



Trailer Interchange / Reciprocity Agreement

This Trailer Interchange Agreement (the “Agreement” is entered into by and between **SimConnect Freight Management Inc.**, a corporation organized under the laws of Ontario, Canada, with its principal place of business at 3380 Airway Dr, Mississauga, ON L4V 1T3 (“Carrier”), and user a corporation organized under the laws of [Jurisdiction], with its principal place of business at [User Company Address] (“User”). Carrier and User are collectively referred to as the “Parties” and individually as a “Party”.

Recitals

WHEREAS, both Parties are engaged in the business of transporting goods and materials via motor carriers; and

WHEREAS, the Parties desire to exchange trailers to facilitate efficient transportation operations;

WHEREAS, the Parties desire to merely exchange trailers from one end – one user.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

1. Definitions

The term “Equipment” as used herein shall refer to any trailers owned, leased, or controlled by Carrier, as listed in **Exhibit A** (to be attached and updated as necessary).

2. Points of Interchange

The specific points of interchange shall be mutually agreed upon between the Parties. At the time of interchange, an authorized representative of each Party shall execute, in multiple copies as required, an Interchange Receipt and Inspection in the form and manner prescribed by Carrier.

3. Use of Equipment

- **Authorized Use:** Equipment shall be used solely for lawful transportation

of goods to complete promptly and expeditiously the motor vehicle movement and return the Equipment to Carrier in the city and at the terminal where received, unless otherwise specified by Carrier. User shall not interchange Equipment obtained from Carrier with third parties.

- **Control and Supervision:** User shall have complete control and supervision of the Equipment, operating under its authority while in possession. Any person operating, in possession of, or using the Equipment after an Inspection Report is signed and until proper return to Carrier is not an agent or employee of Carrier for any purpose.
- **Identification:** Proper identification on the tractor is mandatory and is an obligation of the User. Equipment shall retain Carrier's markings unless otherwise agreed in writing.
- **Maintenance:**
 - **Routine Maintenance:** The Party in possession of Equipment shall perform routine maintenance, including but not limited to checking tire pressure, lubricating moving parts, and ensuring lights and reflectors are functional, to maintain the Equipment in good working order.
 - **Defect Reporting at Pickup:** Upon picking up Equipment, the User shall conduct a thorough inspection and immediately report any defects, including but not limited to air bag leakage, brake issues, structural damage, or any other condition that may affect the Equipment's safety or compliance with Department of Transportation (DOT) regulations. Such defects shall be documented in writing and communicated to Carrier within 24 hours of pickup. Failure to report pre-existing defects at pickup shall deem User responsible for those defects during possession.
 - **Major Defects:** Major defects, such as air bag leakage, brake malfunctions, or other critical safety issues, shall be reported immediately to Carrier. Carrier shall arrange and cover the cost of repairs for major defects, unless the defect is caused by User's negligence or misuse. If immediate repairs are required for safety compliance, User may arrange repairs with Carrier's prior written approval, and Carrier shall reimburse reasonable costs.
 - **Repair Authorization:** User shall not undertake major repairs without Carrier's prior written consent, except in emergencies requiring immediate repair for safety compliance. All repairs shall be performed by qualified professionals in accordance with industry standards.
 - **Records:** Both Parties shall maintain records of all maintenance and repairs performed on the Equipment and provide such records to the other Party upon request.

4. Liability

- User shall be responsible for all damages and losses to the Equipment while in its possession, except for ordinary wear and tear. In the event of total loss, User shall pay Carrier the commercial value of the Equipment at the time of interchange.
- User agrees to indemnify, defend, and hold Carrier harmless from any loss, damage, liability, cost, or expense, including attorney's fees, arising from the use, operation, or maintenance of the Equipment until returned to Carrier and receipt issued. These obligations apply regardless of any contributing act or omission by Carrier.

5. Insurance

User shall maintain, at its own expense, the following insurance coverage during the term of this Agreement:

- **Automobile Liability:** Coverage for owned and hired vehicles, including bodily injury and property damage, with a combined single limit of at least \$2,000,000.
- **Physical Damage:** Coverage for loss or damage to Equipment while in User's care, custody, or control, on an actual cash value basis, with a minimum of \$30,000 per unit.
- **Cargo Insurance:** Coverage for loss or damage to lading in the Equipment while in User's care, custody, or control, in a minimum amount of \$250,000.
- **Notice of Cancellation:** All certificates of insurance shall provide Carrier with at least thirty (30) days' notice of cancellation.

6. Bill of Lading

For all cargo transported using the Equipment, User or Carrier shall provide a comprehensive bill of lading upon request during unforeseen circumstances including:

- **Consignor and Consignee Details:** Names, addresses, and contact information of the consignor and consignee.
- **Cargo Description:** Detailed description of the cargo, including type, quantity, weight, dimensions, and special handling requirements.
- **Origin and Destination:** Clear indication of the cargo's origin and destination points.

7. Charges

User shall pay Carrier charges as outlined in **Exhibit A**, attached hereto, for each day or portion thereof that Equipment is in User's possession. Carrier will bill User monthly. User must submit billing disputes to Carrier within thirty (30) days of invoice date, or this Agreement may be suspended by Carrier without formal

notice. Applies to not returning trailer on set time.

8. Taxes and Fees

User shall bear the cost of all federal, state, provincial, or municipal taxes, fines, fees, or charges levied or imposed arising out of the use of the Equipment while in its possession, until properly returned to Carrier.

9. Legal Responsibility

- User shall accept responsibility for all owner-operators and their leased power units as if they were User's own employees and vehicles.
- In any suit brought against either Party where a judgment is recovered, and the other Party is solely liable under this Agreement, the liable Party shall promptly repay the paying Party all damages, costs, fees, or expenses incurred, including reasonable attorney's fees. Neither Party shall be bound by a judgment unless it has received reasonable notice to appear and defend the suit. If a Party fails to defend after such notice, it shall be bound by the judgment. If any charge remains unpaid for more than sixty (60) days from invoice date and Carrier refers collection to an attorney, User shall pay reasonable attorney's fees and collection expenses.

10. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Ontario, Canada, including execution, interpretation, performance, and enforcement.

11. Term and Termination

This Agreement shall commence on the date of execution and continue until terminated by either Party with ten (10) days' advance written notice to the other Party. Upon termination, User shall return Carrier's Equipment within seventy-two (72) hours. If User fails to return Equipment, User shall bear all expenses for its return to Carrier.

12. Entire Agreement

This Agreement, together with all exhibits, constitutes the entire understanding between the Parties and supersedes all prior agreements. No oral amendments or modifications shall be permitted.

Signatures

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date specified below.

SimConnect Freight Management Inc.

Name: _____

Signature: _____

Date: _____

Address: 3380 Airway Dr, Mississauga, ON L4V 1T3

Phone: [9059151805]

Email: [dispatch@simconnect.ca]

User Company Name:

Name: _____

Signature: _____

Date: _____

Address: _____

Phone: _____

Fax: _____

Email: [_____]