



## Carrier Terms and Conditions

1. Subject to the terms of any applicable signed written agreement the Carrier agrees to be bound by the following Terms and Conditions in accepting carriage mandate(s) as arranged by Mosaic Logistics Inc. ("Mosaic") for and on behalf of its shipper customers.
2. By accessing or using the Site, by offering for services and accepting a freight carriage mandate from Mosaic, Carrier agrees on behalf of itself and any company or organization that it represents that it has read and accepts these Terms and Conditions.

### **Mosaic's Role**

3. Mosaic is a broker intermediary. It is not a carrier of goods. Mosaic arranges the carriage of freight for its shipper customers by reputable independent third party motor carriers.

### **Carrier Representations and Warranties.**

4. Carrier is authorized to operate in inter-provincial, extra-provincial, interstate, intrastate and/or international commerce as required and is qualified, competent and available to provide for the transportation services required by Broker.
5. Carrier is an operator of commercial motor vehicles and/or a motor carrier, authorized to provide the transportation of goods under contracts with shippers and receivers and/or brokers of materials, wares, merchandise and general commodities, and
6. Carrier agrees to transport the property, under its own operating authority and subject to these Terms and Conditions.
7. Agrees that a Shipper's insertion of BROKER's name as the carrier on a bill of lading shall be for the Shipper's convenience only and shall not change BROKER's status as a property broker nor CARRIER's status as a motor carrier.
8. Carrier will not re-broker, co-broker, subcontract, assign, interline, or transfer the transportation of shipments hereunder to any other persons or entity conducting business under a different operating authority, without prior written consent of Broker. If Carrier breaches this provision, among all other remedies (whether at equity or in law), Broker shall have the right of paying the monies it owes Carrier directly to the delivering carrier, in lieu of payment to Carrier. Upon Broker's payment to delivering carrier, Carrier shall not be released from any liability to Broker under this Agreement or otherwise, including any claims under MAP-21 (49 U.S.C. § 13901 et seq.). Carrier will be liable for consequential damages for violation of this provision.
9. Carrier is in, and shall maintain compliance during the term of this Agreement, with all applicable federal, state, provincial and local laws relating to the provision of its services including, but not limited to: transportation of Hazardous Materials (including the licensing and training of Haz-Mat qualified drivers), as defined in 49 C.F.R. §172.800, §173, and §397 et seq. to the extent that any shipments hereunder constitute Hazardous Materials; transportation of Dangerous Goods (including the licensing



and training of Dangerous Goods qualified drivers) as defined in applicable federal and provincial Canadian legislation; security regulations; owner/operator lease regulations; loading and securement of freight regulations; implementation and maintenance of driver safety regulations including, but not limited to, hiring, controlled substances and alcohol testing, and hours of service regulations; sanitation, temperature, and contamination requirements for transporting food, perishable, and other products, under applicable law including without limitation the Food Safety Modernization Act, the Sanitary Food Transportation Act of 2005 and the FDA's Final Rule pertaining to Sanitary Transportation of Human and Animal Food, qualification and licensing and training of drivers; implementation and maintenance of equipment safety regulations; maintenance and control of the means and method of transportation including, but not limited to, performance of its drivers; all applicable insurance laws and regulations including but not limited to workers' compensation. Carrier agrees to provide proof of compliance upon request.

10. Carrier Maintains at least a "Satisfactory" safety rating issued by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation and/or any provincial regulatory authority and will notify Broker in writing immediately if its safety rating is changed to "Unsatisfactory" or "Conditional".

#### **Rates and Payments**

11. SHIPMENTS, BILLING & RATES: Broker shall inform Carrier of (i) place of origin and destination of all shipments; and (ii) if applicable, any special shipping and handling instructions, special equipment requirements of which BROKER has been timely notified

12. Broker agrees to conduct all billing services to shippers, consignees, or other party responsible for payment. Carrier shall invoice Broker for its (Carrier's) charges, as mutually agreed in writing, by fax, or by electronic means, contained in Broker's Load Confirmation Sheet(s)/dispatch sheets incorporated herein by this reference for the purposes of this paragraph only. Additional rates for truckload or LTL shipments, or modifications or amendments of the above rates, or additional rates, may be established to meet changing market conditions, shipper requirements, Broker requirements, and/or specific shipping schedules as mutually agreed upon, and shall be confirmed in writing by email by both Parties. Any such additional, modified, or amended rates, changes in rates shall automatically be incorporated herein by this reference.

13. RATES: Additionally, any rates, which may be verbally agreed upon, shall be deemed confirmed in writing where Carrier has billed the agreed rate and Broker has paid it. All written confirmations of rates, including confirmations by billing and payment, shall be incorporated herein by this reference. Rates or charges, including but not limited to stop-offs, detention, loading or unloading, fuel surcharges, or other accessorial charges, tariff rates, released rates or values, or tariff rules or circulars, shall only be valid when their terms are specifically agreed to in a writing signed by both Parties.

14. PAYMENT: The Parties agree that BROKER is the sole party responsible for payment of



CARRIER's charges and CARRIER waives any right to seek collection of CARRIER's charges from any other party including BROKER's customer, a shipper or consignee of goods carried under this Agreement. Failure of BROKER to collect payment from its customer shall not exonerate BROKER of its obligation to pay CARRIER. BROKER agrees to pay CARRIER's invoice within Net 45 days of receipt of the invoice, provided CARRIER is not in default under the terms of this Agreement. If BROKER has not paid CARRIER's invoice as agreed, and CARRIER has complied with the terms of this Agreement, CARRIER may seek payment from the Shipper or other party responsible for payment after giving BROKER ninety (90) business days advance written notice.

### **Carrier Responsibilities**

15. EQUIPMENT: Subject to its representations and warranties in Paragraph 1 above, CARRIER agrees to provide the necessary equipment and qualified personnel for completion of the transportation services required for BROKER and/or its customers. CARRIER will not supply equipment that has been used to transport hazardous wastes, solid or liquid, regardless of whether they meet the definition in 40 C.F.R. §261.1 et. seq. or that under Canadian federal or provincial law pertaining to Dangerous Goods. CARRIER will furnish equipment for transporting cargo which is sanitary, and free of any contamination, suitable for the particular commodity being transported and which will not cause in whole or in part adulteration of the commodity as defined in 21 U.S.C § 342.

16. Carrier is solely responsible for any and all management, governing, discipline, direction and control of its employees, owner/operators, and equipment with respect to operating within all applicable federal, state and provincial legal and regulatory requirements to ensure the safe operation of Carrier's vehicles, drivers and facilities. Carrier and Broker agree that safe and legal operation of the Carrier and its drivers shall completely and without question govern and supersede any service requests, demands, preferences, instructions, and information from BROKER or Broker's customer with respect to any shipment at any time.

17. CARRIER assumes full responsibility and liability for payment of the following items: All applicable federal, state, provincial and local payroll taxes, taxes for unemployment insurance, old age pensions, workers' compensation, social security, with respect to persons engaged in the performance of its transportation services hereunder. BROKER shall not be liable for any of the payroll-related tax obligations specified above and CARRIER shall indemnify, defend, and hold BROKER harmless from any claim or liability imposed or asserted against BROKER for any such obligations.

18. REASONABLE DISPATCH: CARRIER agrees that all shipments will be transported and delivered with reasonable dispatch, or as otherwise agreed in writing.



19. PERIOD OF RESPONSIBILITY/ BILLS OF LADING: CARRIER shall sign a bill of lading, produced by shipper or CARRIER in compliance with 49 C.F.R. §373.101 (and any amendments thereto) and with the governing law of a province of origin, for the property it receives for transportation under this Agreement. Unless otherwise agreed in writing, CARRIER shall become fully responsible/liable for the freight when it takes/receives possession thereof, and the trailer(s) is loaded, regardless of whether a bill of lading has been issued, and/or signed, and/or delivered to CARRIER, and which responsibility/liability shall continue until delivery of the shipment to the consignee and the consignee signs the bill of lading or delivery receipt. Any terms of the bill of lading (including but not limited to payment and credit terms, released rates or released value; as may be deemed applicable by the legislation of the province, state, or Country of origin) inconsistent with the terms of this Agreement shall be ineffective, with the terms of this Agreement governing to the extent of any conflict. Failure to issue a bill of lading, or sign a bill of lading acknowledging receipt of the cargo, by CARRIER, shall not lessen or detract from the liability of CARRIER. CARRIER agrees to comply with the terms and conditions on a rate or carrier confirmation sheet provided it by BROKER. In the event of a conflict between that document(s) and the terms herein said document will govern to the extent of any inconsistency.

20. COMPLIANCE WITH BROKER'S CUSTOMER PRIVACY POLICY: Carrier undertakes to comply with BROKER's Privacy Policy which provides protection of personal information and privacy for Broker's customers. This Privacy Policy is posted at [www.mosaiclogistics.com](http://www.mosaiclogistics.com).

### **Loss & Damage Claims**

21. Subject to and except as specifically provided for in this Agreement neither Party shall be liable to the other for consequential damages without prior written notification of the risk of loss and its approximate financial amount, and agreement to assume such responsibility in writing.

22. CARRIER shall not sell, salvage or attempt to sell or salvage any goods without the Shipper's express written permission. CARRIER shall pay, decline or make settlement offer in writing on all cargo loss and damage claims within 60 days of receipt of claim.

23. CARRIER agrees to follow instructions contained in a rate or load confirmation sheet issued by BROKER.

### *For Shipments Originating in the United States*

24. CARRIER shall comply with 49 C.F.R. §370.1 et seq. and any amendments and/or any other applicable regulations adopted by the Federal Motor Carrier Safety Administration, U.S. Department of



Transportation, or any applicable state regulatory agency, for processing all loss and damage claims and salvage. CARRIER agrees that food that has been transported or offered for transport under conditions that are not in compliance with Shipper's or BROKER'S instructions, as provided to CARRIER by Shipper or BROKER, will be considered "adulterated" within the meaning of the Federal Food, Drug and Cosmetic Act, 21 U.S.C. § 342 (i). CARRIER understands and agrees that adulterated shipments may be refused by the consignee or receiver, at destination without diminishing or affecting CARRIER'S liability in the event of a cargo claim. CARRIER shall not sell, salvage or attempt to sell or salvage any goods without the BROKER'S express written permission; and

25. CARRIER's liability for any cargo damage, loss, or theft from any cause shall be determined under the Carmack Amendment, 49 U.S.C. §14706 as applicable.

*For Shipments Shipped from an Origin Point in Canada*

26. CARRIER's liability for any cargo damage, loss or theft from any cause shall be determined in accordance with the Uniform Conditions of Carriage in effect in the province of origin or where there be no Uniform Conditions of Carriage in effect with applicable common law.

- (a) The amount of any loss or damage for which the carrier is liable, whether or not the loss or damage results from negligence, shall be the lesser of:
  - i. the value of the goods at the place and time of shipment, including the freight and other charges if paid, and
  - ii. \$4.41 per kilogram computed on the total weight of the shipment.

(b) If Broker on behalf of the consignor and/or consignor has in writing declared a value to Carrier prior to or at the time of the Carrier's receipt of cargo the amount of any loss or damage for which the Carrier is liable shall not exceed the declared value.

(c) Further to and without limitation to the foregoing CARRIER agrees to haul goods subject to a declared valuation provided to it in a rate or load confirmation sheet issued by BROKER.

**Insurance**

27. (a) Carrier shall maintain, at its own expense, and shall require all of its subcontractors to maintain, such insurance as described below throughout the term of the carrier agreement. All insurance carriers shall have a policyholder's rating of not less than A- VII in the most current edition of *Best's Rating Guide*.



(1) Workers' compensation insurance in good standing as prescribed by applicable law and employer's liability insurance with limits of not less than \$2,000,000.

(2) Commercial general liability insurance with a limit of not less than \$2,000,000 per occurrence/aggregate (\$5,000,000 if transporting hazardous materials or dangerous goods including coverage for environmental damages due to release or discharge of hazardous substances). Such insurance shall be written on an occurrence basis and be endorsed to name Mosaic as an additional insured.

(3) Automobile liability insurance with limits of not less than \$2,000,000 per occurrence, combined single limit, covering bodily injury and property damage, must include covered pollution cost or expense related to accident in which pollutants are upset, overturned, or damaged, and name Mosaic as an additional insured.

(4) All risks cargo insurance covering Carrier's legal liability with limits of not less than \$250,000.00 per occurrence

- (a) Carrier shall on demand deliver to Mosaic a certificate of insurance that specifies the above required coverages.
- (b) Nothing in this Agreement shall be construed to avoid or limit CARRIER's liability due to any policy limits or exclusion or deductible in any insurance policy.
- (c) The required insurance coverages shall cover the entire geographic scope in which Carrier will operate under this Agreement and, as applicable, be broad form.

28. INDEMNITY: Carrier shall defend, indemnify, and hold Broker, its Customer, and each of their affiliated entities harmless from and against all direct or indirect loss, liability, damage, claim, fine, cost or expense, including reasonable attorney's fees, arising out of or in any way related to the performance or breach of this Agreement by Carrier, its employees or independent contractors working for Carrier (collectively, the "Claims"), including, but not limited to, Claims for or related to personal injury (including death), property damage and Carrier 's possession, use, maintenance, custody or operation of the Equipment; provided, however, that Carrier 's indemnification and hold harmless obligations under this paragraph will not apply to the prorated extent that any Claim is directly and proximately caused by the negligence or other wrongful conduct of the party to be defended, indemnified or held harmless. This paragraph shall survive the termination of this contract.

## General

29. FORCE MAJEURE: In the event that either Party is prevented from performing its obligations under this Agreement because of an occurrence beyond its control and arising without its fault or negligence, including without limitation, war, riots, rebellion, acts of God, acts of lawful authorities, fire, strikes, lockouts or other labor disputes, such failures to perform (except for any payments due hereunder) shall be excused for the duration of such occurrence . Economic hardships, including, but not limited to, recession and depression, shall not constitute Force Majeure events.



30. INDEPENDENT CONTRACTOR: The relationship of the Parties to each other shall at all times be that of independent contractors. None of the terms of this Agreement, or any act or omission of either Party shall be construed for any purpose to express or imply a joint venture, partnership, principal/agent, fiduciary, or employer/employee relationship between the Parties. Each Party shall provide sole supervisions and shall have exclusive control over the actions and operations of its employees, and agents used to perform its services hereunder. Neither Party has any right to control, discipline or direct the performance of any employees, or agents of the other Party. Neither Party shall represent to any party that it is anything other than an independent contractor in its relationship to the other Party.

31. CONFIDENTIALITY:

- i) In addition the requirements at clause 3 I above and to Confidential Information protected by law, statutory or otherwise, the Parties agree that all of their financial information and that of their customers, including but not limited to freight and brokerage rates, amounts received for brokerage services, amounts of freight charges collected, freight volume requirements, as well as personal customer information, customer shipping or other logistics requirements shared or learned between the Parties and their customers, shall be treated as Confidential, and shall not be disclosed or used for any reason without prior written consent.
- ii) In the event of violation of clause 3 I above and this Confidentiality paragraph, the Parties agree that the remedy at law, including monetary damages, may be inadequate and that the Parties shall be entitled, in addition to any other remedy they may have, to an injunction restraining the violating Party from further violation of this Agreement in which case the prevailing Party shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney's fees.

31. DISPUTES: In the event of a dispute arising out of this Agreement, the Parties agree to irrevocably attorn to and submit same to the courts of the province of Ontario, Canada which shall have exclusive jurisdiction.

32. NO BACK SOLICITATION:

- i) Unless otherwise agreed in writing, Carrier shall not knowingly solicit freight shipments for a period of 12 months following termination of this agreement for any reason, from any shipper, consignor, consignee, or other customer of Broker, when such shipments of shipper customers were first tendered to Carrier by Broker.
- ii) In the event of breach of this provision, Broker shall be entitled, for a period of 12 months following delivery of the last shipment transported by Carrier under this Agreement, to a commission of twenty percent (20%) of the gross transportation revenue (as evidenced by



freight bills) received by Carrier for the transportation of said freight as liquidated damages. Additionally, Broker may seek injunctive relief and in the event it is successful, Carrier shall be liable for all costs and expenses incurred by Broker, including, but not limited to, reasonable attorney's fees.

33. In the event of any inconsistency or conflict between these Terms and any Rate Quotation ("Quotation") issued by Mosaic, the Quotation shall govern, the same being incorporated into this Agreement.

Please contact Mosaic at (888) 291-4442 or [customerservice@mosaiclogistics.com](mailto:customerservice@mosaiclogistics.com) with any questions.