

**CHALLENGE PARTNERSHIP AGREEMENT
BETWEEN
THE DEPARTMENT OF THE ARMY
AND
NATIONAL CARRIERS**

THIS AGREEMENT, entered into this day of 4th August, 2012, by and between the Department of the Army (hereinafter the "Government"), represented by the Operations Project Manager, Beaver Lake Project U.S. Army Engineer District, Little Rock, and National Carriers, (hereinafter the "Partner"), represented by Jim Francks,

WITNESSETH, THAT:

WHEREAS, the Government manages lands and waters at Lake Projects which includes recreational opportunities for the public and a vested interest in public water safety, and

WHEREAS, the installation of water safety decals with messages on tractor trailer units will increase the public awareness of water safety, and

WHEREAS the Partner is interested in promoting and assisting the Government in providing and promoting its water safety messages, and

WHEREAS, it is mutually beneficial to the Government and the Partner to work cooperatively to make these water safety messages available to the public, and

WHEREAS, the Partner, in order to assist the Government in this project has voluntarily agreed to pay the cost to install the decals on their tractor trailer units, and

WHEREAS, Section 225 of the Water Resources Development Act of 1992, PL 102-580, (Oct 31, 1992), authorizes the Secretary of the Army to enter into agreements with the Partner, and

WHEREAS, the Government and the Partner have the full authority and capability to perform as hereinafter set forth and intend to cooperate in financing and challenge cost-sharing in accordance with the terms of this agreement;

NOW THEREFORE, the Government and the Partner agree as follows:

ARTICLE I - DEFINITIONS AND GENERAL PROVISIONS

For purposes of this agreement:

a. The term "Project" shall mean the procurement and installation of six hundred water safety decals on six hundred tractor trailer units owned and operated by National Carriers Inc.

b. The term "total project costs" shall mean all costs incurred by the Government and the Partner directly related to the project.

c. This agreement in no way endorses National Carriers or restricts the Government from participating in similar activities or arrangements with, or accepting contributions from, other public and private agencies, organizations, and individuals.

ARTICLE II - OBLIGATIONS OF THE PARTIES

a. The Government, subject to and using funds appropriated by the Congress of the United States (hereinafter the "Congress"), and using funds provided by the Partner, shall expeditiously complete the Project, applying those procedures usually applied to Federal projects, pursuant to Federal laws, regulations, and policies.

b. The Government shall provide six hundred water safety decals size 13 inches by 18 inches.

c. The Partner shall provide space on tractor trailer units for the posters and all costs associated with installing the decals on the tractor trailers. These decals shall remain on the tractor trailer for a period of time in which they are no longer serviceable or legible.

d. The Government shall perform a final accounting to determine the contributions provided by all parties to this agreement and to determine whether each has met its obligations under paragraphs b and c of this Article.

e. No Federal funds may be used to meet the Partner's total project costs under this Agreement.

ARTICLE III - METHOD OF PAYMENT

a. The Government shall maintain current records of contributions provided by the Partner and a current projection of total project costs. On the effective date of this Agreement, total project costs are projected to be \$9,000.00, and the Partner's contribution required under Article II.c., of this Agreement is projected to be \$9,000.00 of in-kind services. Such amounts are estimates subject to adjustment and are not to be construed as the total financial responsibilities of the Government and the Partner.

b. Upon completion of the Project and resolution of all relevant claims and appeals, the Government shall conduct a final accounting and furnish the Partner with the results of the final accounting. The final accounting shall establish total project costs, each party's contribution provided thereto, and each party's required share thereof.

1. In the event the final accounting shows that the total contribution provided by the Partner is less than its required share of total project costs, the Partner shall, no later than 90

calendar days after receipt of written notice, make a payment to the Government of whatever sum is required to meet the Partner's required share of total project costs.

2. In the event the final accounting shows that the total contribution provided by the Partner exceeds its required share of total project costs, the Government shall, subject to the availability of funds, refund the excess to the Partner no later than 90 calendar days after the final accounting is complete. In the event existing funds are not available to refund the excess to the Partner, the Government shall seek such appropriations as are necessary to make the refund

ARTICLE IV - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to both parties. The parties shall each pay 50 percent of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE V - FEDERAL AND STATE LAWS

In exercise of their respective rights and obligations under this Agreement, the Government and the Partner agree to comply with all applicable Federal and State laws and regulations, including, but not limited to, Section 601 of Title VI of the Civil Rights Act of 1964, PL 88-352, and the Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations, as well as Army Regulations 600.7, entitled "Non-discrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army."

ARTICLE VI - RELATIONSHIP OF PARTIES

a. In the exercise of their respective rights and obligations under this Agreement, the Government and the Partner each act in an independent capacity and neither is to be considered the officer, agent, or employee of the other.

b. In the exercise of its rights and obligations under this Agreement, neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights such other party may have to seek relief or redress against such contractor either pursuant to any cause of action that such other party may have or for violation of any law.

ARTICLE VII - OFFICIALS NOT TO BENEFIT

No member of or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom.

ARTICLE VIII - INDEMNIFICATION

The Partner shall hold and save the Government free from all damages arising from services it performs or provides for the construction, operation, maintenance, repair, replacement, and rehabilitation of the Project, except for damages due to the fault or negligence of the Government or its contractors.

ARTICLE IX - TERMINATION OR SUSPENSION

a. If at any time the Partner fails to fulfill its obligations under this Agreement, the District Commander shall terminate this Agreement or suspend future performance under this Agreement unless he/she determines that continuation of work on the Project is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal interests in connection with the Project.


b. If the Government fails to receive annual appropriations in amounts sufficient to meet Project expenditures for the then-current or upcoming fiscal year, the Government shall so notify the Partner, and 60 calendar days thereafter either party may elect without penalty to terminate his Agreement or to suspend future performance under this Agreement. In the event that either party elects to suspend future performance under this Agreement pursuant to this paragraph, such suspension shall remain in effect until such time as the Government receives sufficient appropriations or until either the Government or the Partner elects to terminate this Agreement.

c. In the event that either party elects to terminate this Agreement pursuant to this Article, both parties shall conclude their activities relating to the Project and proceed to a final accounting in accordance with Article II of this Agreement.

d. Any termination of this Agreement or suspension of future performance under this Agreement in accordance with this Article shall not relieve the parties of liability for any obligation previously incurred.

ARTICLE X - NOTICES

a. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or by telegram, or mailed either by first-class, registered, or certified mail, as follows:

If to the Partner: Jim Franck 
National Carriers Inc.
3925 Carbon Road
Irving, TX 75038
1-800-835-9180

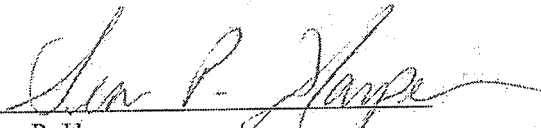
If to the Government: Sean P. Harper
U. S. Army Corps of Engineers
2260 N. Second St.
Rogers, AR 72756
1-501-340-1702

b. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

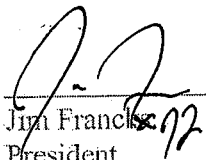
c. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at the earlier of such time as it is actually received or seven calendar days after it is mailed.

ARTICLE XI - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party. IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the Operations Project Manager, Beaver Lake Project, Little Rock District.


Sean P. Harper
Operations Project Manager,
Beaver Lake Project Office

10 Aug 12
Date


Jim Francis
President,
National Carriers Inc.

8-20-12
Date

Challenge Partnership Financial Work Sheet

Corps Project Name: Beaver Lake Project Office

Work Project Title: Water Safety Campaign

POC Name: Alan Bland

Address: 2260 N. Second St.

City: Rogers

State: AR Zip Code: 72756

Telephone: 479-636-1210

Location on Project: N/A

Partner Organization 1: National Carriers Inc.

POC Name: Mike Boyce

Address: 3925 Carbon Rd.

City: Irving

State: TX Zip Code: 75038

Telephone: 479-927-4614

Partner Organization 2:

POC Name:

Address:

City:

State:

Zip Code:

Partner Organization 3:

POC Name:

Address:

City:

State:

Zip Code:

Proposed start date of work: August 5, 2012.

Simple description of work to be accomplished through the partnership: U. S. Army Corps of Engineers will procure 600 water safety decals measuring 13 inches wide by 18 inches tall for placing on tractor trailers. National Carriers will install the water safety decals on 600 of their tractor trailer units. This will allow the water safety message to reach persons who are traveling along highways or who come in contact with the tractor trailer units in parking lots, etc. It is estimated the impacts of spreading the water safety message via these 600 tractor trailers will be significant.

Sample decal is attached.

	Local Corps	Handshake Funds	Partner 1	Partner 2	Partner 3	Total
In-Kind Services	\$0	N/A	\$9,000	\$0	\$0	\$9,000
Travel	\$0	N/A	\$0	\$0	\$0	\$0
Materials and Supplies	\$9,000	\$0	\$0	\$0	\$0	\$9,000
Equipment Use	\$0	\$0	\$0	\$0	\$0	\$0
Funds Contributed	N/A	N/A	\$0	\$0	\$0	\$0
Personal Property	N/A	N/A	\$0	\$0	\$0	\$0
Volunteer Hrs - Value	N/A	N/A	\$0	\$0	\$0	\$0
Other (explain in text)	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$9,000	\$0	\$9,000	\$0	\$0	\$18,000
Share of Total Cost	50.0%	0.0%	50.0%	0.0%	0.0%	100%