ILS
Integrated Logistics Services Inc.
P.O. Box 477 · Wooster OH 44691 · 330-264-0522 · FAX 330-264-1422

CONTRACT CARRIER-BROKER AGREEMENT

This agreement is made and intended to be effective this __________ day of ______________ by and between INTEGRATED LOGISTICS SERVICES, INC. (**"BROKER"**) and ______________________________ (**"CARRIER"**), collectively, the **"PARTIES".**

Whereas, BROKER, is a Property Broker of Transportation by motor vehicle, licensed to arrange for the transportation of property by License No. **336871** (a copy of which license is attached hereto and made a part hereof), and controls the transportation of the commodities to be tendered to CARRIER, in accordance with all applicable federal, state, and local laws, rules and regulations.

Whereas, CARRIER, is a Contract Motor Carrier of Property authorized by Permit No.________ (a copy of which permit is attached hereto and made a per hereof) to provide transportation of property under contract with shippers and receivers of general commodities in accordance with all applicable federal, state and local laws, rules and regulations.

NOW, THEREFORE, in consideration of the representation made herein, the PARTIES agree as follows:

1. **Representation**: CARRIER agrees, within all applicable federal, state and local laws, rules and regulations, to transport freight on behalf of BROKER between all geographical points for which CARRIER has authority. BROKER agrees to offer to CARRIER not less than **one** shipment per year, and CARRIER agrees to pick up and deliver said shipments as agreed upon by the Load and Rate Confirmation Report. CARRIER shall give priority to BROKER'S shipments over other shipments in carrying out BROKER'S requirements under this Agreement.

2. **Independent Contractor**: In the performance of work, the CARRIER shall at all times be regarded as an INDEPENDENT Contractor, and the relationship of the parties hereunder shall in no event be construed to be that of principal and agent or employer and employee unless so expressed herein. BROKER shall be the agent for the CARRIER for the sole purpose of collection of freight charges from the shipper who shall pay the BROKER.

3. **Liability Insurance**: CARRIER has interstate general commodities authority, as reflected by attached contract permit, and will maintain such authority and insurance as required by the Federal Highway Commission regulations for the protection of the public. Therefore, CARRIER agrees to keep in full force and effect liability insurance in an amount not less than $1,000,000 at all times, naming INTEGRATED LOGISTIC SERVICES as Certificate Holder. Furthermore, CARRIER shall cause it's insurance carrier to forward to BROKER a standard Certificate of Insurance which Certificate shall require the insurance carrier to give BROKER written notice thirty (30) days prior to the cancellation of such liability insurance. CARRIER'S liability insurance shall comply with all applicable federal, state and local laws, rules and regulations.

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4. **Cargo Insurance**: CARRIER agrees to keep in full force and effect cargo insurance in an amount not less than $100,000 at all times, naming **INTEGRATED LOGISTIC SERVICES, INC.** as Certificate Holder. CARRIER shall cause it's insurance carrier to forward to BROKER a standard Certificate of Insurance which Certificate shall require the insurance carrier to give BROKER written notice thirty (30) days prior to the cancellation of such cargo insurance. CARRIER'S cargo insurance shall comply with all applicable federal, state and local laws, rules and regulations.

5. **Workers' Compensation Insurance**: CARRIER agrees to maintain workers' compensation insurance on CARRIER'S drivers and employees at all times, as required by applicable law, and shall provide BROKER with a Certificate of Workers' Compensation.

6. **CARRIER'S Liability**: CARRIER'S liability with respect to all aspects of the cargo shall begin and is hereby accepted by CARRIER at the time cargo is loaded upon CARRIER'S equipment at point of origin and shall continue until said cargo is delivered to the designated consignee at destination. CARRIER shall issue a bill of lading for property it receives for transportation under this contract and shall be liable to persons entitles to recover under the bill of lading. The liability imposed by this paragraph is for the actual loss, damage or injury to the property caused by the CARRIER. Failure to issue a bill of lading does not affect the liability of the CARRIER. Furthermore, all fines and penalties assessed by shippers for late delivery or damage by CARRIER shall be the responsibility of the CARRIER, and BROKER reserves the right to deduct same from freight charges. If CARRIER is unable to complete shipment after shipment is loaded on CARRIER equipment due to accident, mechanical failure, driver failure, etc., BROKER reserves the right to complete shipment for CARRIER and any cost above the original agreed compensation to CARRIER shall be the responsibility of the CARRIER. The liability of the CARRIER shall be that of a CARRIER under all applicable federal, state and local laws, rules and regulations. CARRIER'S liability for cargo loss or damage shall specifically be no less than that of a common carrier as provided for in 49 USC 14706 (the Carmack Amendment).

7. **CARRIER'S Rating:** CARRIER shall agree that, at no time during the term of it's contract with BROKER, shall it have an "Unsatisfactory" rating as determined by the Federal Motor Carrier Safety Administration (FMCSA). If CARRIER receives an Unsatisfactory safety rating, it shall immediately notify BROKER. CARRIER must provide a copy of their rating as determined by the FMCSA to the BROKER for the BROKER'S file and review.

8. **BROKER'S Liability**: BROKER shall have no liability to CARRIER or to any shipper for loss, damage or liability of any kind from the transportation of freight on shipments arranged for by the BROKER. CARRIER agrees to defend and hold harmless BROKER against any and all loss or damage claims on each shipment transported by CARRIER pursuant to this Agreement. CARRIER further agrees to defend and hold harmless BROKER from any and all liability cost and damages to persons and/or property arising out of CARRIER'S operations hereunder, including but not limited to all road, fuel and other taxes, fees or permits related to the shipments transported by CARRIER as arranged by BROKER.

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9. **Impossibility**: Neither party will be liable for the failure to tender product or it's timely transport under this Agreement if such failure, delay or other omission is caused by strikes, acts of God, war, civil disorder or through compliance with a legally constituted order of civil or military authorities.

10. **Compensation**: CARRIER shall mail or fax all signed delivery receipts and the original shipper bill of lading along with CARRIER'S invoice for freight charges (collectively "Carrier Documents") to BROKER'S mailing address or fax number within twenty-one (21) days after delivery. BROKER agrees to pay CARRIER, according to a compensation schedule negotiated between the parties and made a part of the agreement. Compensation for the transportation authorized by this Agreement will be paid within thirty (30) days of receipt by the BROKER of the Carrier Documents or [on or before the 15^{th} of each month for leads for which BROKER received the Carrier Documents the previous month.] The parties further agree to change the compensation schedule from time to time by negotiation, with confirmation being given in written form and in a timely manner. Such changes are to be construed as a part of the agreement. CARRIER shall be the sole entity responsible for complying with all filing and/or rate schedule requirements, if any governed by federal, state and local regulating bodies.

11. **Notification**: CARRIER shall contact BROKER at BROKER'S dispatch office when: (1) the product will not meet the agreed upon pick-up and/or delivery time and/or date; (2) a product claim, damage and/or shortage arises; and (3) upon delivery of the product.

12. **Claims**: BROKER shall promptly provide to CARRIER written notice of any claim for damage, shortage or the like, and CARRIER authorizes BROKER to deduct from future payment of compensation the amount of the claim.

13. **No Competition**: The PARTIES agree that BROKER, at great expense, has developed a broad customer and vendor base that is essential to the BROKER'S successful operation. CARRIER therefore expressly agrees that it shall at not at anytime, without written authorization from BROKER, perform services, directly or indirectly for any 'BROKER Account," as defined below, during the effective time of this agreement or for a period of 150 days following the "termination" of this agreement. BROKER Accounts shall be identified as any shipper or receiver that CARRIER has picked up at, delivered to or otherwise provided transportation services for BROKER during the effective period of this agreement. Proof of CARRIER'S having performed a service for a particular shipper/receiver shall include any canceled check/draft paid to CARRIER in exchange for providing services to any shipping facility owned or controlled by the shipper/receiver. If CARRIER breaches this agreement by performing any service, directly or indirectly for any BROKER Account, BROKER is then entitled, for a period of 15 months after the involved service first begins, to a commission from the CARRIER of 15% of the transportation revenue received as a result of any services performed.

14. **Invoicing**: CARRIER authorizes BROKER to invoice shipper, receiver, consignor or consignee for freight charges as agent for and on behalf of the CARRIER. Payment of the freight charges to BROKER shall relieve shipper, receiver, consignor or consignee of any liability to the CARRIER for nonpayment of charges.

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15. **Termination**: The duration of this agreement shall be perpetual. However, this Agreement may be terminated by either party hereto upon the termination party's sixty (60) days' written notice to the other party expressing intent to terminate the agreement, whereupon the agreement shall automatically terminate upon the expiration of said sixty (60) day period.

16. **No Automatic Waiver**: Failure to enforce any of the terms and conditions of this agreement or subsequent agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of the agreement shall nevertheless remain in full force and effect, and no covenant, term or provision shall be deemed dependent upon any other term or provision unless so expressed herein.

17. **Remedies**: The PARTIES hereto shall have any and all rights and remedies provided herein above which shall be deemed to be non-exclusive and in addition to any other available remedy at law or in equity.

18. **Entire Agreement**: The PARTIES certify they have read all the provisions of the Agreement. This Agreement constitutes final and complete understanding between the PARTIES hereto and no other representation or promise, verbal or otherwise has been made. By execution of the Agreement, the PARTIES hereto agree that this agreement shall automatically invalidate any terms and covenants made in prior agreements between the PARTIES as of the date of the execution of this agreement.

19. **Venue**: The PARTIES agree that if suit is brought against either party by the other, the terms and provisions of this agreement shall be governed by the laws of the State of Ohio. The PARTIES further agree to institute any litigation concerning the interpretation of the agreement in the Ohio courts and submit to the jurisdiction and service of process of the same.

20. **Conflict of Laws**: This agreement is to be construed under the laws of the State of Ohio.

IN WITNESS WHEREOF, the PARTIES have affixed their hands and seals, the day and year first above set forth.

BROKER: **INTEGRATED LOGISTICS SERVICES, INC.**		**CARRIER:**	______________________________
By:	Craig P. Moses	By:	______________________________
Title:	Director of Operations	Title:	______________________________
		Date:	______________________________