

Equipment Interchange Contract

THIS AGREEMENT is between International Transport Logistics, Inc., a Florida corporation ("ITL") the address of which is 9485 Regency Sq. Blvd., Suite 415, Jacksonville, FL 32225 and the party executing this Agreement as "Carrier" (the "Carrier" as further defined below) on the signature page below.

Background

The following facts constitute the background for this Agreement

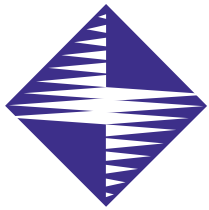
- A) ITL is a licensed non-vessel operator common carrier (a NVOCC) that owns and/or controls as a lessee various Equipment for the purpose of transporting freight for Customers.
- B) Carrier is a common carrier or other person engaged in trucking, hauling or other handling of containers and/or trailers such as the Equipment and will have possession and control over the Equipment from time to time.
- C) The parties hereto wish to enter into this Agreement to establish their respective agreements as to the Equipment that is transferred (an "Interchange") between them and between the Carrier and third parties. This Agreement applies to the Equipment during Carrier's Period of Responsibility.

Now therefore, in consideration of the mutual benefits to be derived here from, the parties agree that the background facts are true and correct and further agree as follows:

I) DEFINITIONS

In addition to the definitions set forth above, the following terms shall have the following meanings as used in this Agreement:

- A) Authorized Transferee:** means with respect to the Equipment, (i) any Customer who is the shipper of freight in that Equipment or is receiving the Equipment for the purposes of loading freight in that Equipment, and (ii) any other User who has entered into an Interchange Agreement with ITL.
- B) Carrier:** means the Carrier signing this Agreement as such and the employees and agents thereof, and includes any person who owns, leases, or operates tractors or other vehicles which are engaged in the Interchange of Equipment on behalf of Carrier or who have possession or control over the Equipment during the Carrier Period of Responsibility.
- C) Carrier Period of Responsibility:** means, with respect to the equipment, that period of time beginning when possession of the Equipment is Interchanged to Carrier and ending on the earlier to occur of the time possession of the Equipment is returned to ITL or possession of the Equipment is transferred from Carrier to another Authorized Transferee in accordance with ITL's instructions.
- D) Customer:** means shippers, consignees, and parties with a beneficial interest in any freight contained or intended to be transported in any Equipment.
- E) Equipment:** means various items of equipment owned, leased or operated by ITL including, without limitation (i) 45' and 48' refrigerated containers, (ii) chassis for containers, (ii) 48' and 53' refrigerated trailers, and (iv) all refrigeration Equipment, generator sets and all components thereof and accessories thereto. The term includes all of the Equipment and each individual Equipment or component thereof.
- F) Equipment Interchange Contract (EIC):** means this Agreement and documents evidencing the



Interchange of Equipment including Interchange Receipts.

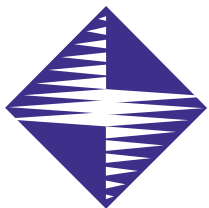
- G) Interchange Receipt:** means a receipt to be signed by a party receiving possession of Equipment from another party, which receipt acknowledges taking such possession and on which receipt should be noted any damage to the Equipment that exists at the time of the Interchange. Interchange Receipts are also commonly called "Trailer Interchange Receipts" (TIRs) and "Equipment Interchange Receipts" (EIRs).
- H) Ocean Carrier:** means a person operating ocean-going vessels for the purpose, among others, of transporting Equipment.
- I) User:** means a person (other than ITL) making use of any Equipment including, without limitation, a Carrier, a Customer, another party who owns, leases, or operates tractors or other vehicles or vessels that transport Equipment including an Ocean Carrier.

II) INSURANCE REQUIREMENTS OF CARRIER

- A) General Insurance.** The Carrier certifies that it will procure and keep in effect, insurance, with companies acceptable to ITL, the insurance described in this Section II.
- B) Auto Insurance Coverage.** Insurance covering Carrier's and ITL's legal liability 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 or employees of Carrier or ITL), and loss, or damage to property of any persons (whether third parties or employees of Carrier or ITL) arising in any way during such time as Carrier has possession or control of any of the Equipment with limits of liability of no less than One Million Dollars (\$1,000,000).
- C) General Liability.** Insurance providing general liability coverage will include coverage for any contractual liability assumed under the provisions of Sections IV.A, and V below, with minimum limits of One Million Dollars (\$1,000,000) per occurrence.
- D) Cargo Legal Liability.** Carrier shall have in effect insurance covering its legal liability for damages to cargo, or other contents of the Equipment, with limits of at least \$150,000 per occurrence.
- E) Comprehensive/Collision.** Carrier shall have in full force and effect insurance covering physical loss or damage to Equipment, resulting from any fortuitous cause, in the following amounts:

Each 48' Refrigerated Container	\$50,000
Each 53 ' Refrigerated Trailer	\$50,000
Chassis	\$15,000

- F) Workers' Compensation.** The Carrier shall have in full force and effect insurance with respect to its employees as required by all applicable State, Federal and Commonwealth of Puerto Rico laws, whether workers' compensation insurance or employer's liability coverage.
- G) General Insurance Policy Provision Requirements of Carriers.** Any and all insurance obtained hereunder by the Carrier (other than workers' compensation and employer's liability and cargo legal liability policies) shall name as additional insureds: ITL and all of its successors, assigns, subsidiaries, affiliates, joint ventures and their respective officers, directors, employees, lessors and agents (the



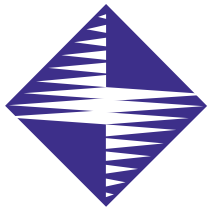
"Additional Insureds"). All policies required hereby: (i) shall contain no deductible as to any of the named Additional Insureds, (ii) shall not contain any "benefit of insurance," "other insurance" clauses or other contractual provisions which in any way lessen or diminish the full amount of insurance provided to ITL, in the event that ITL maintains policies which insure risks insured by the policies which Carrier is required to obtain, (iii) shall contain waivers of subrogation in favor of the Additional Insureds, and (iv) shall contain a provision which requires thirty (30) days' notice of cancellation, or material change in coverage, by United States mail, to:

International Transport Logistics
9485 Regency Sq. Blvd., Suite 415
Jacksonville, FL 32225
Attn.: Risk Manager
Fax. (904) 757-0969

v) shall provide that If Carrier maintains insurance limits higher than the limits listed above, then ITL shall have the benefit of those limits on the same terms and conditions as provided by this insurance section. Carrier shall provide to ITL, within fourteen (14) days of the execution of this Agreement, a certificate of insurance certifying that Carrier has obtained, and continues to maintain, with insurers satisfactory to ITL, insurance coverages of the types and in the amounts, and containing those policy provisions, set forth above.

III) CARRIER RESPONSIBILITY

- A) **General Duties.** The Carrier agrees that it has the following general duties and obligations:
- 1) Promptly and diligently complete the use for which Equipment has been Interchanged to it, and return the Equipment to the terminal of ITL from which received, at the place received, or to the location designated by ITL.
 - 2) At the time of Interchange an authorized representative of the Carrier shall execute and deliver to ITL an Interchange Receipt. At the time of any Interchange between the Carrier and an Authorized Transferee, the Carrier will obtain an Interchange Receipt from such Authorized Transferee.
 - 3) Not permit the Equipment to go out of its possession without proper authorization of ITL, and then only to the extent of said authorization. The Carrier shall, in any event, be responsible for the safe and timely return of such Equipment to ITL in the same condition as when received, ordinary wear and tear excepted. Upon unloading of Equipment, ITL's Customer may give possession of the Equipment to another Authorized Transferee for return to the location from which the Equipment was originally Interchanged.
 - 4) Be responsible to ITL for the performance of this Agreement by itself and all other persons into whose possession such Equipment may go until its proper return to ITL.
 - 5) Not haul waste materials of any type unless expressly authorized in writing by ITL.
 - 6) Allow random drug searches of any Equipment covered by this EIC at any time, or of Carrier's equipment while same is on ITL's owned, operated, or used premises, or is engaged in transporting any Equipment.



- 7) Have complete control and supervision of the Equipment that has been Interchanged to Carrier, and operate such Equipment in accordance with all federal, state and local laws and regulations. All tractors used by Carrier, and all drivers of Carrier, must have all applicable licenses, permits and approvals required by all federal, state and local laws, and regulations. ITL shall have no right to control the work of any employee or driver or agent of the Carrier. Any person operating and/or in possession of the Equipment after the Interchange from ITL is not the agent or employee of ITL for any purpose whatsoever.
- 8) In no event shall any hazardous materials of any type be placed in or upon any of the Equipment without ITL's prior written consent.
- 9) Comply with the Operating Rules applicable to the Equipment as attached on the "Operating Rules Addendum" attached hereto as Exhibit A as modified from time to time by ITL.
- 10) Carrier will immediately notify ITL's Risk Manager at (904)757-0960, extension 149, (as such number is changed from time to time by ITL with notice to Carrier) and local police department as necessary, of any accident, or any theft or disappearance of the Equipment. Carrier shall also notify ITL's Risk Manager of any accident involving the Equipment advising names of parties involved, location of accident, witnesses, police data, and confirmation of prompt reporting to the responding insurance agent or carrier, as identified on the certificate of insurance. Notification should be made to one of the following:

During Business Hours:

Mary Livingston, Risk Manager
904-757-0960, ext. 149

After Hours:

Frank Pendleton
904-757-0960, ext. 146
Cell: (904) 424 -8147

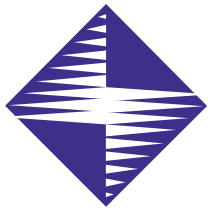
IV) CARRIER LIABILITY FOR PERSONS AND PROPERTY

The Carrier releases and agrees to defend, hold harmless, and indemnify ITL and its officers, directors, shareholders, employees, attorneys, agents and ITL's equipment lessors and lenders (collectively, the "ITL Indemnified Parties") from and against any and all loss, damage, liability, cost, or expenses suffered or incurred by any ITL Indemnified Party, including but not limited to that arising out of, or connected with injuries to, or death to any persons, loss or damage to property of any persons, in any way arising out of the Equipment during the Carrier Period of Responsibility, including any costs of legal representation by way of attorney's fees, attorneys' disbursements and expenses, whether or not resulting from litigation, howsoever caused.

Carrier shall be solely liable, according to applicable law, for loss of, damage to, and/or delay of property being transported therein, howsoever arising during the Carrier Period of Responsibility.

V) FREE TIME AND DEMURRAGE

Except as otherwise provided, as to all interchanged Equipment, the day of interchange and the first two days after the day of interchange will be free time during which no charge will be made for the use of the Equipment. In computing free time, Saturdays, Sundays and legal holidays will be excluded.



When use charges are caused by the acts of a Customer, the appropriate delay, demurrage, detention or storage charges as outlined in this Agreement in ITL's published rules will be assessed. These charges will be billed by ITL direct to the Customer separate from the normal freight handling charges. The Carrier shall not be responsible to ITL for any demurrage charges caused by the Customer and not within the reasonable control of the Carrier.

Demurrage on Equipment shall be computed, applied, and paid, in accordance with ITL's tariffs in effect from time to time as of the date of loss or theft or disappearance of the Equipment. In any event, and whether a current tariff is in effect, Carrier will be charged demurrage by ITL for the period of time that ITL is deprived of the use of Equipment during the Carrier Period of Responsibility, and after the Equipment is lost or stolen or disappears during the Carrier Period of Responsibility, Carrier will also be charged demurrage by ITL for the period of time, after the loss or theft or disappearance of Equipment is reported to ITL, while ITL is awaiting settlement of its claim for loss or damage, and demurrage, from the Carrier or its insurance underwriters. Current demurrage charges per 24-hour period or fraction thereof are as follows:

Days return delayed	Daily charge
Days delayed by Carrier – all containers and trailers	\$100
Days delayed by Carrier – all chassis	\$15
Over 30 days – Stipulated Loss Value is due	

VI) REPAIRS TO EQUIPMENT

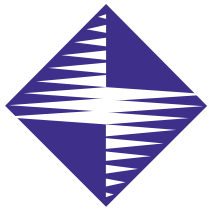
A) Ordinary Maintenance & Service Adjustment. Any ordinary maintenance and other service adjustment to Equipment occasioned by ordinary use during the Carrier Period of Responsibility shall be absorbed by the Carrier when cost thereof does not exceed \$50.00. When estimated cost thereof exceeds \$50.00, authorization by the Maintenance Manager of ITL must be obtained prior to commencement of repairs. Authorized repair costs will be billed to ITL within 30 days from the date repairs were completed. Unauthorized bills will not be paid. All billings to ITL must be accompanied by original vendor invoices, repair invoices or approved documentation.

B) Damages

1) In General. In the event Equipment is damaged during the Carrier Period of Responsibility, the Carrier shall, by repair, restore it to the same condition in which it was received by Carrier. If the apparent cost of repairs exceeds \$200.00, the consent of the Maintenance Manager of ITL must be obtained by the Carrier before it causes repairs to be made. Nevertheless, the repairs to be made. Nevertheless, the repairs will be made to the satisfaction of ITL. Any improper repairs will be corrected, rebilled to the Carrier and paid for by the Carrier. If Carrier fails to make such repairs, it shall, nevertheless, be responsible for the cost of the repairs. Bills for repairs to damaged Equipment will be paid within 30 days of invoice date. Failure to comply with this provision will subject the Carrier to cancellation of this Agreement and to damages.

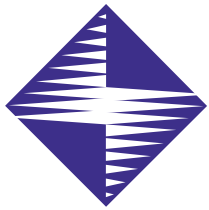
2) Tires and Tubes.

a) Carrier shall determine that tires and tubes are properly mated at the time of Interchange.



Thereafter, during the Period of Carrier Responsibility, repairs to tires and tubes shall be made by, and at the expense of, the Carrier at the time of such tire or tube failure. At the time of return Interchange of Equipment, the tires thereon shall be thoroughly inspected by ITL, the Authorized Transferee, or Ocean Carrier.

- i) To determine if properly mated.
 - ii) To determine that all tires are properly inflated.
 - iii) To determine major defects such as:
 - 1) Separation of caps.
 - 2) Visible blister, cuts, bumps, bulges, or knots.
 - 3) Obvious signs of rim wear.
 - 4) Visible objects protruding from tires, such as nails, bolts, spikes.
 - 5) To determine that tires contain at least sufficient tread to comply with appropriate governmental safety regulations.
 - b) Any deficiency noted by inspection shall be corrected by ITL or by the Carrier prior to acceptance.
 - c) Carrier shall provide good maintenance to tires and tubes, including proper inflation, repair of flat tires, pulled valve stems, etc.
 - d) In the event of a blowout and/or total failure of a tire and/or tube, replaced by a party other than ITL, the replacement shall be properly mated and of similar quality and value and report of such replacement must be made to ITL showing size, ply, brand and serial numbers of tires applied. All costs must be reasonable and just. If a 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.
 - e) An unserviceable tire(s) for which ITL is charged, shall be returned by Carrier to the location, and in the manner, designated by ITL, at a cost mutually agreed upon. The cost of such return transportation shall be borne by ITL, except in the event such a tire is returned which became unserviceable by being run flat or otherwise abused, transportation costs shall be borne by Carrier. Bills related to run flat or abused tires shall be paid within thirty (30) days of invoice date. Failure to comply with this provision will subject the Carrier to cancellation of the EIC.
- 3) Billings.** All billings to ITL must be accompanied by original vendor invoices, repair orders or other approved documentation. All repairs will be billed to ITL on the basis of actual out of pocket costs for materials and for labor based on the actual time consumed in making repairs at a rate that does not exceed the prevailing labor costs at the point of repair.
- 4) Equipment Delays While Being Repaired.** Where repairs to Equipment are to be made under the provisions of this Section VI, for any reason which is to be paid for by Carrier hereunder, Carrier shall pay ITL compensation for loss of use for each day, including Saturdays, Sundays and holidays, that the Equipment remains out of operation because of damages caused to it, in accordance with the demurrage fees set forth in Section V.



VII) FURTHER RESPONSIBILITIES AND REMEDIES

A) Lost, Stolen or Destroyed Equipment

- 1) In the event Equipment is lost, stolen, or disappears, or is totally destroyed, during the Period of Carrier Responsibility, and while settlement is pending, ITL shall receive compensation for loss of use for each day, including Saturdays, Sundays, and holidays, that the Equipment remains out of operation in accordance with Section V.
- 2) Carrier agrees to reimburse ITL for reproduction cost plus cost of special Equipment or accessories, less depreciation, as of the date of written notification that the Equipment was lost, stolen, disappeared, or was totally destroyed.
- 3) Carrier agrees to pursue claims expeditiously against its insurance underwriters for lost, stolen, disappeared or destroyed Equipment.

B) Decontamination. The cost of decontaminating Equipment that has been loaded with contaminating commodities will be the responsibility of the Carrier who arranged for drayage at the time of loading such Equipment. The provisions of Section V will also apply.

C) Dunnage, Debris, Etc. All dunnage, debris, paint spills, etc., shall be removed prior to the return of the empty Equipment, or charges for cleaning will be billed to the Carrier. If Carrier fails to correct same, it will nevertheless, be responsible for the cost of cleaning. The provisions of Section V will also apply.

D) Return of Equipment by Carrier. When Carrier offers to return Equipment to ITL upon completion of use, ITL shall, unless otherwise agreed, accept the Equipment so offered, provided it is in the same condition as received by Carrier, less normal wear and tear.

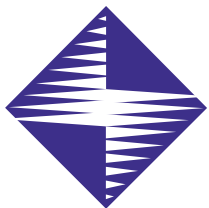
E) Warranty or Representation. ITL does not make any warranty or representation, express or implied, as to the fitness or condition of the Equipment including tires and tubes, and the Carrier acquiring the use thereof does so at its own risk and is responsible for inspecting the Equipment at the time of Interchange and prior to executing an Interchange Receipt.

F) Standard Equipment Provided. ITL shall equip the Equipment with state vehicle license plates, satisfactory mud flaps, working directional signal lights, clearance marker and stop lights, reflectors, in compliance with local, state and/or federal or other applicable regulations.

VIII) MISCELLANEOUS

A) Complete Contract. This Agreement cancels and supersedes any other agreements, written or verbal, between the parties hereto covering the Interchange of Equipment. This Agreement and any Interchange Receipt executed hereunder shall constitute the entire agreement between the parties, and no verbal amendment or modification thereof shall be permitted. This Agreement may be supplemented or amended only by written agreement.

B) Duration of Contract/Termination. This EIC is for a period of one year from the date of its execution, but notwithstanding same, shall continue in effect from year to year until terminated by either party. Either party to this EIC may terminate same as of any time by giving the other twenty (20) days' notice of such termination by United States mail or by fax addressed to either party at the address or fax number set forth below.



INTERNATIONAL TRANSPORT LOGISTICS

International Transport Logistics
9485 Regency Sq. Blvd., Suite 415
Jacksonville, FL 32225
Ph. (904) 757-0960
Toll Free. (888) 838-1890
Fax. (904) 757-0969
www.shipITL.com

- C) Severability.** In the event that any of the terms or conditions of this EIC 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 EIC.
- D) General Jurisdiction.** This Agreement is binding upon and shall inure to the benefit of the successors and assigns hereto. This Agreement shall be governed and construed in accordance with the laws of Florida. The parties hereby stipulate that any action or other legal proceeding arising under or in connection with this Agreement may be commenced and prosecuted in its entirety in the federal or state courts having jurisdiction over Duval County, Florida, each party hereby submitting to the personal jurisdiction thereof, and the parties agree not to raise the objection that such courts are not a convenient forum. No failure or delay by the ITL in exercising any right or power hereunder, and no course of dealing between ITL and the Carrier, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power hereunder.

Equipment Owner	Witness
International Transport Logistics, Inc.	
Signature: _____	_____
Print Name: _____	Signature: _____
Title: _____	Print Name: _____

Carrier	Witness
Signature: _____	_____
Print Name: _____	Signature: _____
Title: _____	Print Name: _____