



R&R EXPRESS, INC. & AFFILIATES
INDEPENDENT SALES REPRESENTATIVE AGREEMENT

THIS AGREEMENT is made and entered on \_\_\_\_\_ by and between R&R Express, Inc. & Affiliates ("COMPANY"), a Corporation located at #3 Crafton Square; Pittsburgh, PA 15205, and \_\_\_\_\_, Independent Sales Representative ("ISR") whose address is \_\_\_\_\_ and \_\_\_\_\_, its Principal(s).

RECITALS

1. APPOINTMENT OF INDEPENDENT SALES REPRESENTATIVE:

- a. COMPANY hereby appoints ISR at ISR's principal location as set forth above as its Independent Sales Representative authorized to represent COMPANY is soliciting shipments for COMPANY's North American motor carrier and interstate brokerage and logistics operations.
b. ISR warrants and agrees that it is and shall continue to be fit, willing, and able to provide freight-solicitation services and to fulfill its obligations under this Agreement, that it shall represent COMPANY faithfully, and that it shall diligently solicit, procure, and book shipments for and on behalf of COMPANY.
c. ISR agrees to engage actively and diligently in the promotion and sale of COMPANY's transportation services and the day-to-day management of those services. ISR agrees that that it shall at all times refrain from, and take all actions necessary to avoid, creating an appearance that it is authorized to represent COMPANY for any purpose not expressly set forth in and authorized by this Agreement; and that it shall not directly or indirectly induce reliance on COMPANY's reputation, position, or stature for any purpose not expressly authorized in this Agreement.
d. ISR shall be responsible for compliance with all applicable federal, state, and local laws, ordinances, rules, and/or regulations relating to the performance of the Services.
e. ISR may employ any employees, assistants, and/or agents whom he deems to be necessary to his performance of the Services, or otherwise, in his sole discretion and at his sole cost and expense. Consistent with the other provisions of this Agreement, COMPANY shall not control, direct, or supervise any of ISR's employees, assistants, and/or agents in their performance of services and obligations to ISR. ISR shall indemnify COMPANY from all claims asserted against COMPANY by ISR or ISR's agent or employee alleging an employment relationship between COMPANY and such party.
f. ISR shall have no assigned territory. ISR acknowledges and agrees that its appointment hereunder is not exclusive and that COMPANY reserves the right to appoint any other independent sales representatives wherever or whenever it (COMPANY) deems necessary. COMPANY does not agree to make any minimum use of ISR's services, to use such services at any particular time or location, or to guarantee any amount of revenue



to ISR. COMPANY shall be free to solicit or book shipments itself or through independent agents other than ISR and to broker or transport any and all shipments.

2. COMMISSIONS:

Commissions shall be paid according to the terms of Exhibit A attached.

3. ACCOUNTS AND CREDIT:

COMPANY shall be solely responsible for invoicing customers, and COMPANY shall be the sole owner of the Accounts Receivable asset associated with the aforementioned invoices. Credit approval by COMPANY is required prior to any transportation of any freight by COMPANY per the policies established by COMPANY. ISR shall bear the responsibility of pricing freight within the aforementioned credit limits. COMPANY's current policy is that the first shipment for each customer is approved to \$2500, then every shipment thereafter must be within the company's established credit limit. COMPANY's credit payment terms are net thirty (30) days from invoice date. COMPANY may modify its credit policies at any time. In sum, COMPANY shall reserve all rights to extend, terminate, deny, or limit credit to any customer. ISR assumes 100% of any losses that related to any shipment where credit has not been granted by COMPANY in accordance with the "CREDIT" provision herein.

4. INSOLVENT CLIENTS:

In the case of insolvency, ISR shall be liable for a proportionate share of the loss based on their commission percentage outlined in Exhibit A.

5. RISK OF LOSS:

ISR assumes all risk of loss, including, but not limited to, earning commissions, which may arise or which may be incurred due to its failure, inability, or refusal to comply with the terms of this Agreement. ISR understands and agrees that no representations have been made concerning the profitability of ISR's entering into this Agreement.

6. UNPAID INVOICES:

COMPANY's payment terms are net-30 days from invoice date. Any freight moved by ISR without COMPANY credit approval will be moved at the sole risk of ISR. If services provided to unapproved customers results in unpaid or short-paid invoices, ISR consents to pay COMPANY the total amount owed to COMPANY by the customer or the total amount owed to the contracted motor carrier(s) and/or any other service providers related to the unpaid invoices, whichever is greater. ISR will be responsible for a proportionate share of short-paid invoices based on their commission percentage outlined in Exhibit A. ISR consents to repay commissions to COMPANY on any invoices unpaid after 90 days. In lieu of demanding immediate payment in full from ISR for any amounts provided for in this paragraph or which otherwise may be owing to COMPANY, COMPANY may, in its discretion, set-off all or a portion of the amount owing to COMPANY against any present and future commissions owed by COMPANY to ISR under this Agreement. COMPANY's decision not to deduct Costs for Unpaid Invoices does not waive its right to deduct for other Past Due Invoices per its discretion. ISR hereby expressly consents to such deductions. Any monies collected by COMPANY from a customer after the ISR has already paid COMPANY in full following COMPANY's foregoing demand shall be forwarded to ISR to the



extent they represent funds otherwise owed the ISR as compensation under this Agreement, provided the ISR is not then obligated to COMPANY.

7. DOCUMENTS AND COLLECTIONS:

ISR agrees that it shall NEVER collect funds for services performed pursuant to this agreement ("Company Funds"), and if any Company Funds are issued to ISR, ISR will immediately redirect checks or other forms of payment directly to COMPANY. ISR further recognizes that collecting and/or using Company Funds is fraudulent and/or criminal activity that may require prosecution. ISR additionally agrees that it shall never improperly increase its commission by inflating a freight bill above an amount agreed to with a client or reduce the amount paid to a carrier, operator or other vendor, and that such action will also constitute fraudulent and/or criminal activity.

8. ACCOUNT-ASSIGNMENT AND INTEGRITY:

ISR shall provide COMPANY with shipping profile information (according to COMPANY criteria) on each account. COMPANY shall have the right to remove ISR from an account on a customer's request, or complaint, or if in COMPANY's sole judgment a customer is not being properly serviced or the account has been inactive for six (6) months or more, unless the account has been previously designated, in writing, as a seasonal account. Unless otherwise agreed in writing, ISR shall have no proprietary interests of any kind in any accounts either given to ISR by COMPANY or solicited, developed, serviced, or sold by ISR without referral or assistance from COMPANY.

9. OPERATIONAL RESPONSIBILITIES:

- a. ISR shall promptly book with COMPANY all shipments that ISR solicited, arranged, or contracted for with respect to which ISR held itself out as an ISR of COMPANY and any additional shipments that ISR wishes to book with COMPANY ("ISR Shipments"). COMPANY shall have the exclusive right to specify, or approve, in advance all rates and charges offered for transportation of all ISR Shipments. Without COMPANY's prior written approval, ISR (including its employees, agents, and contractors) shall not, with respect to ISR Shipments:
  - i. Alter or deviate from COMPANY's shipping documents;
  - ii. Execute transportation contracts on behalf of COMPANY;
  - iii. Accept any shipments involving hazardous materials or hazardous waste or containing any cargo of a type that is prohibited by COMPANY as communicated from time to time to ISR; or
  - iv. Accept C.O.D. or freight collect shipments, or shipments of high or unusual value as defined from time to time by COMPANY.
- b. ISR must utilize only carriers, drivers, and equipment operators that are marked as approved by COMPANY. ISR acknowledges that commissions may be withheld on shipments executed by unapproved carriers, drivers or equipment operators.
- c. ISR shall use its best efforts to transport or arrange transportation of its Shipments. Nothing in this Agreement shall require COMPANY to perform any service(s) that COMPANY is not authorized by law to perform. COMPANY shall provide ISR with access to such portions of COMPANY's information technology resources, on such terms as



COMPANY deems appropriate, to facilitate the services being provided by ISR. Access to external information technology resources may be furnished to ISR at a charge equal to COMPANY's incremental external cost for adding such access.

- d. ISR shall aid COMPANY, upon request, in the investigation and adjustment of claims.
- e. Subject to and in accordance with the provisions of Paragraphs 17 and 19 of this Agreement, ISR shall use COMPANY's Marks, solely preceded by "[Business Name of ISR], Independent Sales Representative for," in advertising or performing services for COMPANY under this Agreement. ISR's business name shall not include any name or service mark utilized or registered by COMPANY as a trademark, trade name, service mark, or corporate name.

#### 10. PRICING:

ISR shall negotiate rates with those customers whom ISR solicits in its performance of the Services under this Agreement, and such negotiations should produce profitable results for ISR and COMPANY. ISR shall obtain written confirmation of the rates as well. If multiple shipments are to move under the terms of a contract between a customer and COMPANY, such contract must be executed by a duly authorized officer of COMPANY. ISR has no authority to bind COMPANY to any contract, with the sole exception of single shipments that move under single shipment rate confirmations ("Rate Confirmations") if, but only if, COMPANY supplied such Rate Confirmation(s).

#### 11. ISR'S EXPENSES:

Unless otherwise agreed to in writing, ISR shall be responsible for all of its expenses incurred in the performance of this Agreement, including, but not limited to, office leases, telephone, advertising, office supplies, employees, auto, insurance of all types, and travel. COMPANY may provide copies of its advertising materials at its own expense to assist ISR's sales efforts.

#### 12. ASSIGNMENT:

This Agreement may not be assigned or subcontracted by ISR without the prior written consent of COMPANY. ISR agrees that any substantial change in ISR's ownership, control or management shall require the prior written consent of COMPANY, which consent shall not be unreasonably withheld.

#### 13. INSURANCE:

- a. COMPANY shall obtain and maintain such insurance or programs of self-insurance as may be required by law, including a bodily injury/property damage insurance policy or program in a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and a cargo loss and damage insurance policy or program in a combined single limit of not less than one hundred thousand dollars (\$100,000). COMPANY shall furnish to ISR a written certificate obtained from COMPANY's insurance carrier showing that such insurance coverages have been procured from insurance carriers rated at least "A-" by A.M. Best (or of equivalent financial strength in the commercially-reasonable judgment of COMPANY), that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, and the expiration date.



- b. In the event that ISR wishes to transport goods that require additional insurance beyond COMPANY's standard coverages, determined either by declared freight value or by specific customer requirements, where COMPANY incurs additional expense for such additional policies or coverage limits, COMPANY may reduce ISR commission to offset additional expense. Commissions will be adjusted exclusively on loads related to these additional requirements and at a rate based on cost of coverage, determined by COMPANY's insurance provider. Additional insurance must be requested in writing by ISR and approved by COMPANY prior to ISR engaging in such business. COMPANY agrees to provide ISR with commission reduction structure related to such additional insurance cost in a timely manner, and ISR hereby agrees to commission reduction resulting from circumstances outlined in this provision.
- c. ISR shall obtain and maintain, at its expense, such insurance as may be required by applicable law for the operations of ISR under this Agreement and as follows during this Agreement:
  - i. Workers' compensation insurance coverage for ISR if applicable and those of ISR's employees, agents, and other persons required to be principally covered under the workers' compensation law of the state in which ISR is domiciled and in amounts not less than the statutory limits required by such state's law;
  - ii. Such other insurance as ISR deems appropriate to protect it from risk of loss to which it may be subject under the terms hereof.
- d. COMPANY shall be listed as an alternative employer under workers' compensation policies maintained hereunder. Except as to the obligations of COMPANY as expressly set forth in Paragraph 13(a) above, all ISR coverages shall be primary, as between COMPANY and ISR, to any other insurance that may be available from COMPANY. ISR shall furnish to COMPANY written certificates obtained from ISR's insurance carrier showing that such insurance coverages have been procured from insurance carriers rated at least "A-" by A.M. Best (or of equivalent financial strength in the commercially-reasonable judgment of COMPANY), that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, and the expiration date; list COMPANY as an additional insured with primary coverage; and show that written notice of cancellation or modification of the policy shall be given to COMPANY at least thirty (30) days prior to such cancellation or modification. In the case of workers' compensation coverage, ISR shall also furnish COMPANY the insurance policy's declarations page.
- e. COMPANY may in its sole discretion, but shall not be required to, facilitate certain insurance coverages for ISR or ISR's contractors.
- f. ISR agrees that, in the event any claim is made or suit is brought against ISR or COMPANY arising out of operations conducted pursuant to this Agreement, ISR shall forward immediately to COMPANY every demand, notice, summons or other process received by it or its representative. ISR further agrees to cooperate with COMPANY and, upon COMPANY's request, attend hearings and trials and assist in the conduct of suits, in effecting settlement, in securing evidence, and in obtaining the attendance of witnesses.



#### 14. INDEMNITY:

- a. ISR shall be liable for, and shall defend, indemnify and hold harmless COMPANY, its affiliates, subsidiaries, customers, shippers, and all officers, members, directors, employees, stockholders, partners, affiliates and agents thereof (each, an “Indemnified Party” and collectively the “Indemnified Parties”) from and against, all claims, demands, costs, damages, losses, liabilities (including reasonable attorneys’, accountants’, and experts’ fees and disbursements), judgments, fines and other amounts (collectively “Claims”) relating to or arising out of:
  - i. ISR’s negligence or willful misconduct resulting in injury to persons (including injury resulting in death) and damage to property arising out of or in connection with the Services hereunder, or by any third parties, or performed by ISR, employees of ISR, contractors or subcontractors of ISR directly or indirectly on ISR’s behalf hereunder,
  - ii. ISR’s performance or non-performance of any of its obligations under this Agreement, including without limitation any acts or omissions related to the Services,
  - iii. ISR’s breach of this Agreement or any warranty or representation herein,
  - iv. negligence or misconduct of ISR, employees of ISR, contractors or subcontractors of ISR directly or indirectly on ISR’s behalf
  - v. any violation of applicable laws caused by acts or omissions of ISR, employees of ISR, contractors or subcontractors of ISR directly or indirectly on ISR’s behalf
  - vi. any claim of employment (including by governmental authorities) by ISR, employees of ISR, or contractors or subcontractors of ISR directly or indirectly on ISR’s behalf
  - vii. any compensation due to ISR, employees of ISR, contractors or subcontractors of ISR for Services performed hereunder.
- b. ISR acknowledges that its indemnification obligations hereunder shall extend and apply to damages resulting from direct claims by any Indemnified Party as well as any damages an Indemnified Party suffers from any third-party claims. ISR covenants not to settle any matter under this indemnity without obtaining COMPANY’s prior written consent. ISR agrees that this Section 14 shall survive expiration or termination of this Agreement.
  - i. Notwithstanding the forgoing 14(A), when ISR is acting within the scope of this Agreement, and provided ISR is in compliance with the duties and obligations assigned to ISR in this Agreement, ISR shall be afforded the status of “additional insured,” and the benefit(s) of, and recovery(ies) under, CARRIER’s cargo or COMPANY’s contingent cargo and/or truck auto liability insurance policies, respectively, in the event of a cargo loss or damage claim or a motor vehicle accident involving third party damages to property or persons, which amounts or recoveries of such insurance indemnity payments shall reduce or eliminate ISR’S obligation to indemnify COMPANY under Paragraph 14(A) in the same amount(s). In all such instances, COMPANY, on behalf of its insurers and assigns, waives subrogation against ISR. Provided, however, ISR shall be liable for the applicable insurance policy deductible(s), and any amount(s) in excess of such



policy limit(s) to the extent of ISR's negligence, willful acts, breach of this Agreement, which is/are determined the proximate cause of such property damage or personal injury and which is not covered and paid by CARRIER's or COMPANY's applicable insurance policy(ies).

- c. In the event a cargo loss, damage, or delay claim is filed with COMPANY and COMPANY reasonably believes it does not have a legal liability under the law or any contract to pay or satisfy such cargo claim, but in consultation with ISR agrees to pay or settle the claim as an accommodation to the claimant or to avoid the hazards of litigation and further dispute, then ISR shall be liable for the amount of such payment equal to the commission rate set forth in "Exhibit A" hereof.

#### 15. FACILITIES & EQUIPMENT:

- a. ISR shall maintain and equip a place of business adequate to satisfy its obligations and responsibilities under this Agreement, including furnishing its own offices, computer, communications equipment, automobiles, and staff.
- b. If ISR or any entity or person other than ISR shall conduct activities at or from the facilities at ISR's principal place of business referred to on Page 1 of this Agreement, which activities are in addition to ISR's performance of transportation services pursuant to this Agreement, ISR shall take all necessary actions to ensure that its affiliation with COMPANY is identifiable to the public as separate and distinct from such activities. COMPANY shall have the right to enter such facilities during normal business hours for the purpose of ensuring compliance with this Paragraph.

#### 16. STANDARDS & PROCEDURES:

- a. ISR shall at all times during this Agreement comply with: (i) all federal, state, local, and foreign laws, including all rules, regulations, and orders issued thereunder, applicable to this Agreement or to services rendered pursuant to this Agreement; and (ii) COMPANY's Standards. "COMPANY's Standards" shall mean standards, procedures, systems, instructions, specifications, conditions, requirements, quotas, goals, and policies applicable to the offering or performance of transportation services pursuant to this Agreement that are set forth in (a) this Agreement; or (b) those COMPANY instructions, policies and procedures, and applicable rate schedules and tariffs furnished to ISR by COMPANY, if applicable, at or prior to execution hereof.
- b. COMPANY reserves the right to revise, amend, delete from, or add to COMPANY's instructions, policies and procedures or its applicable rate schedules or tariffs. COMPANY shall notify ISR of any revisions, amendments, deletions from and additions to its instructions, policies and procedures, and applicable rate schedules and tariffs and provide ISR a proposed written addendum consenting to material changes therein at least ten calendar days in advance. If ISR wishes to continue this Agreement in effect, it shall sign the addendum and, by the effective date and time shown on the addendum, deliver the signed addendum to COMPANY. If ISR has not delivered such signed addendum, then the addendum shall be deemed as accepted by ISR.
- c. ISR shall account faithfully and accurately to COMPANY with respect to its dealings, operations, and performance under this Agreement. All records, books, or statements of account of ISR that relate directly or indirectly to the performance of this Agreement



shall be kept and maintained at ISR's principal place of business referred to on Page 1 of this Agreement, or at such other location(s) as may be agreed to in writing by the parties, and shall be segregated and kept and maintained separate from records, books, or statements of account that relate directly or indirectly to any other activities with which ISR is connected or associated. COMPANY shall have the right at all times during normal business hours to inspect any and all records, books, or statements of account of ISR that relate directly or indirectly to the performance of this Agreement. COMPANY, upon reasonable request from ISR, shall make available to ISR documentation regarding ISR's commissions, charges, credits and offsets for purposes of verifying same.

- d. COMPANY and ISR understand and agree that COMPANY is committed to providing service of the highest quality to its brokerage and motor carriage customers. ISR agrees to conduct its business in accordance with the highest standards of honesty, integrity, fair dealing, and ethical conduct, and to do nothing which would tend to discredit, dishonor, reflect adversely upon, or in any manner injure the reputation of COMPANY or ISR.

#### 17. RELATIONSHIP OF THE PARTIES:

- a. COMPANY and ISR agree that each of them is an independent business and that each is an independent employer. The parties intend to create, and hereby create, a relationship of contractor and contractee, and not an employer-employee relationship, and agree that they are not and shall not be considered co-employers or joint contractors with respect to the owners, officers, employees, contractors, or subcontractors of each other. In addition, the parties agree that this Agreement creates a principal (COMPANY) servant (ISR) relationship between the parties and not a partnership, cooperative, joint venture, franchise, or any other business relationship. The parties agree further that except to the extent specifically set forth in this Agreement, ISR shall have no right to act for or to obligate COMPANY in any manner or form. Neither this Agreement nor the relationship between ISR and COMPANY shall empower ISR to accept and receive service of process on behalf of COMPANY.
- b. ISR, not COMPANY, shall be responsible for selecting, hiring, setting the compensation, hours, and working conditions, supervising, promoting, disciplining, dismissing, or paying the wages and expenses of ISR's employees, including Social Security, Unemployment or other payroll taxes of ISR's employees, and for the worker-classification of or payments to ISR's independent contractors. ISR shall be responsible for paying the aforementioned expenses on time. ISR agrees to indemnify and hold COMPANY harmless from any and all liability, cost, damage, expense, settlement, cause of action or other obligation, including, without limitation, attorneys' fees, arising from the relationship between ISR and any of its employees or contractors, whether under industrial accident laws, worker's compensation laws, wage and hour laws, employee-expense reimbursement laws, employment or contracting discrimination laws, or any other federal, state, local, or foreign law. Proof of workers' compensation coverage of all of ISR's personnel shall be provided by ISR to COMPANY.





18. MARKS:

- a. For purposes of this Agreement, "Marks" means such trademarks, service marks, slogans, color combinations, designs, insignia, emblems, symbols, domain names, metatags, and other intellectual property or proprietary business-identifying characteristics as now are or hereafter may be owned or used by COMPANY. ISR acknowledges and agrees that COMPANY possesses the absolute right to grant other licenses in, to, and under the Marks and to develop and license business identifying characteristics to identify COMPANY's transportation services.
- b. ISR recognizes and agrees that COMPANY possesses the sole and exclusive right to use the Marks and that it shall not directly or indirectly contest or aid in contesting the validity, ownership, or use of the Marks by COMPANY or its licensees during or after this Agreement.
- c. ISR expressly agrees: (i) that ISR shall not have or acquire any right, title, or interest in the Marks as a result of this Agreement, except the right to use the same as granted herein; (ii) that nothing contained in this Agreement shall be construed to grant or assign to ISR any additional right, title, or interest in the Marks; (iii) that nothing contained in this Agreement shall license, authorize, or empower any other person, firm, corporation, or business with which ISR is connected (except COMPANY) directly or indirectly to use the Marks; and (iv) that ISR shall not have the right to assign the rights licensed to it herein.
- d. For purposes of protecting and enhancing the value of the Marks and the goodwill associated therewith and of ensuring that the public may rely upon the Marks as solely identifying COMPANY's transportation and brokerage services, ISR agrees that the license granted herein and this Agreement are subject to ISR's adherence to COMPANY's Standards regarding: (i) use of the Marks; and (ii) quality or standard of transportation services rendered under the Marks. COMPANY shall have the right to monitor and review the quality of services rendered by ISR under this Agreement and ISR's use of the Marks in connection therewith.
- e. ISR shall cooperate fully with COMPANY in the defense and protection of the Marks and shall promptly advise COMPANY in writing of any use of the Marks by others and of any suits brought or claims made against COMPANY and/or ISR involving the Marks. Decisions regarding action involving the protection and defense of the Marks shall be solely in the discretion of COMPANY, and ISR shall have no right to institute, defend or otherwise take any action in this regard.
- f. ISR shall at no time: (i) during this Agreement use any trademarks or other business identifying characteristics which are similar to the Marks; or (ii) after this Agreement directly or indirectly use the Marks or any trademarks or other business identifying characteristics which are similar to the Marks.
- g. ISR shall at no time during or after this Agreement use or register, in whole or in part, the Marks and/or COMPANY's name together with ISR's name or the name of any affiliate of ISR without the express written approval of COMPANY.
- h. ISR shall not use the Marks in any manner to disparage COMPANY or its reputation or take any action which will harm or jeopardize the Marks, or COMPANY's ownership thereof.



- i. COMPANY shall have the exclusive right at any time to make additions to, deletions from, and changes in the Marks; and ISR shall adopt and use any and all such additions, deletions and changes.
- j. Upon termination of this Agreement, the license granted in this Paragraph 19 shall terminate and ISR shall:
  - i. Transfer or assign by appropriate documents to COMPANY or its nominee: (i) all pending or executory orders to provide transportation services and all documents related thereto; and (ii) any deposits or funds received by ISR for such order. ISR shall also immediately deliver to COMPANY or its nominee the names and addresses of all then-current and prospective users of COMPANY's transportation or brokerage services that are known to ISR.
  - ii. Immediately discontinue all use of the Marks and all advertising, display(s), and other representations of any kind, in any form, that indicate affiliation with COMPANY. ISR's responsibilities under this subparagraph shall include, but not be limited to: (i) removal of all signs erected or used by ISR that bear any Marks, or any words indicating that ISR is affiliated with COMPANY; (ii) removal from all equipment all Marks and words indicating that ISR is affiliated with COMPANY; (iii) erasure or obliteration from letterheads, stationery, and all business forms used by ISR, of all Marks and words indicating that ISR is affiliated with COMPANY; (iv) instruction to appropriate parties to change all telephone or business directory publications to delete all references to the Marks and to affiliation with COMPANY at the earliest possible time; and (v) establishment of a method or system by which every telephone call that involves a request for or inquiry related to COMPANY's transportation or brokerage services that is made to any telephone number listed in a telephone or business directory publication along with one or more Marks is referred to COMPANY or its nominee. Each of ISR's enumerated responsibilities under this subparagraph shall be completed within thirty (30) days of the effective date of termination of this Agreement and shall be completed at ISR's sole cost and expense. Upon termination of this Agreement, COMPANY shall have the right to enter onto ISR's premises for the purpose of ensuring compliance with this subparagraph.

#### 19. TAXES:

- a. **ISR's Form of Business and Agreement to File Returns and Pay Taxes:** As an independent contractor, ISR is free to choose the form in which to operate ISR's business. Regardless of the form of business entity selected, ISR shall file all federal, state, local, and foreign income, withholding, and employment tax forms and returns associated with ISR's business (together, "Tax Returns") that ISR may be required by law to file, on account of ISR and all employees and other workers used by ISR in the performance of the Agreement at the time and place that may be specified in the applicable federal, state, local, and foreign laws, and to pay when due all taxes and contributions reported in such forms and returns. In that regard, ISR further agrees that ISR knows:



- i. Of ISR's, or as appropriate, ISR's business entity's, responsibilities to pay estimated social security taxes and state and federal income taxes with respect to remuneration received from COMPANY;
  - ii. That the social security tax that ISR, or as appropriate, ISR's business entity, must pay is higher than the social security tax the individual would pay if he or she were an employee; and
  - iii. That the service provided by ISR to COMPANY pursuant to the Agreement is not work covered by the unemployment compensation laws of any state; provided, however, that should ISR employ or use other workers to fulfill its obligations under the Agreement, and such workers are covered by the unemployment laws of any state, ISR is solely responsible for providing unemployment insurance for such workers.
- b. **ISR's Required Submission of IRS Form 4669 to COMPANY:** If applicable, COMPANY shall file federal income tax IRS Form 1099s with the Internal Revenue Service with respect to ISR if the amount of compensation COMPANY pays ISR during a calendar year reaches the level at which federal law requires such forms to be filed. For each Form 1099 filed, COMPANY shall furnish both a copy of the completed Form 1099 and a copy of IRS Form 4669, entitled "Statement of Payments Received" on which COMPANY shall have filled in ISR's name and address as "Payee" (Line 1), ISR's Social Security Number or Federal Taxpayer ID Number (Line 2), COMPANY's name and address as "Payor" (Line 3), the Calendar Year for which the Form 1099 was filed (Line 4), and the "Amount of Payments [to ISR] on Which Income Tax and Social Security Tax Were Not Withheld" by COMPANY [the amount reported on the Form 1099] (Line 5). ISR shall fill out the remaining Lines 6, 7 (if applicable), 8, 9, and 10, sign (Line 11), and date (Line 12) of the Form 4669, and mail or otherwise deliver the original signed form to COMPANY within thirty (30) days of filing, with the IRS, any income tax return or employment tax return relating to the income reported on the Form 1099.

20. NOTICE:

All notices and notifications required or permitted by this Agreement shall be in writing (unless permitted elsewhere in this Agreement to be oral) and shall be deemed to have been fully given (unless otherwise specified in this Agreement) (a) upon delivery if delivered in person or by facsimile or electronic transmission; (b) on the next business day after being deposited with an overnight delivery company with the express charges prepaid; or (c) on the date indicated on the return receipt, if deposited in the United States Mail certified mail return receipt requested with appropriate postage prepaid, or if there is no such receipt, on the third business day after being deposited in the United States Mail with First Class postage prepaid; in each event properly addressed to the other party at the address shown at the end of this Agreement. COMPANY and ISR shall be under a continuing duty to provide a correct address and telephone number to the other party. Notice of an address or telephone-number change shall be given in writing.

21. TERM:

This Agreement shall commence on the date first indicated above and continue in full force and effect for a period of one (1) year thereafter, which shall be the initial term (the "Term") of this



Agreement. The Term shall automatically renew, unless terminated earlier as set forth herein and below, for one-year terms thereafter. Additionally, at any time during this Agreement including during the initial term hereof, this Agreement may be terminated by the Company, for any reason or no reason by providing written or electronic notice to the ISR in accordance to Paragraph 20.

## 22. TERMINATION:

- a. COMPANY shall have the right to terminate this Agreement at its discretion at any time and immediately for cause if any of the following events should occur:
  - i. ISR's material breach of this Agreement; or
  - ii. willful conduct by ISR or any of its principals, employees, ISRs, or agents that is materially injurious to COMPANY; or
  - iii. indictment or conviction of Principal or ISR or any of its principals, employees, ISRs, or agents for any act of fraud, embezzlement, theft, or any crime of moral turpitude; or
  - iv. in the event that ISR or Principal (or their employees or agents) may be subject to confidentiality covenants, and/or a covenant not to compete, and/or covenant not to solicit customers (hereinafter "a restrictive covenant agreement") with another person or entity (a "third party") and such third party notifies COMPANY that ISR and/or Principal (or their employees or agents) is in violation of such restrictive covenant agreement or demands compliance with such restrictive covenant agreement; or
  - v. in the event that ISR's status as a corporation or limited liability company is voluntarily or involuntarily terminated and ISR fails to have its status as a corporation or limited liability company reinstated within thirty (30) days after ISR receives notice of such termination or
  - vi. in the event ISR (or an affiliate of ISR) defaults under or commits a material breach of any other agreement between ISR (or an affiliate of ISR) and COMPANY or an affiliate of COMPANY.
- b. ISR shall have the right to terminate this Agreement by providing COMPANY with written notice of its intent to terminate this Agreement in the event of COMPANY's material breach or violation of any of the terms and conditions of this Agreement. Provided, ISR can sustain that COMPANY materially breached this Agreement, then the deemed termination effective date shall be as stated in ISR's notice of intent to terminate.
- c. ISR agrees that upon termination of this Agreement: (i) COMPANY shall not be required or obligated to pay any amounts, commissions, or balances due ISR until such time as ISR has fully complied with the requirements of this Agreement; (ii) that, notwithstanding the foregoing, COMPANY shall to the extent not prohibited by law be authorized to withhold for a period of ninety (90) days any amounts, commissions, or balances due ISR unless a surety bond, in a form and amount satisfactory to COMPANY, is furnished by ISR to indemnify COMPANY for any indebtedness accruing subsequent to said termination; and (iii) that COMPANY shall have, for itself or for any of its subsidiaries or affiliates, the right of set-off against any amounts, commissions, or balances due ISR or affiliates of ISR.



- d. COMPANY shall only be obligated to pay commissions subject to the terms of Exhibit A on shipments with an invoice date falling on or prior to the date termination is effective. ISR shall be obligated to satisfy its obligations hereunder with respect to all loans, promissory notes, and amounts related to equipment purchases occurring/effective prior to the date termination is effective. After this agreement is terminated, ISR shall remain fully bound by all terms and conditions pursuant to its obligations under the express provisions of this Agreement until all open loads are invoiced and collection efforts are satisfied. Any breach of the covenants, promises, warranties, or other provisions of this Agreement or the insolvency or filing of bankruptcy of either party shall be deemed a breach of this Agreement. Upon breach of this Agreement, the party alleging breach shall have a right to immediately terminate this Agreement.

23. GOVERNING LAW:

This Agreement shall be governed by the laws of Pennsylvania, and both parties expressly consent to jurisdiction of any Pennsylvania court. Moreover, both Parties agree that any action pursuant this Agreement will be brought in a Pennsylvania court. If any term of this Agreement conflicts with the law, or is unenforceable for any reason, all other terms shall be construed to remain in full force and effect. The representations, rights and obligations of the Parties shall survive termination of this Agreement for any reason.

24. BINDING AGREEMENT:

This Agreement shall be binding on the Parties, their heirs, ISR representatives, successors in interest, and assigns. The Recital terms above are deemed to be contractual as well as recital. The persons signing this Agreement represent they have proper authority to do so.

25. ENTIRE AGREEMENT:

This Agreement supersedes all other agreements, either oral or in writing, between the Parties hereto with respect to provisions of this Agreement and contains all of the covenants and Agreements between the Parties whatsoever. Each Party to this Agreement acknowledges that they have read and understood this Agreement; that no representations, inducements, promises or Agreements, oral or otherwise, have been made by either Party or anyone acting on behalf of any Party, which are not embodied herein; and that no agreement, statement or promise not contained in this Agreement shall be valid or binding. This Agreement contains the entire agreement between the Parties.

26. AMENDMENTS:

This Agreement may be amended at any time upon mutual written agreement or as stated in 16 (b.) above.



SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

**COMPANY:**

R&R Express, Inc  
& Affiliates

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

Its: \_\_\_\_\_

**INDEPENDENT SALES REPRESENTATIVE (ISR):**

\_\_\_\_\_  
ISR Company Name

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

Its: Owner/Principal/Self \_\_\_\_\_

COMPANY INIT. \_\_\_\_\_

ISR INIT. \_\_\_\_\_



## EXHIBIT A

### INDEPENDENT SALES REPRESENTATIVE COMMISSION AGREEMENT

1. For the full and proper performance of the services required of ISR under this Agreement with respect to ISR Shipments brokered to another Motor Carrier, COMPANY shall compensate ISR in the amount of \_\_\_\_\_ percent ( \_\_\_\_\_ %) of the Gross Commission Revenue COMPANY collects for said Shipment.
2. For the full and proper performance of the services required of ISR under this Agreement with respect to ISR Shipments transported on COMPANY trucks or COMPANY leased operators, COMPANY shall compensate ISR in the amount of \_\_\_\_\_ percent ( \_\_\_\_\_ %) of Line Haul Revenue COMPANY collects for said Shipment, less the amount paid to COMPANY Trucks or Company leased operators.
  - a. "Gross Commission Revenue" shall mean the amount paid by COMPANY's customer minus the amount paid to the motor carrier to which COMPANY tenders the shipment minus other costs related to the shipment.
  - b. "Line Haul Revenue" shall mean all revenue – billed by COMPANY to shippers, consignees, brokers, logistics companies, freight forwarders, other carriers, or other customers (referred to together as "COMPANY's Customer" throughout this Exhibit and the Agreement) in connection with an ISR Shipment performed by COMPANY trucks or Company Leased operators under this Agreement – for line haul transportation only, and excludes any revenue for hourly work, accessorial services, detention, and all other services, and all fuel surcharges, liability insurance surcharge, and
    - i. Charges separately stated on COMPANY's invoice to COMPANY's Customer as insurance surcharges, charges for escorts, charges for overweight, over dimensional, or other permits, charges for special loading and/or unloading services, excess-value charges or high-value freight charges, surcharges for additional security measures provided by COMPANY, trailer charges, cartage charges, spotting charges, and charges for other services COMPANY obtained from a broker, freight forwarder, interline or augmenting carrier, warehouse or other storage provider, terminal, other agent, independent contractor, or other third party, including but not limited to an affiliate of COMPANY (together, "Third Party") or ;
    - ii. Incentives, discounts, fees, or commissions COMPANY gives COMPANY's Customer with respect to the shipment; or
    - iii. Payment-processing fees consisting of the actual cost incurred by COMPANY for the shipment if COMPANY's customer or a third-party payor makes deductions from COMPANY's freight charges related to electronically-transmitted billing and payment account use; or
    - iv. Amounts COMPANY paid to Third Parties in relation to movement of the shipment, if not covered by a charge separately-stated on COMPANY's invoice to COMPANY's Customer including but not limited to charges for escorts, charges for overweight, over-dimensional, or other permits, charges for special loading and/or unloading services, excess-value charges or high-value freight



charges, surcharges for additional security measures provided by COMPANY, trailer charges, cartage charges, spotting charges, and charges for other services COMPANY obtained from a Third Party.

- 3. For purposes of this Exhibit and the Agreement and subject to the adjustment described in Paragraph 4 below, compensation shall be considered earned for an ISR Shipment when both the ISR Shipment has been delivered (or the requested transportation services completed) by COMPANY or a motor carrier to which COMPANY has brokered the ISR Shipment and full charges for it has been invoiced by COMPANY.
- 4. Provided ISR is in compliance with the terms, provisions and covenants of this Exhibit and the Agreement, compensation pursuant to Paragraph 1 of this Exhibit shall be paid pursuant to a commission statement issued to ISR by Friday of each week for ISR Shipments delivered (or the requested transportation services completed) by 11:59 p.m. Eastern Time the preceding Sunday of that week, as to which COMPANY has received all Required Documentation by Noon Eastern time on Tuesday of that week.
- 5. All claims for unpaid compensation or other errors or mistakes related to ISR Shipments moved during the time period covered by a commission statement shall be made by ISR to COMPANY in a writing received by COMPANY within sixty (60) days after the date the commission statement is issued by COMPANY. If ISR fails to provide such written notice to COMPANY within the foregoing sixty (60) day period, ISR shall be deemed to have waived any such claim.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

**COMPANY:**

R&R Express, Inc.  
& Affiliates

\_\_\_\_\_  
Signed \_\_\_\_\_ Date

\_\_\_\_\_  
Name

Its: \_\_\_\_\_

**INDEPENDENT SALES REPRESENTATIVE (ISR):**

\_\_\_\_\_  
ISR Company Name

\_\_\_\_\_  
Signed \_\_\_\_\_ Date

\_\_\_\_\_  
Name

Its: Owner/Principal/Self