



CO-BROKERAGE AGREEMENT

This Co-Brokerage Agreement, including all attachments and amendments (hereinafter "Agreement") is entered into as of the ___ day of _____, 20__ (hereinafter the "Effective Date"), between Jack Pedowitz Enterprises, Inc., and its affiliated or subsidiary entities, including but not limited to, Jack Pedowitz Enterprises, Inc., Pedowitz Machinery Movers of New Jersey, Inc., Pedowitz Machinery Movers of

Florida, Inc., Pedowitz Machinery Movers of Connecticut, Inc., Pedowitz Machinery Movers of The Carolina's, Jack Pedowitz Machinery Movers, Pedowitz Machinery Movers, Pedowitz Logistics, Ltd, Pedowitz Machinery Movers, LLC, located at, 1765 Expressway Drive N, Hauppauge, NY, 11788, 1 Kullman Corp. Campus Dr, 42 Cherry Street, Lebanon, NJ 08833, 9080 Northfield Dr. Fort Mills, SC 29707, 1650 NW 33 Rd. St. Pompano Beach, FL 33064, 571 Plains Rd (Part of 557 Plains Rd), Milford, CT 06461, 557 Plains Road, Milford, CT 06461, 3316 US Hwy 301 N Wilson, NC 27893 and their respective employees, contractors, subcontractors, consultants, agents, representatives, and their respective directors and officers (hereinafter "Broker 1") and _____ and its affiliates, and their respective employees, contractors, subcontractors, consultants, agents, representatives, and their respective directors and officers (hereinafter "Broker 2"). Both Broker 1 and Broker 2 shall be known herein, individually as "Party" and collectively as "Parties".

Whereas, both Parties are duly licensed transportation brokers and are authorized to arrange for the transportation of freight and each Party desires to work with the other Party and others to arrange the transportation of freight on behalf of their respective clients.

Now, Therefore, for and in consideration of the terms and conditions set forth herein, the Parties agree as follows:

WORK PERFORMED

1. Under this Agreement, Broker A is providing the shipping customer(s) whose freight or cargo is to be transported. Under this Agreement, Broker B is providing the service of contracting with a carrier to transport the freight or cargo (hereinafter "Services"). The carrier is a motor carrier and/or railroad carrier contracted by Broker B to transport the freight or cargo (hereinafter "Carrier").
2. Broker 1 may, from time-to-time, request in writing that Broker 2 provide services. Services shall be as described in such a written request. Nothing in this Agreement shall obligate Broker 1 to request Services from Broker 2, nor does anything in this Agreement obligate Broker 2 to accept such a request. Broker 2's written acceptance of a request, or Broker 2's commencement to perform Services shall constitute acceptance of the request in its entirety. Broker 2 shall furnish all labor, materials, supplies, tools, transportation, facilities and all things necessary for the proper, timely and satisfactory completion of the Services. Broker 2 shall ensure that each of its Representatives or any other person performing the Services including, without limitation, each subcontractor, is aware of and complies with all applicable terms and conditions of this Agreement.
3. The Parties agree that time is of the essence as to all Services performed under this Agreement. Broker 2 shall commence and complete the Services in accordance with the agreed upon dates and shall immediately notify Broker 1 if it anticipates that its performance will be delayed in any way. At any time during the performance of the Work, Broker 1 shall have the right to request modification(s) (including, but not limited to, additions, deletions or substitutions) to the Services. All changes in the Services must be approved by the Parties in writing. If a change in Broker 2's Services causes a change to the price and/or cost of the Services; the Parties shall make an equitable adjustment in the price and/or delivery cost and delivery schedule.

TERM

4. The term of this Agreement shall be for one (1) year from the Effective Date and shall be automatically renewed for additional terms of one (1) year, subject to earlier termination as provided herein. Notwithstanding the termination of this Agreement, any agreement for Services entered into prior to the termination of this Agreement shall continue to be governed by the terms and conditions of this Agreement until such Services are completed.

PAYMENT

5. Work to be furnished during the term of this Agreement shall be furnished only at the rates agreed to by the Parties in writing. No overtime or premium rates will be paid to Broker 2 unless Broker 1 has expressly approved such payment in writing. For the rates applicable to this Agreement, see **Exhibit A** attached hereto. Unless otherwise agreed upon in writing by the Parties, invoices and all supporting documentation, shall be submitted only after the Services have been completed and invoices shall be mailed or emailed to address(es) set forth herein:

Broker 1:		Broker 2:	
Attn:		Attn:	
Address:		Address:	
City:		City:	
State:		State:	
Zip/Postal Code:		Zip/Postal Code:	
Telephone:		Telephone:	
Email:		Email:	

6. Broker 1 is authorized to, and shall be responsible for, billing and collection from shippers, consignees, and third-parties responsible for payment of its charges. Broker 1 shall pay to Broker 2 all agreed upon charges, including commissions and carrier charges as agreed in writing, within thirty (30) days of receipt of Broker 2’s invoice and proof of delivery. All invoices must be accompanied by all applicable work tickets, third-party invoices, transportation bills of lading, shipping notices and any other supporting documentation as may be requested by Broker 1. Should Broker 1 dispute any portion of the invoice due to a discrepancy in rates or incomplete documentation, Broker 1 will pay the undisputed portion, pending resolution by the Parties of the disputed portion of the invoice.

7. Broker 2 shall pay Carrier as required pursuant to its agreement. If Broker 2 fails to pay Carrier in accordance with the payment terms of its agreement, Broker 1 may pay Carrier directly upon written notification to Broker 2 and, in so doing, shall discharge its entire obligation to pay Broker 2. Broker 2 shall not bill or collect freight charges from Broker 1’s customers, shippers, consignees or other Parties responsible for payment, provided that Broker 1 has complied with the terms of this Agreement. Broker 1 may withhold payments or deduct amounts owing to Broker 2 without liability or interest where it has reason to question the quality of the Work or where, in its reasonable opinion, Broker 1 believes it has been damaged by Broker 2’s performance under this Agreement. Broker 1 may offset any amounts owed to Broker 2 against amounts owed by Broker 2 to Broker 1. No payment made under this Agreement shall constitute a waiver by Broker 1 of the performance by Broker 2 of any of Broker 2’s obligations hereunder.

REPRESENTATIONS AND OBLIGATIONS

8. Each Party expressly states that it(s): (a) has the authority and qualifications to perform the Services, and that all Services shall be performed by qualified and competent representatives, in a workmanlike manner, using such resources, equipment and/or methods as may be required to perform the Services in accordance with the terms and conditions of this Agreement; (b) is in compliance with all applicable federal, state, provincial and local statutes and regulations and industry and safety standards pertaining to the operation of its business; (c) is now and during the term of this Agreement shall be a licensed freight broker authorized by the Federal Motor Carrier Safety Administration, U.S. Department of Transportation (hereinafter “FMCSA”); and (d) Services are free of any liens or other legal impediments.

9. Broker 2 shall comply, at its own expense, with Broker 1's instructions and, where applicable, Broker 1's or its customer's corporate policies regarding workplace conduct, worksite access, health and safety, contractor orientation, computer systems security, privacy and the environment, as updated and provided to Broker 2 from time to time. Broker 2 shall be solely responsible for exercising due diligence in identifying and selecting carriers for the performance of this Agreement, including but not limited to verifying the Carrier's operating authority, obtaining proof of the Carrier's insurance coverage in accordance with Broker 1's requirements and verifying the Carrier does not have an "Unsatisfactory" safety rating with the FMCSA. Broker B expressly states that any Carrier contracted by Broker 2 as part of the Services, shall be, at all times, in compliance with all applicable federal, state, provincial and local statutes and regulations and industry and safety standards. Broker 2 shall execute a written contract with each Carrier which sufficiently sets forth Carrier's requirements and obligations, including meeting the requirements of this Agreement. Where intermodal shipments will be made, Broker 2 shall ensure that it contracts only with carriers that have executed and are in compliance with the terms of the Uniform Intermodal Interchange & Facilities Access Agreement, as may be amended from time to time.

INDEMNITY AND INSURANCE

10. Broker 1 shall be liable to Broker 2 and shall indemnify, release, and hold the Broker 2 harmless from and against any and all claims which may be brought against or suffered by the Broker 2, or any of them, or which any member of Broker 2 may sustain, pay or incur by reason of any matter or thing arising out of or in any way attributable to the negligence, gross negligence or willful misconduct of Broker 1, a breach of this Agreement by Broker 1, or the actual or alleged infringement by Broker 1 of any third-party's intellectual property rights.

11. Broker 2 shall be liable to Broker 1 and shall indemnify, release, and hold the Broker 1 harmless from and against any and all claims which may be brought against or suffered by the Broker 1, or any of them, or which any member of Broker 1 may sustain, pay or incur by reason of any matter or thing arising out of or in any way attributable to the negligence, gross negligence or willful misconduct of Broker 2, a breach of this Agreement by Broker 2, or the actual or alleged infringement by Broker 2 of any third-party's intellectual property rights.

12. In addition to its indemnification obligations in Section 9.2, Broker 2 shall further indemnify, release, and hold Broker 1 harmless from and against any and all claims which may be brought against or suffered by Broker 1, or any of them, or which any member of Broker 1 may sustain, pay or incur by reason of any matter or thing arising out of or in any way attributable to the negligence, gross negligence or willful misconduct of Carrier.

13. Neither Party shall be liable to the other Party for any indirect, incidental, special, consequential, punitive or exemplary damages, including, without limitation, damages for loss of profits or use, incurred by any person, whether in an action in contract or tort.

14. Each Party shall provide the other Party with immediate notice of any cargo loss or other claim and will cooperate with each other to resolve any such claim. Each Party shall be responsible for any deductible and excluded loss under its insurance policy. Neither Party shall do anything (or omit to do anything) that may invalidate its insurance coverage.

15. Each Party shall require its subcontractors, including Carrier(s), if any, to obtain and maintain all the insurance(s) required by law, but notwithstanding such requirements, to obtain and maintain insurances as described herein: (a) Commercial General Liability with occurrence limits of \$1,000,000 and an aggregate limit of \$2,000,000; (b) Automobile Liability with limits of \$1,000,000; and (c) Broad Form Cargo with limits of \$250,000.

16. To the extent not provided for by the subcontractor and not covered by a Party's insurance, deficiencies shall be the sole responsibility of that Party. Parties shall notify each other where cargo value exceeds \$250,000 and shall be responsible for obtaining increased cargo insurance. The failure to secure insurance required pursuant to this Agreement shall in no way limit a Party's liability under this Agreement or result in a waiver of any right. In the event that a Party fails to comply with the insurance requirements under this Agreement, in any way, that Party shall indemnify and hold harmless the other Party from and against all claims arising therefrom.

TERMINATION AND SUSPENSION

17. Either Party may terminate this Agreement for any reason by providing thirty (30) days' advance written notice to the other Party; however, Broker 2 may not effectively terminate the Agreement while any Services are incomplete. Broker 1 shall have the right to terminate or suspend the Services, in whole or in part, at any time by providing written notice to Broker 2. Upon receipt of such notice, Broker 2 shall terminate or suspend the Services in accordance with Broker 1's instructions and shall take all reasonable steps to mitigate any resulting losses.

18. In the event that Broker 1 terminates the Services prior to Broker 2's completion thereof, Broker 2 shall deliver the Services in progress to Broker 1 in accordance with the termination notice. In such event, Broker 2 shall be reimbursed as follows: (a) Where the termination is for convenience, Broker 2 will be compensated for the Services completed up to the time of termination. Such payments shall constitute the full and final amounts payable to Broker 2 by Broker 1 hereunder and in no event shall Broker 2 be entitled to anticipated profits or any damages because of such termination; and (b) Where the termination is due to Broker 2's material breach of the Agreement, violation of law or policies or other serious misconduct, Broker 1 shall be entitled to withhold the payment of any further sums due to Broker 2 under this Agreement until the Services are completed. Upon final completion of the Services, Broker 1 shall determine the amount owing by either Party for completion and remediation costs, which shall be paid by that Party.

19. Either Party may terminate this Agreement, in whole or in part, effective immediately upon written notice to the other Party if: (a) the other Party becomes bankrupt or insolvent, by its voluntary act or otherwise, or makes an assignment for the benefit of creditors; or (b) if the other Party's business is placed in the hands of a receiver, assignee, or trustee, whether by its voluntary act or otherwise; or (c) if the other Party ceases to carry on its business.

AUDIT

20. Each Party shall keep and maintain true and correct books, records and accounts with respect to the Services for a period of three (3) years after any Services are completed. Each Party shall, upon request of the other Party, make available and permit that Party during such period to inspect, conduct an audit all such records. If upon an audit, a Party believes that any additional amount is due, that Party shall issue an invoice which shall be payable pursuant to the terms of this Agreement.

CONFIDENTIALITY AND INTELLECTUAL PROPERTY

21. All information ("Information") provided by one Party (the "Disclosing Party") to the other Party (the "Receiving Party") in performance of this Agreement, shall be kept confidential by the Receiving Party and used solely for its performance of this Agreement and the Receiving Party shall not have any right to disclose same without the prior written consent of the Disclosing Party or to use the same, except for the performance of this Agreement, except where such information is, at the time of disclosure (without fault of the Receiving Party) in the public domain or where disclosure is compelled by law. If disclosure of Information is compelled by law, then the Party being compelled to disclose the Information shall immediately provide written notice to the other Party, to the extent not prohibited by law. Upon termination of this Agreement, or at any other time that the Disclosing Party requests, the Receiving Party shall, at no charge, immediately destroy or surrender all Information to the Disclosing Party.

NON-SOLICIT

22. In recognition of the fact that each of the Parties has invested substantial effort and money in developing customers and each Party may separately procure new accounts during the term of this Agreement, the Parties expressly agree that: (a) Broker 2 shall not solicit business from nor perform brokerage services directly or indirectly on behalf of any shipper/ consignee/third-parties first introduced to it by Broker 1, or through the performance of this Agreement. However, if Broker 2 has conducted business with such shippers/consignees/third-parties prior to entering into this Agreement then Broker 2 can continue to solicit those customers, but only as to the destination locations for both truckload and LTL shipments; (b) It is further agreed that this non-solicitation provision shall be in force and effect during the term of this Agreement and for a period of one (1) year from the date of the termination of this Agreement for any reason; (c) In the event of non-compliance with the specific provisions of this paragraph, Broker 2 shall be liable to

Broker 1 for five percent (5%) of the gross transportation revenue received by Broker 2 from said shipper(s) in violation of this Agreement.

INDEPENDENT CONTRACTOR

23. The Parties agree that they are independent contractors and that nothing in this Agreement shall render either Party a partner, agent, representative, joint venture participant or employee of the other Party. In order for Broker 2 to provide Services under this Agreement, Broker 1 appoints Broker 2 as its limited agent to enter into agreements with Carriers. Broker 2 is granted no other agency rights under this Agreement. Each Party is responsible for the timely payment of any and all applicable income taxes, assessments and employment-related taxes, premiums and fees with respect to the Services. Each Party accepts exclusive liability for any payroll taxes or contributions imposed by any federal, state, provincial or other governmental authority covering its agents or employees, and shall indemnify and hold the other Party harmless from any claims for the taxes, interest and any penalties related to the subject taxes and assessments.

FORCE MAJEURE

24. The Parties shall not be liable for any damage or penalty for delay in delivery or for the failure to give notice of delay when such delay is due to unusually severe conditions that could not have been anticipated, acts of god, act of civil or military authority, war, riots, concerted labor action, compliance with any order or requirement of any governmental authority or any other causes beyond the reasonable control of a Party. Broker 2's time to perform shall be deemed extended for a period of time equal to the time lost due to any delay excusable under this provision; provided however, that if the delay is anticipated to exceed ten (10) days, Broker 1 at its option may elect to cancel all or a portion of the Services without incurring any liability to Broker 2. In no event shall either Party be liable to the other Party for claims, including claims for Consequential Damages, resulting from an event of Force Majeure.

ASSIGNMENT AND RE-BROKERING

25. Broker 2 shall not, nor allow a carrier to, re-broker, sub-broker, assign or subcontract any obligations under this Agreement to a third-party, nor shall it interline or warehouse any shipments without the prior written consent of Broker 1, which consent may be withheld at Broker 1's sole discretion. Should Broker 1 consent to an assignment or subcontract, Broker 1 shall ensure that any person or entity so hired is aware of, and commits to, compliance with all applicable terms and conditions of this Agreement. Broker 1's consent to the use of a subcontractor does not release Broker 2 of its obligations or liabilities under this Agreement, and Broker 2 shall be liable for the actions and/or omissions of its subcontractors.

NOTICE

26. All communications and notices to be provided hereunder must be given in writing and emailed, mailed or hand delivered to the Parties at the addresses set forth herein. Any communication delivered by email or hand delivery will be deemed to have been given at the commencement of the following workday. Any communication delivered via prepaid mail shall be deemed to have been received by the other Party on the fifth (5th) workday following its deposit in the mail. Should there be a labor strike or slowdown affecting mail delivery, communications must be delivered by email or hand delivery.

MISCELLANEOUS

27. The Parties also agree to the following: (a) This Agreement includes all Schedules attached hereto and constitutes the entire agreement between the Parties regarding the subject matter; (b) This Agreement supersedes any prior agreement between the Parties relating to the subject matter, whether written or oral; (c) The subsequent execution by either Party of the other Party's forms, receipts, invoices, terms of service, bills of lading, packing slips, work tickets or other documents shall not amend or modify the terms of this Agreement; (d) Neither this Agreement, nor any change to the obligations of either Party pursuant to this Agreement, shall be effective unless executed by a duly authorized representative of each Party who has the authority to legally bind such Party to the fulfillment of the provisions thereof; (e) Each Party shall be entitled to strict performance of the other Party's obligations hereunder, and such right shall not be affected by prior waiver or course of dealing; (f) Legal interpretation of this Agreement shall be governed by the laws

of the Federal Motor Carrier Safety Administration. This Agreement and the Services shall be subject to all laws, rules and regulations pertaining to the locations(s) where this Agreement is performed; (g) Should any clause in this Agreement become or be found to be illegal or unenforceable for any reason, such provision must first be modified to the extent necessary to make the provision legal and enforceable and then, if necessary, such provision shall be severed from the remainder of the Agreement to allow the Agreement to remain in full force and effect; (h) The rights and obligations of the Parties to this Agreement (including but not limited to those relating to warranty, liability, indemnity, audit, confidentiality and intellectual property) shall survive termination of this Agreement; (i) This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, heirs and assigns; (j) The insertion of headings in this Agreement is solely for convenience of reference and shall not affect the interpretation of any provision herein; (k) The Parties may execute this Agreement and deliver such executed Agreement by facsimile or other electronic means and in separate counterparts, each of which when so executed and delivered shall be deemed an original, and all such counterparts taken together shall constitute one instrument; and (l) No waiver of any provision of this Agreement, or of the breach thereof, shall be construed as a continuing waiver or shall constitute a waiver of any other provision or breach.

28. This Agreement is for specified services pursuant to 49 USC 1410l (b). To the extent that the provisions herein are inconsistent with Part (b), Subtitle IV, of Title 49 USC (ICC Termination Act of 1995) the Parties expressly waive all rights and remedies they may have under the Act.

The Parties hereto, by their duly authorized representatives, have executed this Agreement as of the date first above written.

_____ **(Broker 1)**

_____ **(Broker 2)**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____