



CROWLEY LINER SERVICES, INC.

EQUIPMENT INTERCHANGE AGREEMENT

PART 1 AGREEMENT

Dated as of:

1.1 This Equipment Interchange Agreement, (this "Agreement") between Crowley Liner Services, Inc., a Delaware Corporation ("Crowley") and the party identified hereunder as the Carrier, are the terms and conditions relating to the Carrier taking possession of Crowley Equipment ("Interchange"). Carrier's Interchange of Crowley Equipment shall only be for the purpose of Crowley-related business and is not for the general rental or leasing of Equipment. By executing this Agreement, the Carrier is not guaranteed any transportation business.

1.2 This Agreement consists of this Part 1, plus the following: Part 2 General Terms and Conditions; Part 3 Indemnification and Insurance; Part 4 Maintenance Repairs to Equipment; Part 5 Interchange Period and Other Charges; plus the referenced exhibits.

1.3 Crowley has signed this Agreement as an offer to Carrier. The Carrier, by executing this Agreement hereby agrees that Carrier has made no changes to the Agreement, except for the following clauses _____. (If none, so state). Any changes made by Carrier shall not be binding until Crowley accepts such changes by initialing and returning such changes to Carrier. It is also agreed that fax or email confirmation signature is legally binding with respect to enforcement of this Agreement.

CROWLEY LINER SERVICES, INC.

Katherine Carpenter
Senior Coordinator, Equipment Administration
9487 Regency Square Boulevard, Jacksonville, Florida 32225
Telephone: 904-727-2676 Fax: 904-805-1619
Email: Katherine.Carpenter@Crowley.com

Carrier Is:

(Name of Carrier)

By: _____

(Signature) :

Name: _____

(Print or Type)

Title: _____

(Print or Type)

Form of Organization: Corporation Partnership Sole Proprietor

State of Formation/Residency _____

Address: _____

Phone: _____ Fax: _____ Email: _____

PART 2 GENERAL TERMS AND CONDITIONS

2.1 DEFINITIONS

2.1.1 Carrier means the party or entity identified in, Part 1 as "Carrier", as well as, its owner, operator, agent, representative, user and employees of any of them who engage in the Interchange or take possession or control of the Equipment.

2.1.2 Day means a consecutive 24 hour period of time beginning at 0001 hours and ending at the next midnight.

2.1.3 Detention Period means that portion of the Interchange Period where the Carrier is charged a fee for the use of the Equipment.

2.1.4 Equipment means any and all trailers, containers, chassis, bogies, flatbeds, tanks, refrigerator vans/containers (including without limitation tires, tubes, generator sets) and any other types of mobile units, and all component parts and combination thereof either owned, leased or under the control of Crowley.

2.1.5 Equipment Interchange Report or EIR means a document substantially in the form of Exhibit A.

2.1.6 Free Time Period means that portion of the Interchange Period where the Carrier is not charged a fee for the use of the Equipment.

2.1.7 Interchange is defined in Part 1.

2.1.8 Interchange Period means the entire period of time the Carrier has possession or control of the Equipment which commences at the time a Carrier's vehicle or employees enter or arrive at any premises, location or facility of Crowley or its agents for the purpose of taking possession of one or more pieces of Equipment, and ceases when Carrier's vehicle or employees leave or depart any premises, location or facility of Crowley or its agents after return of such Equipment.

2.1.9 Two-way Movement of Cargo means that the Carrier picks up Equipment at the beginning of an Interchange Period with cargo already carried by Crowley for delivery and returns the same piece of Equipment at the end of the same Interchange Period with new cargo for carriage by Crowley.

2.2 CARRIER REPRESENTATIONS AND WARRANTIES

Carrier represents and warrants to Crowley that:

2.2.1 Independent Contractor. Carrier is an independent contractor with exclusive control and direction of the movement and transportation of the Equipment during Interchange under this Agreement.

2.2.2 Certification. The Carrier shall hold all valid and proper certifications, licenses, permits or other authorizations required by the laws, regulations, ordinances or conventions of all applicable governmental authorities (national, provincial, state or local) with authority over the Equipment, the Carrier or the intended use of the Equipment.

2.2.3 Responsibility. Carrier shall be bound by all of the terms and conditions of this Agreement at all times: (i) it has any Equipment under Interchange; and (ii) its employees, officers, operators or agents are at any location for the purpose of pick-up or dropping off a piece of Equipment, even if an Equipment Interchange Report has not yet been signed in the case of a

pick-up or has already been signed in the case of a drop off. Carrier shall be responsible for the performance of the terms of this Agreement by itself, its employees, officers, operators, agents and all other persons handling the Equipment until the Equipment is properly returned to Crowley.

2.2.4 Operator Licenses. Any operator, agent, representative or other person Carrier assigns to pick up, drop off, handle or operate any Equipment shall have all required licenses and certifications and will be trained in the duties that person is to perform. Carrier shall ensure that all personnel handling hazardous goods are properly trained, and when required, licensed or certified. This obligation shall include, but shall not be limited to, Carrier insuring that all personnel are in compliance with U.S. Department of Transportation Requirements for Hazardous Material Training (49 CFR Part 172 Subpart H) and Carrier registration (49 CFR Part 107 Subpart G) and all amendments or revisions thereto. Failure to comply with the provisions of this representation will subject Carrier to cancellation of this Agreement.

2.2.5 Insurance. Carrier shall at all times maintain the insurance required by Part 3 of this Agreement.

2.2.6 Use of Equipment. Carrier shall promptly complete the use for which Equipment has been received and return the Equipment to the place it received the Equipment, or to another location agreed to by Crowley. Carrier shall not use the Equipment for any purpose not authorized by Crowley.

2.2.7 Equipment Control. Carrier shall not permit the Equipment to go out of its possession without proper authorization of Crowley and then only to the extent of said authorization. Carrier shall, in any event, be responsible for the safe and timely return of such Equipment to Crowley in the same condition as when received, ordinary wear and tear excepted.

2.2.8 Harmful Products. Carrier shall not haul waste materials of any type, radioactive materials, or any other materials which may contaminate the interior of the Equipment or otherwise damage the Equipment unless expressly authorized in writing by a Crowley Vice President/General Manager or higher-level personnel directly responsible for Equipment utilization.

2.2.9 Drug Search. Carrier shall allow random drug searches of any Equipment covered by this Agreement at any time. Carrier hereby authorizes Crowley to search Carrier's equipment while it is on Crowley-owned, operated or used premises.

2.3 INTERCHANGE PROCEDURES

2.3.1 Standard for Equipment. Crowley shall equip the Equipment with all required vehicle license plates, satisfactory mud flaps, working directional signal lights, clearance marker and stop lights, and reflectors, and shall have the Equipment in compliance with local, state, provincial, and/or federal or other applicable regulations applicable for the use contemplated for the Crowley-related business. Once the Carrier Interchanges the Equipment, Carrier shall be responsible to maintain the Equipment in the condition it was received and in compliance as stated above until the Equipment is returned to Crowley.

2.3.2 DISCLAIMER OF WARRANTY. CROWLEY DOES NOT MAKE ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE FITNESS OR CONDITION OF THE EQUIPMENT, INCLUDING TIRES AND TUBES. THE CARRIER ACQUIRES THE USE THEREOF AT ITS OWN RISK. Representatives of Crowley and the

Carrier shall conduct a joint inspection of the Equipment at the commencement of the Interchange, at which time the Carrier shall note any and all of its exceptions or objections to the Equipment in the spaces provided on the Equipment Interchange Report.

2.3.3 Fines. Carrier shall pay all federal, state or local fines or penalties assessed or incurred for the entire Interchange Period, even if notice of such fine or penalty is issued in the name of Crowley or received by it.

2.3.4 Return of Equipment by Carrier. Except as otherwise provided for herein, when Carrier offers to return Equipment to Crowley upon completion of use, Crowley shall, unless otherwise agreed, accept the Equipment so offered during normal operating hours at the place of receipt; provided it is in the same condition as when received by Carrier, less normal wear and tear. Crowley shall not accept any Equipment which, in its reasonable opinion, is (1) unsafely or improperly loaded; (2) loaded in excess of government weight limits; (3) as to refrigerated Equipment, not loaded in compliance with the Crowley Reefer Receiving Procedures.

2.4

TERM AND CANCELLATION

2.4.1 Term. This Agreement is for an indefinite period, subject to cancellation by either party at any time, by giving the other party ten (10) days' written notice of such cancellation by United States mail, addressed to the other party at the address appearing in Part 1. Either party may change their address for purposes of giving notices by notifying the other party, in writing, of its new address for notices.

2.4.2 Default. In addition, Crowley may cancel this Agreement, **AT ANY TIME, WITHOUT NOTICE** upon the occurrence of one or more of the following:

- (a) failure of Carrier to have all insurance coverages required under Part 3 of the Agreement in full force and effect at all times, or use by Carrier of any power unit or tractor not insured under such coverages.
- (b) failure of Carrier to pay Crowley any and all amounts due under this Agreement, within thirty (30) days of the invoice date or to pay Crowley any other amounts due it from the Carrier either under this Agreement or under any other agreement between Crowley and Carrier.
- (c) breach of a provision of this Agreement wherein it specifically states that the failure to comply with the provisions of that section will subject Carrier to cancellation of this Agreement.
- (d) material breach by Carrier of any other term or condition of this Agreement and failure to remedy such breach within ten (10) days of Crowley's written notice to Carrier of such breach.
- (e) Carrier winds up its business, becomes insolvent, files bankruptcy, is declared bankrupt, or otherwise is no longer an active business.
- (f) Carrier fails to promptly report any accident involving any Equipment, or fails after such report to defend, indemnify or hold Crowley harmless or otherwise cooperate in the resolution of any such incident.

2.4.3 Winddown. The terms and conditions of this Agreement shall continue after termination or cancellation for all Equipment still under Interchange to Carrier until returned to Crowley. Carrier shall return all Crowley Equipment it has under Interchange: (i) immediately if this

Agreement is terminated or canceled under Section 2.4.2; or (ii) within the 10 day notice period if this Agreement is terminated or canceled under Section 2.4.1.

2.5 MISCELLANEOUS

2.5.1 Complete Agreement. This Agreement cancels and supersedes any other Agreements, written or verbal, between the parties hereto covering the Interchange of Equipment and shall, along with the applicable EIR, constitute the entire Agreement between the parties. No verbal amendment or modification of this Agreement is permitted. This Agreement may be supplemented or amended only by written Agreement signed by the party to be bound. This Agreement may not be assigned by the Carrier.

2.5.2 Payments. All charges made by Crowley in connection with this Agreement must be paid within thirty (30) days of invoice date. Crowley shall be entitled to recover all costs of collection, including reasonable attorney's fees and expenses. All amounts owed by the Carrier outstanding after their due date shall bear interest at the highest rate permitted by law, not to exceed 18% per annum.

2.5.3 Severability. In the event that any of the terms or conditions of this Agreement shall be determined to be inoperative or unenforceable, said determination shall not affect the force and effect of any of the rest of the terms of this Agreement.

2.5.4 Authorized Signature. It is understood and agreed that the person signing this Agreement on behalf of the Carrier is a person authorized to bind the Carrier to the terms and conditions of this Agreement.

2.5.5 Applicable Law. This Agreement shall be construed according to the laws of the State of Florida without giving effect to any choice of law rules that may require the application of the laws of another jurisdiction. The Carrier agrees that any suits against Crowley shall be brought in the Federal or State Courts at Jacksonville, Florida and the Carrier hereby submits to that jurisdiction.

2.5.6 Headings. The Headings of the clauses are for convenience of reference only and shall not affect the interpretation of the terms of this Agreement. The use of the singular tense shall include and be construed to also mean the plural where necessary or appropriate and the necessary grammatical changes required shall in all cases be assumed as though fully expressed.

2.5.7 Waiver. No provision of this Agreement shall be waived by any party hereto, unless such waiver is written and signed by the authorized representative of the party against whom such waiver is sought to be enforced. Waiver by either party of any breach or failure to comply with any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with any other provision of this Agreement.

PART 3 INDEMNIFICATION AND INSURANCE

3.1 DEFINITION

For purposes of this Part 3, Crowley Corporation shall mean Crowley Maritime Corporation, Crowley Liner Services, Inc. and each of their direct and indirect subsidiaries, affiliated or related corporations or entities thereof, and their insurance underwriters, and Beacon Insurance Company, Ltd. and its reinsurers.

3.2 INDEMNIFICATION

3.2.1 Carrier hereby releases and agrees to defend, hold harmless, and indemnify Crowley Corporation and its insurers and re-insurers, from and against any and all loss, damage, liability, cost, or expenses suffered or incurred by Crowley Corporation, including but not limited to that arising out of, or connected with, injuries, or death, of any persons, loss or damage to property of any persons, or loss or damage to any Equipment, or any fines or penalties, in any way arising out of the Carrier having control or possession of any piece of Equipment during any Interchange Period, including any costs of legal representation by way of attorneys' fees, attorneys' disbursements, defense costs, and expenses, whether or not resulting from litigation, no matter how any of the above may be caused during the Interchange Period. Without limiting the generality of the foregoing, Carrier's obligations under this Section shall specifically include the transportation of hazardous materials or substances as defined by all pertinent federal and state laws and/or regulations, provided however, the Carrier is not required to release, hold harmless or indemnify Crowley Corporation for the sole negligence of Crowley. Carrier shall however, continue to be obligated to defend Crowley Corporation even if an allegation of Crowley Corporation negligence is made. Carrier's obligation under this indemnity shall only cease at such time as a judgment is rendered finding Crowley Corporation liable due to its sole negligence.

3.2.2 The Carrier under this Agreement shall be solely liable, according to applicable law, for loss of, damage to, and/or delay of property being transported in any Equipment during Interchange under this Agreement, howsoever arising.

3.3 INSURANCE

Carrier shall, in partial compliance with its obligations to Crowley under this Agreement, at all times, during the Term of this Agreement maintain insurance coverages in the amounts appearing in Section 3.4 and with the terms and conditions appearing in this Section 3.3 and Section 3.4.

3.3.1 All required insurance coverages shall be provided by insurance companies found to be acceptable to Crowley. Said policies shall contain no deductibles or self-insured retention. Crowley shall approve the Carrier's deductible or risk retention in writing. The amount of any deductible or self-insured retention (approved or not) shall remain the obligation of the Carrier. For any deductible or self-insured retention (approved or not), the Carrier shall be required to respond to Additional Insured obligations, and requests for coverages and defense, just as if commercial insurance were in place without any self-insured retention or deductibles.

3.3.2 All policies shall contain a provision which requires that thirty (30) days' prior written notice of cancellation be mailed, by United States mail to Crowley Liner Services, Inc., Senior Coordinator, Equipment Administration, Post Office Box 2110, Jacksonville, Florida 32203-2110.

3.3.3 Carrier shall have its insurance Agent or Broker or insurance carrier provide directly to Crowley at the address listed above, a certificate of insurance certifying that said Carrier has

obtained, and continues in effect, insurance in the type, amount and containing those policy provisions set forth above in this section. Crowley has the right to receive a copy of the actual policy or policies, evidenced by the certificate of insurance, upon request to the Carrier.

3.3.4 Any and all liability insurance obtained hereunder by the Carrier shall name as additional insured Crowley Corporation. The additional insured endorsement language shall read as follows:

“Coverages are provided to Crowley Corporation on a primary basis with respect to liability arising out of the named insured’s ongoing operations related to the interchange of equipment under the Equipment Interchange Agreement. Further, the coverages shall apply for indemnity and defense on a basis consistent with that contained in the Equipment Interchange Agreement, including but not limited to the Indemnification clause 3.2.1. All terms used in the endorsement are used as defined in the Equipment Interchange Agreement.”

3.3.5 Carrier shall not at any time, use any power unit or tractor with a piece of Equipment if such power unit or tractor is not afforded coverages by the insurance coverages referred to in this Part 3.

3.3.6 All insurance policies maintained by the Carrier shall contain a cross liability provision which provides that, in the event of one of the insureds incurring liability to any other of the insureds, the policy shall cover the insured against whom claim is made or may be made in the same manner as if separate policies has been issued to each insured. All Carrier policies shall be primary insurance as to any insurance provided or carried by Crowley Corporation, and shall not contain any “benefit of insurance,” “other insurance” clauses or other contractual provisions which in any way lessen or diminish the full amount of insurance provided to Crowley Corporation by the Carrier. The coverages afforded to Crowley Corporation as an additional named insured shall at least be equal to the coverages afforded the Carrier under such policies and shall in all respects include coverages for the obligations of Carrier to Crowley Corporation under this Part 3.

For avoidance of doubt, all liability policies provided under this Agreement, including the Automobile Liability policy, must contain full coverages for all contractual liability assumed by the Carrier in this Agreement.

3.3.7 Should Carrier fail to procure or maintain any of the required insurance coverages, or, by any act or omission, vitiates or invalidates any of the coverages, then Carrier shall indemnify Crowley to the extent that Crowley suffers or incurs loss, damage, liability or expense in consequence of such failure, act or omission.

3.3.8 It is expressly understood that Carrier shall notify Crowley Risk Management Department of any accident involving the Equipment, advising names of Parties involved, location of accident, witnesses, police data, and confirmation of prompt reporting to the responsible insurance agent or Carrier, as identified on the Carrier’s certificate of insurance. This notice may be given to any of the following individuals and confirmed by fax to: **904-805-1639**

Joy Sargent Keith Satterwhite
(904) 727-2691 (904) 727-2391

With a copy mailed to the address contained in Section 3.3.2.

3.4 INSURANCE REQUIREMENTS FOR CARRIERS

3.4.1 Liability Insurance. The Carrier certifies that it will procure and keep in effect insurance covering its legal liability including, without limitation, any and all contractual liability assumed under this Agreement from and against any and all loss, damage, liability, cost, or expense suffered or incurred, arising out of or connected with injuries to or death of any person (whether third parties to this Agreement or employees of any of the entities of the Carrier or Crowley Corporation), or loss, or damage to property of any persons (whether third parties to this Agreement or employees of any of the entities of the Carrier or Crowley Corporation) arising in any way during the Interchange Period of the Equipment with limits of liability of no less than One Million Dollars (\$1,000,000); provided however, if the Carrier maintains insurance limits higher than that amount, Crowley Corporation shall benefit from those higher limits on the same terms and conditions as provided by this Part 3.

3.4.2 Hazardous Insurance. In addition to be eligible to Interchange Equipment with or for carrying hazardous cargoes, the Carrier shall have all additional insurance coverages required by all applicable Federal, State or local authorities for the hazardous substances carried, so that insurance shall be obtained with limits set forth hereafter, regardless of whether Carrier is regulated by the Surface Transportation Board or not (these requirements shall continue to be binding under this Agreement, even if the referenced regulations are repealed):

- (a) For Hazardous Substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons or 1.1, 1.2, and 1.3 explosives (previously known as Class A and B explosives) poison gas (Poison A) liquefied compressed gas or compressed gas, or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403.... Limit of Liability no less than Five Million Dollars (\$5,000,000);
- (b) Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in subparagraph A above or subparagraph C below.... Limit of Liability no less than One Million Dollars (\$1,000,000).
- (c) Any quantity of 1.1, 1.2, and 1.3 explosives; any quantity of poison gas (Poison A); or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403....Limit of Liability no less than Five Million Dollars (\$5,000,000).

The type of carriage listed under 3.4.2 (a) and (b) applies to vehicles with a gross vehicle weight rating of 10,000 pounds or more. The type of carriage listed under number (c) applies to all vehicles with a gross vehicle weight rating of less than 10,000 pounds.

If any other government body with authority, or any government body who may acquire such authority (federal, state, or provincial) by order or regulation increases the foregoing limits for non-hazardous cargoes or hazardous cargoes, Carrier shall increase its limits in accordance therewith, regardless of whether Carrier is regulated by the Surface Transportation Board, or such other authority or is otherwise exempt or non-regulated.

3.4.3 Cargo Legal Liability. Carrier shall have in effect insurance covering its legal liability for damages to cargo, or other contents of Equipment, with limits of at least One Hundred Thousand Dollars (\$100,000).

3.4.4 Physical Damage to Equipment. The Carrier shall have in full force and effect insurance covering physical loss or damage to Equipment resulting from any cause, with a

minimum limit of Twenty-five Thousand Dollars, (\$25,000) per occurrence (commonly referred to in the insurance industry as “Trailer Interchange Coverages”).

3.4.5 Workers' Compensation. The Carrier shall maintain workers' compensation coverages as provided for by State and/or Federal Law to include a waiver of subrogation in favor of Crowley.

3.4.6 State and Federal Filings. The Carrier must have in place the appropriate State or Federal insurance filings as required by law such as, but not limited to, MCS-90, BMC-32, Form E and Form H filings.

PART 4 MAINTENANCE REPAIRS TO EQUIPMENT

4.1 MAINTENANCE AND REPAIR STANDARDS

Carrier shall, except as specifically provided herein at its sole cost and expense, maintain, repair and service the Equipment and otherwise keep it in good repair and safe operating condition at all times during the Interchange Period. Such maintenance, repair and service shall be done in a professional manner, using parts and components of the same or higher design, material and quality as those items being replaced. Carrier shall not make any alterations or modifications to any piece of Equipment. If Carrier performs improper or substandard service, repairs or maintenance on the Equipment, it shall be liable for the cost of all work required to correct same. If Carrier has any questions regarding compliance with the Crowley maintenance standards, Carrier should contact Crowley Maintenance Department as provided in Section 4.10 of this Agreement.

4.2 ORDINARY MAINTENANCE & SERVICE ADJUSTMENT

Any ordinary maintenance and other service adjustment to Equipment during the Interchange Period:

4.2.1 Will be for the account of the Carrier when cost thereof does not exceed \$50.00.

4.2.2 When estimated cost thereof exceeds \$50.00, authorization from the Crowley Maintenance Department (see Section 4.10), must be obtained prior to commencement of the work. All authorized work must be billed to Crowley within 30 days from the date the maintenance or adjustment was completed. Bills for unauthorized work will not be paid. Bills for authorized work not submitted within the 30 day period may be rejected.

4.2.3 All billing to Crowley must be accompanied by original vendor invoices and work orders with evidence to show that they have been paid in full.

4.3 DAMAGES

4.3.1 In the event that the Equipment is damaged during the Interchange Period, the Carrier shall, repair and restore the Equipment to the condition in which it existed when the Interchange Period began. If the apparent cost of repairs exceeds \$200.00, the written consent of Crowley's Maintenance Department (see Section 4.10) must be obtained by the Carrier before it causes repairs to be made. All repairs must be made to the satisfaction of Crowley. Any improper repairs will be corrected by Crowley, re-billed to, and paid by the Carrier.

4.3.2 If Carrier fails to make such repairs or makes improper repairs, it shall nevertheless, be responsible for the cost of the repairs and the improper repairs. Bills for repairs to damaged Equipment will be paid by Carrier within 30 days of invoice date. Failure to comply with this provision will subject the Carrier to cancellation of this Agreement.

4.4 **TIRES AND TUBES**

4.4.1 The Carrier shall be responsible to determine that tires and tubes are properly mated at the time of Interchange. Thereafter, until Equipment is returned to Crowley, repairs to tires and tubes shall be made by and at the expense of the Carrier at the time of any tire or tube failure. At the time of return of Equipment, the tires thereon shall be jointly inspected by Crowley and Carrier as part of the EIR to determine:

- (a) If properly mated.
- (b) That all tires are properly inflated.
- (c) Any defects, including but not limited to:
 - 1. Separation of caps.
 - 2. Visible blisters, cuts, bumps, bulges, or knots.
 - 3. Obvious signs of rim wear.
 - 4. Visible objects protruding from tire, such as nails, bolts, spikes.
 - 5. Flat tires.
- (d) That tires contain sufficient tread to comply with applicable governmental safety regulations.

4.4.2 Any deficiency noted by inspection shall be corrected by Crowley or by the Carrier prior to acceptance by Crowley, at the expense of the Carrier.

4.4.3 Carrier shall provide proper maintenance to tires and tubes, including proper inflation, repair of flat tires, pulled valve stems, etc.

4.4.4 In the event of a blowout and/or total failure of a tire and/or tube, replaced by other than Crowley, the replacement shall be properly mated and should be of similar quality and value. Report of such replacement must be made to Crowley showing size, ply, brand and serial numbers of tires applied. All costs must be reasonable and just. If tire or tube is ruined as a result of being run flat or otherwise abused, it will be the responsibility of the Carrier to replace or pay for the tire or tube so ruined.

4.4.5 Any unserviceable tire replaced by the Carrier and for which Crowley is charged, shall be returned by Carrier to the point, and in the manner, designated by Crowley. Crowley will inspect all such returned tires and will issue a receipt to the Carrier for any returned tire indicating the condition of the tire and the reason for failure. Receipts for returned tires must accompany any billing submitted to Crowley by Carrier for reimbursement of tire repair costs. Any billing to Crowley must likewise include original vendor invoices and repair orders showing size, ply, brand and serial numbers of tires replaced.

4.4.6 Repair authorization from the Crowley Maintenance Department (see section 4.10), must be obtained prior to commencement of any work on tires and tubes. In the event that repairs are required after the close of normal business hours, authorization from the Crowley Maintenance Department (see Section 4.10), must be obtained prior to close of business of the next business

day. All authorized work must be billed to Crowley within thirty (30) days from the date that the maintenance or adjustment was completed. Bills for unauthorized work will not be paid. Bills for authorized work not submitted within the 30 day period may be rejected. All billing to Crowley must be accompanied by original vendor invoices and work orders and show that they have been paid in full.

4.5 REFRIGERATED EQUIPMENT

Carrier agrees when accepting refrigerated Equipment that:

4.5.1 Fuel used in excess of that required to provide refrigeration shall be replaced by the Carrier at the time the mechanical refrigeration Equipment unit is returned. If the Carrier fails to replenish the fuel supply, the Carrier may be billed and will pay for the cost of the fuel consumed.

4.5.2 When mechanical refrigeration Equipment is unloaded, Carrier shall have the Equipment cleaned prior to return, unless otherwise agreed between Crowley and the Carrier. If the Carrier fails to steam clean, the Carrier shall be responsible as provided in Section 4.9.

4.6 LOST, STOLEN OR DESTROYED EQUIPMENT

4.6.1 In the event that the Equipment is lost, stolen, or destroyed (including a constructive total loss) during the Interchange Period, and while settlement is pending, Crowley shall receive compensation equal to the applicable Detention Charge shown in Part 5 provided however during such period, Saturdays, Sundays, and holidays will be included until Crowley receives the payment under Section 4.6.2.

4.6.2 Carrier agrees to pay Crowley for the replacement cost of all units of Equipment lost, stolen or destroyed plus cost of special Equipment or accessories, less depreciation, calculated as of the date of written notification by the carrier that the unit was lost, stolen or destroyed. The aforesaid notwithstanding, for any unit of Equipment leased by Crowley from a third party, the payment to be made by the Carrier to Crowley under this Section shall not be less than the payment due from Crowley to that third party lessor.

4.6.3 Crowley shall have the option to retain title to the Equipment or to transfer title to the Carrier.

4.7 DECONTAMINATION

The cost of and time for decontaminating Equipment that has been loaded with contaminating commodities will be the responsibility of the Carrier who had the Equipment under Interchange at the time of loading such Equipment. The Carrier shall pay Crowley for the cost of decontamination and for all time lost for the decontamination of the Equipment in accordance with the terms of Section 4.9. If the Equipment cannot be decontaminated to the satisfaction of Crowley, then the Equipment will be considered to be a total loss with compensation for the Equipment due to Crowley in accordance with Section 4.6.

4.8 DUNNAGE, DEBRIS, ETC.

All dunnage, debris, paint spills, etc., shall be removed prior to the return of the empty Equipment. Charges for cleaning by Crowley will be billed to the Carrier.

4.9 EQUIPMENT DELAYS WHILE BEING REPAIRED

Where repairs, cleaning or decontamination to Equipment are the responsibility of the Carrier under the provisions of this Agreement and were not performed by Carrier, Crowley shall make those repairs, cleaning or decontamination at the cost and expense of the Carrier. Carrier shall pay Crowley for the cost of such repairs, cleaning or decontamination and for all the time lost to arrange and perform those items in an amount equal to the applicable Detention Charges found in Part 5, including Saturdays, Sundays and holidays, for each day the Equipment remains out of operation because of one or more of these causes.

4.10 CROWLEY MAINTENANCE DEPARTMENT

All references in this Agreement to the Crowley Maintenance Department shall mean the applicable location identified in Exhibit B to this Agreement, which is incorporated herein by reference. Any questions regarding maintenance or repair of the Equipment should be directed to the location indicated.

PART 5 INTERCHANGE PERIOD AND OTHER CHARGES

5.1 FREE TIME PERIOD

The Interchange Period consists of two parts: (i) the Free Time Period and (ii) the Detention Period. The Free Time Period shall either be the time designated in the applicable Crowley tariff or other rules applicable to the cargo movement or other use of the Equipment. If none of the above documents designate a Free Time Period for the movement, then, in that event, the Free Time Period shall be the day of interchange plus the next two (2) days. Where a Two-way Movement of Cargo is involved, there will be two (2) additional days added to the Free Time Period. In computing the free time period, Saturdays, Sundays and holidays are excluded.

5.2 DETENTION PERIOD AND CHARGES

The Detention Period shall be calculated by subtracting the Free Time Period from the Interchange Period. Carrier shall pay Crowley a fee for each day of the Detention Period for the use of the Equipment (Detention Charge) as follows:

<u>EQUIPMENT TYPE</u> (with or without chassis)	<u>DETENTION CHARGE</u> (per day or fraction thereof)
Dry, Open Top, Flatbed, Chassis	\$15.00
Refrigerated or Tank Equipment	\$40.00
Lowboy or other Special Equipment	\$50.00

In computing the days of the Detention Period, Saturdays, Sundays and holidays are included except as provided below. The above Detention Charges apply both to vans and marine containers.

The following provisions apply to Refrigerated, Tank, Lowboy, and other Special Equipment types only:

1. If a Saturday, Sunday or holiday occurs before the third (3rd) day after the end of the Free Time Period, it will be excluded for purposes of calculating the number of days for the detention period.
2. After the third (3rd) day of the Detention Period, then all Saturdays, Sundays and holidays will be counted as a day of the Detention Period.

5.3 MISUSE OF EQUIPMENT

When any piece of Equipment is Interchanged without cargo for delivery, solely for loading and is returned without cargo, a charge of \$100.00 for each calendar day, or fraction thereof will be charged. Section 5.1 notwithstanding, there shall be no Free Time Period of any kind in these circumstances.

5.4 DETENTION PERIOD CAUSED BY ACTS OF SHIPPER/CONSIGNEE

Where the use of Equipment exceeds the Free Time Period, and the delay is caused by the acts of the shipper or consignee, the Carrier shall still be responsible to Crowley for any Detention Charges caused by the shipper or consignee. The Detention Charges due Crowley shall in no way be dependent on the collection by Carrier of delay, demurrage, detention, storage or other charges from the shipper, consignee or other parties.

EXHIBIT B
CROWLEY MAINTENANCE DEPARTMENT LOCATIONS

To obtain repair authorization for equipment dispatched from:	Contact Crowley Maintenance at:		
	Location	Phone	FAX
Chicago, IL Cincinnati, OH Indianapolis, IN St Louis, MO Kansas City, MO Minn/St.Paul, MN Detroit, MI Cleveland, OH Peoria, IL Louisville, KY Columbus, OH Evansville, IN	Chicago, IL	(708) 563-6126	(708) 563-2457
Pennsauken, NJ Baltimore, MD Norfolk, VA Boston, MA Canada	Pennsauken, NJ	(856) 966-5810	(856) 966-5837
(For H&M Warehouse, S.Kearny,N.J. contact:		(201)997-9080	(201)997-9152)
Jacksonville, FL Atlanta, GA Birmingham, AL Charleston, SC Charlotte, NC Nashville, TN Chattanooga, TN Memphis, TN Savannah, GA Portland OR Oakland, CA Los Angeles, CA Seattle, WA Tampa, FL Mobile, AL Dalton, GA	Jacksonville, FL	(904) 727-2203	(904) 634-0198
Miami, FL Ft. Lauderdale, FL Houston, TX	Port Everglades, FL	(305) 470-4032	(305) 470-4093
New Orleans, LA Gulfport, MS	New Orleans, LA	(504) 246-2924	(504) 244-1518

INSURANCE REQUIREMENTS

A certificate of insurance must evidence the following coverage's BEFORE approval of the Crowley Liner Services, Inc. equipment interchange agreement. Certificate holder should read:

Crowley Liner Services, Inc.
P.O. Box 2110
Jacksonville, FL 32203-2110
Fax number: (904) 805-1619

1. **GENERAL LIABILITY** - \$1,000,000 per occurrence. (Section 3.4.1.)
(Certificate must evidence contractual liability)
2. **AUTOMOBILE LIABILITY** - \$1,000,000 CSL (Section 3.4.1.) If limit is less, include evidence of umbrella. If carrying hazardous cargo, carrier must have in force, limits in accordance with all federal, state or local authorities. (Section 3.4.2.)
Crowley requires all insurance certificates to list actual and complete name of the companies affording coverage. Company affording the automobile liability coverage, must be rated 'B' or better by A.M. Best rating guide.
3. **CARGO LEGAL LIABILITY** - \$100,000 minimum limit. (Section 3.4.3.) Any exception to this limit must first be appealed in writing, and approved, before accepted.
4. **TRAILER INTERCHANGE** - \$25,000 minimum limit per unit. (Section 3.4.4)
Provide physical damage protection for Crowley Liner Services equipment during interchange period. List limit and deductibles. Self-insured status must first be submitted as written request, and approved, before accepted.
5. **ADDITIONAL INSURED** - **Wording on certificate must read as follows:**
"Crowley Corporation shall be named as additional insured consistent with the Crowley Liner Services, Inc. Equipment Interchange Agreement clause 3.3.4."
6. **NOTICE OF CHANGE OR CANCELLATION** - (Section 3.3.2.) All policies shall contain a provision, which requires thirty (30) days' prior written notice of change or cancellation be mailed to Crowley Liner Services, Inc., Senior Coordinator, Equipment Administration.
7. **WORKERS COMPENSATION** – (Section 3.4.5.) The carrier shall maintain Workers Compensation coverages as provided for by State and/or Federal Law to include a waiver of subrogation in favor of Crowley. However, **evidence of this coverage** as required by Section 3.3.3. **is waived.**

Please forward this request to your insurance agent to arrange for a certificate of insurance be sent to us reflecting the above listed requirements. **Certificates should be sent to the attention of Kathy Carpenter.**

Kathy handles all contracts and is available for any questions or problems. Call toll free 800-874-6769 if outside Florida, or dial direct 904-727-2676.

INSURANCE REQUIREMENTS ATTACHMENT
REFERENCES FOR ADDITIONAL INSURED REQUIREMENT

3.1 DEFINITION

For purposes of this Part 3, Crowley Corporation shall mean Crowley Maritime Corporation, Crowley Liner Services, Inc. and each of their direct and indirect subsidiaries, affiliated or related corporations or entities thereof, and their insurance underwriters, and Beacon Insurance Company, Ltd. and its re-insurer.

3.2 INDEMNIFICATION

3.2.1 Carrier hereby releases and agrees to defend, hold harmless, and indemnify Crowley Corporation and its insurers and re-insurer, from and against any and all loss, damage, liability, cost, or expenses suffered or incurred by Crowley Corporation, including but not limited to that arising out of, or connected with, injuries, or death, of any persons, loss or damage to property of any persons, or loss or damage to any Equipment, or any fines or penalties, in any way arising out of the Carrier having control or possession of any piece of Equipment during any Interchange Period, including any costs of legal representation by way of attorneys fees, attorneys disbursements, defense costs, and expenses, whether or not resulting from litigation, no matter how any of the above may be caused during the Interchange Period. Without limiting the generality of the foregoing, Carriers obligations under this Section shall specifically include the transportation of hazardous materials or substances as defined by all pertinent federal and state laws and/or regulations, provided however, the Carrier is not required to release, hold harmless or indemnify Crowley Corporation for the sole negligence of Crowley. Carrier shall however, continue to be obligated to defend Crowley Corporation even if an allegation of Crowley Corporation negligence is made. Carriers obligation under this indemnity shall only cease at such time as a judgment is rendered finding Crowley Corporation liable due to its sole negligence.

3.3 INSURANCE

3.3.4 Any and all liability insurance obtained hereunder by the Carrier shall name as additional insured Crowley Corporation. The additional insured endorsement language shall read as follows:

“Coverages are provided to Crowley Corporation on a primary basis with respect to liability arising out of the named insured’s ongoing operations related to the interchange of equipment under the Equipment Interchange Agreement. Further, the coverages shall apply for indemnity and defense on a basis consistent with that contained in the Equipment Interchange Agreement, including but not limited to the Indemnification clause 3.2.1. All terms used in the endorsement are used as defined in the Equipment Interchange Agreement.”

TIRE PROGRAM FOR MOTOR CARRIERS

Crowley has contracted **Emergency Breakdown Service (E.B.S.)** to repair tires on Crowley equipment in transit on the highway. This Tire Roadside Service Agreement authorizes E.B.S. to respond to requests by Carriers for roadside replacement of failed tires on any equipment being operated on behalf of Crowley by a Carrier with a valid Crowley Liner Services, Inc. Equipment Interchange Agreement. This program only applies to equipment interchanged from **Crowley Liner Services, Inc.** This program specifically does not apply to Crowley equipment that may be on sublease to other entities at the time roadside service is required. E.B.S. provides two types of services under this program:

SERVICES FOR WHICH CROWLEY IS RESPONSIBLE

- When the cause of tire failure is a tire blowout or other total failure such as a peeled or separated caps, which did not result from driver abuse, charges for replacements of failed tires on Crowley equipment will be billed directly to Crowley by E.B.S..

SERVICES FOR WHICH CARRIER IS RESPONSIBLE

- Charges for repairs to flat tires or replacements of run flat tires, cut tires or tires otherwise abused by Carrier will be billed by E.B.S. directly to the Carrier in possession of the equipment at the time the service is performed. Carriers agree to pay all such charges directly to E.B.S. within 30 days of receipt of E.B.S. invoices. Failure to pay E.B.S. for Carrier responsibility tire repairs shall be grounds for declaring the Carrier in default of the Crowley Liner Services, Inc. Equipment Interchange Agreement and may subject Carrier to having its Crowley Liner Services, Inc., Equipment Interchange Agreement terminated.
- It is important to understand that any services provided by E.B.S. that do not qualify as Crowley tire failure responsibility will be billed by E.B.S. directly to the Carrier. Carrier failing to pay such bills within 30 days of invoice date will find that E.B.S. will no longer respond to any requests for roadside service.

To use this program Carriers may call **E.B.S. at 1-877-528-4737**. When calling for service drivers must provide:

- Driver Name
- Company Name
- Exact Breakdown Location
- Valid Crowley Equipment Number
- Tire defect, position and size

This program is designed to minimize the expense, lost time and customer inconvenience associated with replacement of tires that fail during highway transit. The success of the program relies on the commitment of the Carrier to ensure that the program is used appropriately and is in no way abused. Crowley in its sole discretion reserves the right to modify or terminate this entire program or to exclude a Carrier from using this program.

CARRIERS WHO DO NOT UTILIZE THIS PROGRAM ARE REQUIRED TO ADHERE TO THE PROCEDURES OUTLINED BELOW:

In the event of a blowout and/or total failure of a tire and/or tube, replaced by other than Crowley, the replacement shall be properly mated and should be of similar quality and value. Report of such replacement must be made to Crowley showing size, ply, brand and serial numbers of tires applied. All costs must be reasonable and just. If tire or tube is ruined as a result of being run flat or otherwise abused, it will be the responsibility of the Carrier to replace or pay for the tire or tube so ruined.

Any unserviceable tire replaced by the Carrier and for which Crowley is charged, shall be returned by Carrier to the point, and in the manner, designated by Crowley. Crowley will inspect all such returned tires and will issue a receipt to the Carrier for any returned tire indicating the condition of the tire and the reason for failure. Receipts for returned tires must accompany any billing submitted to Crowley by Carrier for reimbursement of tire repair costs. Any billing to Crowley must likewise include original vendor invoices and repair orders showing size, ply, brand and serial numbers of tires replaced.

Repair authorization from the Crowley Maintenance Department, must be obtained prior to commencement of any work on tires and tubes. In the event that repairs are required after the close of normal business hours, authorization from the Crowley Maintenance Department must be obtained prior to close of business of the next business day. All authorized work must be billed to Crowley within thirty (30) days from the date that the maintenance or adjustment was completed. Bills for unauthorized work will not be paid. Bills for authorized work not submitted within the 30 day period may be rejected. All billing to Crowley must be accompanied by original vendor invoices and work orders and show that they have been paid in full.