



TRKX

SERVICE AGREEMENT

This Services Agreement (“Agreement”) is made this [**December 2, 2019**] (the “Effective Date”) between [**Raiders**] (“Client”), with offices located at [**7949 Ajay Dr Suite C Sun Valley, CA 91352**] and All State Association, Inc. (“Service Provider”) with offices located at 11487 San Fernando Rd., San Fernando, CA 91340. The Client and Service Provider are sometimes collectively referred to herein as the “Parties” and individually as “Party”.

Client wishes to be provided with the Services (collectively the “Services” as defined below) by Service Provider and the Service Provider agrees to provide the Services to Client in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

SECTION 1: SERVICES

* 1. During the term of this agreement, the Service Provider agrees to perform such Services as shall be mutually agreed upon by the Client and the Service Provider. Service Provider will determine the method, details, and means of performing the Services.
  2. Service Provider may represent, perform services for, and contract with other additional clients, persons, or companies as Service Provider, in its sole discretion, sees fit, provided those services do not pose a conflict of interest with the services performed for the Client.
  3. Client acknowledges and agrees that Service Provider may, at its sole discretion, use subcontractors and consultants to perform some of the Services to be provided under this Agreement. In the event Service Provider utilizes subcontractors or consultants to perform any of the Services, Service Provider shall remain responsible to Client for performance under this Agreement.

## SECTION 2: CLIENT RESPONSIBILITIES

* 1. Client shall bear its own costs and expenses including the fees and disbursements of counsel, accountants, independent contractors, sales agents, and any other expenses which may arise which are associated with the performance of its obligations under this agreement or to the operation, management, and activity of client’s business.
  2. Client agrees, at its own expense, to operate in full compliance with all government laws, regulations and requirements applicable to the conducting of Client’s business operation and such duties as are applicable hereunder. It shall be the responsibility of the Client to pay for any necessary licenses, permits, insurance and approvals as may be necessary for the performance of the Services under this Agreement, unless otherwise specified in writing and agreed to by Service Provider.
  3. Service Provider will not be held responsible for costs and expenses associated with and in connection with the management and operation of Client’s physical offices, including but not limited to: office lease or purchase costs, repair or maintenance costs, utilities and related services, on-site overhead costs, and any other costs reasonably incurred by client in the operation and management of the physical location of client’s business. Client shall bear its own costs and expenses incurred in connection with this agreement and the transactions contemplated by this agreement, excluding those explicitly stated otherwise.
  4. Client shall comply with Policies and Procedures Manual provided by Service Provider and acknowledges receipt thereof.
  5. Client shall indemnify, defend, and hold Service Provider free and harmless from all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies; including interest, penalties, attorneys’ fees, and costs that Service Provider may incur as a result of a breach of any provision of this agreement by Client, its agents, or subsidiaries, at any time arising out of, or by reason of, in any way related to the operation, management, activity of client’s business. Service Provider shall have the right to withhold any such sums resulting from such loss or claim from monies earned by Client.
  6. Service Provider does not warrant in any form the results or achievements of the Services provided or the resulting work product and deliverables. Service Provider warrants that the Services will be performed by qualified personnel in a professional and workmanlike manner in accordance with generally accepted industry standards and practices. Service Provider shall comply with all statutes, ordinances, regulations and laws of all international, federal, state, county, municipal or local governments applicable to performing the Services hereunder.
  7. Client agrees to comply with all reasonable requests of Service Provider and shall provide Service Provider’s personnel with access to all documents and other information as may be reasonably necessary for the performance of the Services under this Agreement.

## SECTION 3: PROVIDER RESPONSIBILITIES

* 1. Service Provider will provide operational and business management services and license to utilize provided tools for the operation of client’s business, including, but not limited to: executive business consulting, information access relevant for the operation of client’s business, credit monitoring and risk management, carrier compliance, fuel advance, limited scope use of licensed brokerage authority, proprietary software and technology, claims administration, operational services for the client’s day-to-day workflow.
  2. Service Provider shall provide limited access to its proprietary software to Client at a charge of $750 per month which fee may be adjusted from time-to-time, but not before the expiration of six (6) months from the effective date of this agreement.
  3. Service Provider shall maintain and distribute a Policies and Procedures Manual.

## SECTION 4: ACCOUNTS RECEIVABLES PURCHASE & SECURITY AGREEMENT

* 1. Client hereby agrees to sell all of its Accounts Receivables to Royalty Capital, Inc., subject to the terms of a separate Accounts Receivables Purchase & Security Agreement, attached hereto, and incorporated by reference.
  2. Royalty Capital, Inc. shall not require Client to repurchase invoices sold where the Customer’s Credit has been approved, provided that invoices do not exceed credit approval limit.

SECTION 5: FEES

* 1. A nonrefundable $5 Load Processing Fee will be applied to each load that Client records in TRKX. All loads will be processed as part of the Services provided to Client, for which a load processing fee shall be applied.
  2. Service Provider shall be paid 20% of the total Gross Profit revenue to be applied at the close of each month. The 20% will be charged to each load, deducted after payment to Carrier is made for such load.
  3. In consideration for the limited access to the software (TRKX), Client shall be charged a monthly fee of $750 during the term of this Agreement.
  4. A refundable $10,000 deposit shall be made by Client to Service Provider, before services are commenced.
  5. Service Provider shall disburse or advance monies earned by Client on transactions on every 3rd business day of each month (subject to set-off).
  6. Service Provider reserves the right to deduct any outstanding balances owed by Client to Service Provider from Clients unpaid balance or future balances.
  7. Service Provider reserves the right to issue said payments through a third-party company.
  8. At Clients request, Service Provider may provide telecommunications service, to be outlined in a separate agreement, which is attached hereto, and incorporated by reference.

ARTICLE 6: TERMINATION

* 1. This agreement shall terminate automatically on the occurrence of any of the following termination events:
     1. Death or incapacity of client
     2. Bankruptcy or insolvency of either party
     3. Failure to comply w/ Policies and Procedures Manual (“PPM”).
     4. Any breach or violation of this agreement
  2. Either party may terminate this agreement on sixty (60) days’ notice sent by Certified U.S. Mail and electronic mail to the addresses set forth above.
  3. Termination of this Agreement for any reason shall not discharge either Party’s liability for obligations incurred hereunder and amounts unpaid at the time of such termination. Client shall pay Service Provider for all Services rendered prior to the effective date of termination. Upon termination, each party shall return the other Party’s Confidential Information that is in its possession at the time of termination.

# Article 7: Confidential Information

* 1. The Parties acknowledge that by reason of their relationship to the other hereunder, each may disclose or provide access (the Disclosing Party) to the other party (the Receiving Party) certain Confidential Information. Confidential Information shall mean, i) information concerning a Party’s products, business and operations including, but not limited to, information relating to business plans, financial records, customers, suppliers, vendors, products, costs, sources, strategies, inventions, procedures, sales aids or literature, technical advice or knowledge, contractual agreements, pricing, price lists, trade secrets, marketing strategies and interests, algorithms, data, designs, concepts, computer programs and systems and know-how or other intellectual property, of a Party and its affiliates that may be at any time furnished, communicated, or delivered by the Disclosing Party to the Receiving Party, whether in oral, tangible, electronic or other form; ii) the terms of any agreements, including this Agreement, and the discussions, negotiations and proposals

related to any agreement; iii) information acquired during any meetings or orientation of or while present at a Party’s facilities; and iv) all other non-public information provided by the Disclosing Party hereunder. In no event shall Service Provider’s use or disclosure of information regarding or relating to the development, improvement or use of any of Service Providers products or services be subject to any limitation or restriction. All Confidential Information shall remain the property of Disclosing Party.

* 1. The Receiving Party shall maintain the Confidential Information in strict confidence and disclose the Confidential Information only to its employees, subcontractors, and representatives who have a need to know such Confidential Information to fulfill its business affairs and transactions between the Parties contemplated by this Agreement (and who are under confidentiality obligations no less restrictive as this Agreement). The Receiving Party shall always remain responsible for breaches of this Agreement arising from the acts of its employees, subcontractors, and representatives. The Receiving Party shall not decompile, disassemble, or reverse engineer all or any part of the Confidential Information.
  2. Any written, printed, graphic, or electronically or magnetically recorded information or software furnished by Service Provider to Client is the sole property of Service Provider. This proprietary information includes, but is not limited to, TRKX, brands and logos, slogans, business model, Client requirements, Client lists, marketing information, and information concerning Service Provider’s employees, products, Services, prices, operations, and subsidiaries.
  3. This is not a work-for-hire agreement. The copyright in all deliverables created for Client shall belong to the Service Provider. All intellectual property rights in all pre-existing works and derivative works for such pre-existing works and other deliverables and developments made, conceived, created discovered invented or reduced to practice in the performance of the Services hereunder are and shall remain the sole and absolute property of Service Provider, subject to a worldwide, non- exclusive license to Customer for its internal use as intended under this Agreement.

# Article 8: General Provisions

* 1. During the term of this Agreement, and for one year following the expiration or termination date of this Agreement, each party agrees not to directly solicit or induce any person who performs services hereunder to leave the employ of the other party. The parties are not prohibited from responding to or hiring the other’s employees who inquire about employment on their own accord or in response to a public advertisement or employment solicitation in general.
  2. The relationship of the Parties hereto is that of independent contractors. Nothing in this Agreement, and no course of dealing between the Parties, shall be construed to create or imply an employment or agency relationship or a partnership or joint venture relationship between the Parties or between one Party and the other Party’s employees or agents. Each of the Parties is an independent contractor and neither party has the authority to bind or contract any obligation in the name of or on account of the other Party or to incur any liability or make any statements, representations, warranties or commitments on behalf of the other Party or otherwise act on behalf of the other. Each Party shall solely responsible for payment of the salaries of its employees and personnel (including withholding of income taxes and social security), worker’s compensation, and all other employment benefits.
  3. If any provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.
  4. Any notices required to be given under this agreement by either party to the other may be effective by email, with the exception of the sixty (60) day termination notice required in paragraph 7.
  5. This agreement supersedes any and all agreements, either oral or written, between the parties with respect to the rendering of Services by Service Provider for Client and contains all of the representations, covenants, and agreements between the parties with respect to the rendering of those Services. Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any parties, which are not contained in this agreement, and that no other agreement, statement, or promise not contained in this agreement will be valid or binding. Any modification of this agreement will be effective only if it is in a writing signed by the party to be charged.
  6. Each party agrees to maintain insurance in commercially reasonable amounts calculated to protect itself and the other party to this agreement from any and all claims of any kind or nature for damage to property or personal injury, including death, made by anyone, that may arise from activities associated with the business activities of this contract, whether these activities are performed by Client, its employees, agents, vendors, or anyone directly or indirectly engaged or employed by that party or its employees.
  7. This agreement, including the attachments hereto, constitutes the entire agreement and understanding, and supersedes any and all prior agreements and understandings, whether written or oral, between the parties with respect to the subject matter hereof.
  8. Client has had the opportunity to be represented by the legal counsel of its choice respect to the form and content of this agreement and the advisability of executing same, and Client represents that has had the opportunity to consult with its own counsel before executing this agreement.
  9. Any controversy or claim arising out of or relating to this agreement or the breach of this agreement, including class action lawsuits, will be settled first by mediation and if unsuccessful, then by arbitration in accordance with the rules of the organization or neutral the parties select. If the parties are unable to agree on an arbitrator within 30 days of notification by one of the parties that arbitration is required, the American Arbitration Association shall be appointed as the arbitrator and its Commercial Rules shall be applicable. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction over the award.
  10. If any legal action, including arbitration, is brought to enforce or interpret the provisions of this agreement, the prevailing party will be entitled to reasonable attorneys’ fees, which may be set by the arbitrator or court. If the parties have mediated any dispute to a successful conclusion, each party shall be responsible for its own attorney’s fees and costs with the costs of the mediation evenly split.
  11. This agreement is to be construed in accordance with the laws of the State of California, without giving effect to the principles of conflicts of law of such state. The parties hereby agree that any action arising out of this agreement will be brought solely in any state or federal court located in California, Los Angeles. Both parties hereby submit to the exclusive jurisdiction and venue of any such court.

8.12. This agreement shall not be construed against either of the parties on the basis that it was drafted by that party. Further, any headings or titles contained herein are set forth only for purposes of convenience for the reader and are not intended to and shall not be construed as a part of the operative language of this agreement and shall have no legal effect on or between the parties. The parties agree that this agreement may be signed in counterparts.

* 1. The Service Provider may subcontract its obligations and rights to a third-party.
  2. It is agreed and warranted by the parties that the individuals signing this agreement on behalf of the respective parties are authorized to execute such an agreement. No further proof of authorization shall be required.

**ALL STATE ASSOCIATION, INC.** “SERVICE PROVIDER”

By: Date:

[INSERT CORPORATION NAME OF CLIENT] (THIS INCLUDES THE ENTITY THAT IS BEING PAID – their

“BP” or “EP” LLC), as well as their full legal name.

CLIENT NAME: A&E Inc.

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Client Legal Name: Elvis Torosyan

Signature:

Date: December 2, 2019

Client Legal Name: Armen Siak

Signature:

Date: December 2, 2019

