lumpers, detentions, etc.) along with our rate confirmation within 15 days from the date of delivery. All paperwork received after this deadline will be assessed a \$100 late fee which will be automatically deducted from your payment. Please be advised we do require that you also send temp strips for any loads containing temp recorders. Missing temp strips will result in an additional fee of \$100.

We appreciate your understanding and compliance with our policies. If you have any questions, please let us know.

Thank you.

Sincerely,

Surjit Singh

(President)

Acknowledged by: _____

Title: _____

Date: _____

FRUGAL LOGISTICS
 PO BOX 871
 LOS BANOS, CA 93635
 PHONE 209-827-6700
 FAX 209-826-6855
 EMAIL: DISPATCH@FRUGALLOGISTICS.COM

ATTENTION INSURANCE AGENT

One of your valued customers is seeking your help

RE: CERTIFICATE OF INSURANCE

TO: _____ FAX#: _____
 Carrier's Insurance Agent

INSURED: _____
 Carrier's Company Name/Insured's Name

PLEASE ADD AS CERTIFICATE HOLDER:

FRUGAL LOGISTICS
 PO BOX 871
 LOS BANOS, CA 93635

THANK YOU FOR YOUR QUICK RESPONSE TO THIS REQUEST!

ELD Compliance Notice

Please see the attached letter and form. Frugal wants to make sure that all the Carriers that do business with us and help us haul the freight and goods for our customers, understand and will be compliant with the new ELD Mandate that becomes effective December 18, 2017. While we understand that no one likes more regulations and requirements, this mandate will become effective in December and we must all work under its rules and constraints. Frugal will work with our customers and with you our excellent carrier base to make sure that the whole supply change will perform smoothly.

If you have any questions, please call our carrier compliance department at 209-827-6700.

Thanks for your cooperation

Carrier Compliance

Frugal Logistics Inc

Attention Carriers,

As a reminder, the ELD Mandate will be effective on December 18, 2017. Frugal Logistics will require all carriers to be compliant or show proof of exemption before December 18th. Carriers who do not comply or show proof of exemption will not be booked on any loads until compliance is complete.

We have attached to this letter, Frugal Logistics ELD Compliance Form which must be sent back to us along with this carrier packet.

If you have any questions, please feel free to contact us.

Thank you,
Frugal Logistics

ELD Mandate Proof of Compliance

Frugal Logistics, Inc. will require all Carriers to adhere to the FMSCA's ELD Mandate by December 18th, 2017. Frugal will require the undersigned Carrier to be compliant and provide proof of compliance in order to move freight for Frugal.

In order to show compliance, Frugal requires the information to be provided:

Device name: _____

Model Number: _____

Software Version (if available): _____

ELD Identifier: _____

Provider Company: _____

In addition to ELD itself, the following must also be in the vehicle:

- 1) A user's guide to operating the ELD. This will be given to an authorized safety official along with your ELD during a roadside inspection.
- 2) An instruction sheet with step by step instructions for transferring hours of service records to an authorized safety official.
- 3) An instruction sheet of reporting ELD malfunctions and recordkeeping procedures during ELD malfunctions.
- 4) A supply of paper grid graphs to record driver duty status and related information for the last 8 days in case of ELD malfunction (paper logs).

Frugal understands that some carriers are exempt from the ELD Mandate. If you are exempt, please stat the reason why below:

- CFR 395.1(e) - 100 Air miles for CDL vehicles and 150 miles for Non-CDL Vehicles are exempt from the ELD Mandate.
- Vehicle engines manufactured before 2000 are exempt. If your vehicle is older than 2000 but your engine model year is 2000 or newer, you are required to adhere to the ELD Mandate.
- Drivers who use paper RODS for not more than 8 days out of every 30-day period.

Carrier: _____

By: _____

Name: _____

Title: _____

Date: _____

ELD Mandate

Proof of Compliance Continuation Sheet

Truck Number _____

Model Number _____ Make _____ Year _____

Device Name _____

ELD Identifier _____