
Broker Carrier Agreement

1. BROKER is an agent authorized by its customers to negotiate and arrange for transportation of their shipments in interstate commerce.

1.1 INDEPENDENT CONTRACTOR. Carrier understands and agrees that Carrier is an independent contractor of Broker, and that Carrier has exclusive control and direction of the work Carrier performs pursuant to this Agreement and each Transportation Schedule. Carrier agrees to assume full responsibility for the payment of all local, state, federal and intra-provincial payroll taxes, and contributions or taxes for unemployment insurance, worker's compensation insurance, pensions, and other social security or related protection with respect to the persons engaged by Carrier for Carrier's performance of the transportation and related services in a Transportation Schedule, and Carrier shall indemnify, defend and hold Broker, and its Customer harmless there from. Carrier shall provide Broker, with Carrier's Federal Tax ID number and a copy of Carrier's IRS Form W-9 prior to commencing any transportation or related services for Broker, under this Agreement.

2. CARRIER shall transport a series of interstate shipments arranged by Broker pursuant to carrier load confirmation agreement(s) included herewith or subsequently incorporated by reference.

2.1 CARRIER agrees to not solicit any customer of Broker, either directly or indirectly. As liquidated damages, Carrier agrees to pay back a ten percent (10%) commission on all traffic handled by customers first introduced to Carrier by Broker for a period of one (1) year following cancellation of this Agreement.

3. BROKER shall pay Carrier for services rendered in an amount equal to the rates and accessorial charges agreed to on the load rate confirmation sheet or other signed writing. Carrier must submit proof of delivery with invoices to Broker as agent for the shipper. Payment terms shall be thirty (30) days from receipt.

3.1 CARRIER agrees that BROKER is the sole party responsible for payment of CARRIER'S invoices and that, under no circumstance, will CARRIER seek payment from the shipper or consignee.

4. CARRIER warrants to Broker (and its shipper's principals) that it meets the following criteria: (a) Carrier shall maintain cargo insurance in the amount of not less than (\$100,000.00) per shipment; (b) Carrier shall maintain public liability insurance in the amount of not less than (\$1,000,000) as required by federal regulation (BMC-91 on file); (c) Carrier shall maintain workers compensation insurance as required by state law; (d) Carrier shall agree to provide certificates of insurance upon request; (e) Carrier shall maintain satisfactory U.S. DOT safety ratings and is otherwise authorized to provide the proposed services; and (f) Carrier shall be in compliance with all applicable laws.

4.1 Any insurance coverage's required by any government body for the types of transportation and related services specified in a Transportation Schedule. All insurance

required by this Agreement or a Transportation Schedule must be written by an insurance company having a Best's rating of "B+" or better and must be authorized to do business under the laws of the state(s) or province(s) in which Carrier provides the transportation and related services under all of the Transportation Schedules. Carrier's insurance shall be primary and required to respond and pay prior to any other available coverage. Carrier agrees that Carrier, Carrier's insurer(s), and anyone claiming by, through or under Carrier shall have no claim, right of action, or right of subrogation against Broker, its affiliates, or its Customer based on any loss or liability insured under the foregoing insurance. Carrier shall, prior to providing transportation and related services pursuant to this Agreement, name Broker, as a certificate holder on each of the foregoing insurance policies and shall cause its insurance company to issue a certificate to Broker, evidencing the foregoing coverage. Carrier represents and warrants that it will continuously fulfill the requirements of this Section throughout the duration of this Agreement. Broker, shall be notified in writing by Carrier's insurance company at least thirty (30) days prior to the cancellation, change or non-renewal of the submitted insurance policies.

5. GOVERNING RULES. The following rules shall apply: (a) The terms of the uniform straight bill of lading; (b) Standard claims rules otherwise applicable to common carriers (49 C.F.R. Section 370 and carrier's rules tariffs); (c) Cargo claims liability as set forth in the Carmack Amendment (49 U.S.C. Section 14706); (d) Destination market value for lost or damaged cargo, no special or consequential damages unless by special agreement; (e) Claims will be filed with Carrier by Shipper; and (f) Broker's customer is third party beneficiary of this Agreement.

6. SHIPPING DOCUMENT EXECUTION. Carriers are to be named on the bill of lading as the Carrier of Record. Broker shall be shown as the third party payer of all freight charges.

7. INDEMNIFICATION. Carrier agrees to indemnify and hold Broker and its customers harmless from any claims or loss resulting out of any act or omission of Carrier, its employees or agents in the performance of this Agreement or the services provided hereunder.

8. CARRIER'S CARGO LIABILITY. Carrier assumes liability as a common carrier for loss, damage to or destruction of any and all of Customer's goods or property while under Carrier's care, custody or control. Carrier shall inspect each load at the time it is tendered to Carrier to assure its condition. If Carrier is tendered a load which is not in suitable condition, it shall notify Broker, immediately. Cargo which has been tendered to Carrier intact and released by Carrier in a damaged condition, or lost or destroyed subsequent to such tender to Carrier, shall be conclusively presumed to have been lost, damaged or destroyed by Carrier unless Carrier can establish otherwise by clear and convincing evidence. Carrier shall either pay Broker, directly or allow Broker, to deduct from the amount Broker, owes Carrier, Customer's full actual loss, or the amount determined by Broker, and Carrier to be Carrier's responsibility. Broker, shall deduct from the amount Broker, otherwise owes Carrier, the Customer's full actual loss of all claims that are not resolved within ninety (90) days of the date of the claim. Carrier agrees to indemnify Broker, for any payments made hereunder.

8.1 SALVAGE CLAIMS. Carrier shall waive any and all right of salvage or resale of any of Customer's damaged goods and shall, at Brokers reasonable request and direction, promptly return or dispose, at Carrier's cost, any and all of Customer's damaged and overage goods shipped by Carrier under a Transportation Schedule. Carrier shall not under any circumstance allow Customer's goods to be sold or made available for sale or otherwise disposed of in any salvage markets, employee stores, or any other secondary outlets. In the

event that damaged goods are returned to Customer and salvaged by Customer, Carrier shall receive a credit for the actual salvage value of such goods.

9. LAW AND INTEGRATION. This written Agreement, together with any load confirmation, contains the entire agreement between the parties and may only be modified by signed written agreement.

10. SAVINGS CLAUSE. If any provision of this Agreement or any Transportation Schedule is held to be invalid, the remainder of the Agreement or the Transportation Schedule shall remain in full force and effect with the offensive term or condition being stricken to the extent necessary to comply with any conflicting law.

11. This agreement shall be for the period of one (1) year and shall be automatically renewed unless cancelled. Either party may terminate this Agreement upon fifteen (15) days written notice.

INDEMNITY AGREEMENT

The undersigned Applicant and Indemnitor(s), all hereinafter called the Undersigned, hereby certify that the foregoing declarations made and answers given, are the truthful, accurate and complete in all respects without reservation, and are made for the purpose of inducing any surety (herein, the "Surety") to issue or renew the bond or undertaking applied for and any renewal and increase of the same or of any bond or undertaking of similar nature given in substitution or renewal thereof (all comprehended in the word "bond" or "undertaking" as herein used). In consideration of the Surety executing said bond or undertaking, the Undersigned jointly and severally agree as follows:

(a) To pay the Surety all premiums due and annually in advance of each renewal thereafter, until the Undersigned shall serve upon the Surety, at its said office, competent written legal evidence, satisfactory to the Surety, of it being fully discharged from such bond or undertaking. (b) That the Undersigned hereby authorize the Surety to make such pertinent inquiry as may be necessary from financial institutions, including but not limited to credit reports from credit reporting agencies, persons, firms, and corporations in order to confirm and verify information referred to or listed on this application remains accurate. (c) The Undersigned will at all times indemnify, and keep indemnified, the Surety, and hold and save it harmless from and against any and all liability, loss, costs, damages, charges and expenses of whatsoever kind or nature, including expenses, collection fees and attorneys' fees, costs of adjustment and claims handling (whether in-house or by third parties) which it may, at any time, sustain or incur by reason or in consequence of furnishing any bond or undertaking or enforcing this Agreement. (d) That the Surety shall have the right to pay, settle or compromise any claim, demand, suit or judgment upon said bond or undertaking. (e) The Undersigned will deposit with the Surety on demand an amount deemed sufficient by the Surety to discharge any claim made against the Surety on this bond or undertaking. This sum may be used by Surety to pay such claim or be held by Surety as collateral security against loss or cost on this bond or undertaking. (f) To waive, and here does waive, all right to claim any property, including homestead, exempt from levy, execution, sale or other legal process under the law of any state or states; (g) Indemnitors hereby grant to the Surety a security interest in, and lien on, all of their furniture, fixtures, equipment, office equipment, books and records, documents, accounts, deposit accounts, investment property, security accounts and security entitlements, accounts receivable, chattel paper, instruments, letter of credit rights, contract rights and contract proceeds, machinery, plant, inventory, insurance policies, vehicles, tools, real property, and general intangibles, and agree that Surety may perfect any interest granted herein by filing or otherwise. (h) Undersigned agrees that premiums are fully earned upon issuance of a bond and are not refundable. (i) That the Surety shall be under no obligation to execute, renew or continue any bond, and shall have the absolute right to cancel the Bonds, or any of them, in accordance with any cancellation provision contained therein, or to procure its release from any bond under any law for the release of sureties, and Surety is hereby released from any damage that may be sustained by the undersigned by reason of such cancellation or release.

Confession of Judgment. Without limiting the generality of any other provision of this agreement, the undersigned principal and indemnitors hereby jointly, severally and irrevocably authorize and empower any attorney of record, or prothonotary or clerk of any court in any jurisdiction to appear for any or all of them at any time or times in any court with respect to any sums due under this agreement, with or without declaration filed as of any term, to waive the issuing and service process and to confess or enter judgment against any or all of them for all such sums payable under this agreement as evidenced by an affidavit signed by an authorized representative of surety setting forth such amount due, plus reasonable attorney's fees, cost of suit and interest, with release of all procedural errors and without right of appeal or stay of execution. The undersigned jointly and severally waive the right to any stay of execution and the benefit of any and all exemptions to which they may now or may hereafter be entitled under law. No single exercise of the foregoing warrant and power to bring an action or confess judgment shall be deemed to exhaust the power but the power shall continue undiminished and may be exercised from time to time as often as surety shall elect, whether before or after demand is made, until all sums payable to surety under this agreement have been paid in full. It is hereby further agreed that a facsimile of this executed agreement shall be deemed an original in any Court of law.

The undersigned waive notice from the Surety of execution of any bond, the addition or release of other indemnitors, or of any claim or demand made against the Surety or the bond principal under any bond or undertaking executed pursuant to this Agreement.

Regardless of the date of signature(s), this indemnity agreement is effective as of the date of execution of aforementioned bond(s) or undertakings(s) and is continuous until Surety is satisfactorily discharged from liability pursuant to the terms and conditions contained herein. The undersigned indemnitors agree that this agreement may be executed in multiple counterparts or separate agreements which will in no way affect the enforcement of this agreement. The obligations of the Undersigned hereunder are joint and several with all other indemnitors and applicants for common principals on bonds. The invalidity of any provision of this Agreement by reason of the law of any state or by any other reason shall not affect the validity of any other provision of this Agreement.

I, the undersigned, hereby make application to **THE SURETY** for bonds covering my business, which is the above business name. I have been unable to secure surety bonding from any standard bonding company. I have been made aware by my agent broker, and I fully understand that the costs (including fees for obtaining bonding) may be higher than standard rates for one or multiple of the following reasons: Our business is of a class considered to be non-standard or hazardous for bonding. Our financial condition does not meet most bonding companies minimum financial requirements. Our company lacks the necessary experience to secure bonding for the size or type of work we seek. Our bonding needs are so infrequent that my account does not generate sufficient premium to qualify our company with a standard surety market.

Signed this 25 day of November, 2020

Guarantee of Entity

Bonded Entity:

KHCL Logistics

(Exactly as to appear on Bond)

On behalf of entity:

X Katie Seal
Katie Seal, President

Personal Guarantee

As Individual:

X Katie Seal

Katie Seal, Individual

X Jeff Seal

Jeff Seal, Spouse

X _____

X _____

Request for Taxpayer Identification Number and Certification

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the
requester. Do not
send to the IRS.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
KHCL Logistics, LLC

2 Business name/disregarded entity name, if different from above
KHCL Logistics, LLC

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC

☐ C Corporation

☐ S Corporation

☐ Partnership

☐ Trust/estate

☒ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► **S**

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
174 Grandview Drive

6 City, state, and ZIP code
Florence, MS 39073

7 List account number(s) here (optional)

8 Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

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or

Employer identification number

8	2	-	4	9	5	4	3	2	7
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here

Signature of U.S. person ► *Katie Seal*

Date ► *01/14/2021*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



U.S. Department of Transportation
Federal Motor Carrier Safety Administration

1200 New Jersey Ave., S.E.
Washington, DC 20590

SERVICE DATE
December 07, 2018

LICENSE

MC-123853-B

U.S. DOT No. 3177936
KHCL LOGISTICS
BRANDON, MS

This License is evidence of the applicant's authority to engage in operations, in interstate or foreign commerce, as a **broker, arranging for transportation of freight (except household goods)** by motor vehicle.

This authority will be effective as long as the broker maintains insurance coverage for the protection of the public (49 CFR 387) and the designation of agents upon whom process may be served (49 CFR 366). The applicant shall also render reasonably continuous and adequate service to the public. Failure to maintain compliance will constitute sufficient grounds for revocation of this authority.

A handwritten signature in black ink, appearing to read "Jeffrey L. Secrist".

Jeffrey L. Secrist, Chief
Information Technology Operations Division

BPO