

ACT CONTRACT CARRIER AGREEMENT

THIS AGREEMENT, made and entered on _____ between **Advanced Chemical Transport, Inc.**, a California company with its principal place of business at 967 Mabury Rd San Jose, CA 95133, hereinafter referred to as "Shipper", and _____, hereinafter referred to as "Carrier".

WITNESSETH

WHEREAS, Carrier is a motor contract Carrier of property, authorized by the Federal Motor Carrier Safety Administration ("FMCSA") in Docket No. MC _____ to conduct operations and provide service in interstate and foreign commerce in the transportation of General Commodities (except Household Goods), between points in the United States (except Alaska and Hawaii), under continuing contract(s) with Shipper; and

WHEREAS, Shipper desires from time to time to use the services of Carrier to transport freight for or on behalf of its customers; and

WHEREAS, both Shipper and Carrier enter into this Agreement pursuant to 49 U.S.C. §14101 (b) for the purpose of providing and receiving specified services under specified rates and conditions, and under which the parties intend to waive certain rights and remedies permitted to be waived under the Interstate Commerce Act, and, to the fullest extent possible, have all of their dealings governed by the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the foregoing terms, conditions and mutual promises contained herein, Carrier and Shipper agree as follows:

1) Term. This Agreement shall remain in effect for one (1) year from the date hereof and, if not canceled, shall automatically renew for additional periods of one (1) year. Either party may terminate this Agreement, with or without cause, upon giving the other thirty (30) days prior written notice of its intention to do so. Shipper hereby agrees to cause to be tendered to Carrier a minimum of one (1) shipment and Carrier agrees to transport such shipment.

2) Carrier Paid Only by Shipper. On all shipments tendered to Carrier pursuant to this Agreement, compensation shall be paid to Carrier solely and exclusively by Shipper, in the amount(s) set forth in Shipper's rate confirmation agreement. Shipper's rate confirmation agreement, including all warranties, terms and conditions contained there is hereby incorporated herein by reference and shall be considered a part of this Agreement. As a condition precedent to payment, Carrier shall submit to Shipper the proof of delivery and any other required shipping documents within fifteen (15) days of delivery of each shipment transported pursuant to this Agreement. Shipper shall not be responsible for the payment of any freight bills for any charges which are not submitted to Shipper by Carrier within 180 days of the date of delivery of the shipment(s) represented on any such freight bills.

3) Services & Warranties. Carrier specifically warrants and agrees that all freight tendered to it pursuant to this Agreement shall only be transported by Carrier on, in or with equipment operating under Carrier's legal authorities. Carrier shall not under any circumstance broker shippers loads to another Carrier. Carrier shall serve Shipper as an independent contractor and nothing herein or otherwise shall be construed as inconsistent with that status. Carrier agrees that all drivers, agents, employees and representatives shall at all times remain under Carrier's exclusive direction and control. The carrier agrees to retain and pay its driver and not the shipper, and the Carrier is solely responsible for the operation of the transportation equipment. Carrier shall comply with any and all laws, rules and regulations of any duly constituted governmental authority in any manner relating to the performance of the transportation and transportation related services rendered pursuant to this Agreement. Carrier warrants that it will at no time allow its U.S. DOT Safety Rating to become "Unsatisfactory".

An "Unsatisfactory" Safety Rating shall be considered to be a material breach of this Agreement by Carrier. If Carrier's safety rating becomes "Unsatisfactory" or if Carrier is issued a proposed "Unsatisfactory" safety rating Carrier agrees to immediately cease its provision of services and notify Shipper of such fact so that alternative services may be arranged. Carrier's violation of any of these provisions shall be considered a material breach of this Agreement by Carrier. In addition, the Carrier agrees to maintain compliance with federal motor carrier regulations at all times. Carrier's based in California or transporting in or out of California shall maintain and provide documentation of compliance with The California Air Resources Board regulations. Carrier will be solely responsible for any acts, omissions, and/or violations by Carrier, its employees, contractors, agents or representatives and will defend, indemnify and save Shipper and Shipper's customers harmless from any loss, damage, fine, penalty, judgment, claim(s), action or liability arising in any manner from the actions of Carrier.

It is agreed that the reference, notation or identification of Shipper as the motor Carrier on any bill of lading or other shipping document(s) shall be for the carrier's, consignor's or consignee's convenience only and such reference, notation or identification shall not alter Shipper's status as a property shipper or Carrier's status as both a motor Carrier as well as the motor Carrier of record. Carrier shall be responsible for requesting and obtaining instructions concerning all handling, securing and product/freight protection requirements (heat, cold, moisture, etc.) of each shipment, including specifications on the bill of lading manifest or otherwise, and Carrier shall be solely liable for any damages occurring from any such cause if Carrier fails to request, obtain and/or comply with such instructions. Carrier is responsible for determining that the goods being shipped are in apparent good order and condition as well as ensuring that all freight is properly blocked and braced for transportation.

Except to the extent otherwise specified herein, Carrier assumes the liability of an interstate motor common Carrier, as specified in 49 U.S.C. §14706, for all freight transported pursuant to this Agreement. Claims shall be processed in accordance with 49 C.F.R. Part 370. Carrier is solely responsible for ensuring that proper trailer locks are applied and remain intact until removed upon delivery. Carrier shall be liable for any and all claims, losses or liabilities incurred by Shipper arising from or as a result of locks that are missing or broken. Carrier shall be solely responsible for ensuring that cargo is maintained according to any requirements stated on the bill of lading manifest or Shipper's rate confirmation sheet. Compensation due to Carrier under this agreement may be withheld by Shipper, in Shippers sole discretion to satisfy claims for loss, damage or delay to shipments tendered to Carrier pursuant to this Agreement or any loss/losses incurred by Shipper as a result of Carrier Negligence to the extent any terms and conditions of any bill of lading conflict with any terms and conditions of this Agreement, the terms and conditions of this Agreement shall govern and take precedence. Tariffs shall not apply to any services performed pursuant to this Agreement. Carrier agrees to immediately contact Shipper to advise any inconsistencies between the information contained in any shipping document and any information provided by Shipper and Carrier shall be solely responsible for any consequences, including claims for loss, damage or delay, if Carrier fails to contact Shipper and obtain instructions regarding any such inconsistencies.

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4) Insurance. Carrier agrees at all times to carry general liability, auto liability, public liability and property damage insurance each in an amount not less than one million dollars (\$1,000,000.00) per occurrence or (5,000,000.00) when transporting the following, Hazardous substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper type vehicles with capacities in excess of 3500 water gallons or in bulk Division 1.1, 1.2, and 1.3 materials, Division 2.3, Hazard zone A, or Division 6.1, packing group I, Hazard zone A material; in bulk Division 2.1 or 2.2; or highway route controlled quantities of Class 7 material as defined in 49 CFR 173.403 Workers Compensation insurance in the amounts required by law in the jurisdictions where the services hereunder will be performed and Employers Liability insurance in an amount not less than five hundred thousand dollars (\$500,000.00) per occurrence with all policies listing Shipper's customers as additional insured, including a waiver of subrogation in favor of Shipper and its customers.

5) No Back-Solicitation. Unless otherwise agreed in writing, Carrier shall not knowingly solicit shipments (or accept shipments) for a period of twelve (12) months following termination of this agreement for any reason, from any carrier, consignor, consignee, or other customer of Shipper, when such shipments of carrier customers were first tendered to Carrier by Shipper. In the event of breach of this provision, Shipper shall be entitled to a commission of three (3) times the gross transportation revenue (as evidenced by freight bills) received by Carrier for the transportation of said freight as liquidated damages. Additionally, Shipper may seek injunctive relief and in the event it is successful, Carrier shall be liable for all costs and expenses incurred by Shipper, including, but not limited to, reasonable attorney's fees.

6) Confidentiality. All information furnished to Carrier by Shipper in the course of performing its work and/or rendering services pursuant to this Agreement, whether or not it is marked or specifically identified as "Proprietary" or "Confidential" shall be deemed to be business proprietary information of Shipper and/or its customer(s). Carrier agrees not to disclose any such information, directly or indirectly to any third party nor to use such information other than in performance of work and/or rendering services pursuant to this Agreement and agrees not to use Shipper's or Shipper's

customers' names for promotional or other purposes without prior written consent.

7) Binding Effect/Assignment. This Agreement shall extend to and be binding upon the heirs, executors, successors, or assigns of Shipper and Carrier. Neither party may assign its rights or obligations hereunder. This Agreement shall not be rendered unenforceable by virtue of any failure or alleged failure to comply with the provisions of any statute or regulation applicable to transportation contracts, and the parties expressly waive any right that they might otherwise have to challenge the validity of this Agreement on such grounds, which waiver shall be binding on their respective assigns, heirs, or successors in interest.

8) Enforcement/Attorneys' Fees. In the event either party incurs attorney's fees, costs or expenses in enforcing any of the provisions of this Agreement, or in exercising any right or remedy arising out of any breach of this Agreement by the other party, the prevailing party shall be entitled to an award of attorney's fees, costs and expenses against the defaulting party.

9) Headings, Non-Waiver. All section headings in this Agreement are inserted for convenience only and shall not affect any construction or interpretation of this Agreement. If either party fails to enforce, or waives the breach of any term or condition of this Agreement, such action or inaction shall not operate as a waiver of any other breach of such term or condition, nor of any other part of this Agreement, nor of any other rights, in law or equity, or of claims which each may have against the other arising out of, connected with or related to this Agreement.

10) Governing Law – Venue. This Agreement shall be governed by and construed in accordance with the Laws of the State of California. Any legal action arising under or pursuant to this Agreement shall be brought and maintained only in courts located in Santa Clara County CA.

11) Survival of Rights. All rights and obligations arising under this Agreement shall survive termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

Carrier: _____

By: _____
(MUST BE SIGNED BY AN OFFICER) Date

Name: _____

Advanced Chemical Transport, Inc.

Shipper

By: _____
Date

Name: _____