

## CONTRACT CARRIER – BROKER AGREEMENT

This **AGREEMENT** is made this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ by and between Avenue Transport Services, a California Corporation, hereinafter referred to as “Broker”; MC # 5 20979, \_\_\_\_\_ Common Carrier hereinafter referred to as “Carrier”, MC#\_\_\_\_\_.

1. **OBLIGATIONS OF BROKER.** Broker agrees to tender commodity shipments to Carrier for transportation in interstate commerce by Carrier between points and places within the scope of Carrier’s operating authority as directed by the Broker. Broker shall offer to Carrier a minimum of five (5) shipments for each year this agreement remains in effect.

Compensation – Broker agrees to pay Carrier within fifteen (15) days following Broker’s receipt of a bill of lading showing proof of delivery of each shipment to its assigned destination, free of damage or shortage. The amount to be paid by Broker to Carrier shall be established between Broker and Carrier on a per shipment basis prior to the commencement of each individual shipment.

2. **RATES AND CHARGES.** The basic transportation rate negotiated between the parties for freight all kinds, full truckload shipments, is \$1.00/mile, between all points in the United States.

Carrier’s filed tariff does not apply as all loads are negotiated on a per load basis. Additional rates or modifications of the above rates may be established or amended verbally on a per truckload basis in order to meet specific shipping schedules, as mutually agreed. Broker will immediately confirm rates and other pertinent load information to the carrier by facsimile machine. If Carrier doesn’t have a facsimile machine, a copy will be mailed to the carrier’s mailing address. In order to remain binding between parties and to meet the reduced-to-writing requirement, the Carrier’s freight bill to the broker, reflecting the agreed upon rate, will fulfill this requirement. The facsimile hard copy and the Carrier’s freight bill will become Addendum B and C to the contract.

3. **OBLIGATIONS OF CARRIER.** Carrier shall use its best effort to provide adequate transportation services to meet the needs of Broker and to deliver each shipment promptly and efficiently. Carrier agrees to furnish suitable trucks, tractors, and semi-trailers, at its own expenses, to haul each shipment of commodities. Carrier agrees to assume all costs, expenses and liabilities incidental to the transportation of such commodities, including but not limited to, all costs, expenses, and liabilities incidental to or arising out of maintenance, repair or operation of the equipment, labor, fuel, supplies, insurance, and/or accidents. Carrier agrees at all times to save and hold Broker harmless from any and all such costs, expenses or liabilities. Carrier may not use equipment other than its own without first notifying Broker. In the event the Carrier is unable to supply transportation service within the time requested by the Broker, it shall so advise the Broker and may arrange to furnish said transportation at a later date; or the Broker, if it desires, may elect to avail itself of the services of another Carrier, legally qualified to serve said Broker or its customers.

4. **AGENCY REGULATION.** Carrier agrees to transport all commodities pursuant to this agreement in accordance with the rates, charges, rules, and regulations established by applicable federal or state agencies and all claims for loss or damage and any salvage arising there from shall be handled and processed in accordance with the regulations as published in the Code of Federal Regulations (49 C.F.R. 1005).

5. **BILL OF LADING.** Carrier shall issue and sign a standard bill of lading acceptable to the Broker and underlying shippers on acceptance of goods. Shipments made under this contract will be subject to all the terms and conditions of the uniform straight bill of lading. All such documents shall show the consignor and consignee, and the Carrier’s name shall be shown on the bill of lading as the carrier of record. The Broker’s name will not be shown on the bill of lading as carrier. If it does appear, it must reflect transportation broker only. The Carrier’s driver shall not only sign the bill of lading but also write the name of the carrier on the bill of lading.

6. **INDEMNITY.** Carrier agrees to defend against and hold harmless Broker/Shipper/Receiver from any and all loss or damage to each shipment transported by it pursuant to this Agreement. Carrier further agrees to defend and hold harmless Broker/Shipper/Receiver from any and all liability costs and damages to persons and/or property arising out of Carrier’s negligence, including, but not limited to, all road, fuel and other taxes, fees or permits related to the shipments transported by it as arranged by Broker/Shipper/Receiver.

7. **INSURANCE.** Carrier shall furnish to broker in the form and manner satisfactory to Broker, a certificate of insurance setting forth that Carrier maintains primary public liability and property insurance coverage as required as well as cargo insurance which provides coverage of not less than \$100,000 and shall file a certificate of such insurance with Broker. Said insurance policies shall provide that they may not be cancelled without thirty (30) days written notice to Broker.
  
8. **INDEPENDENT CONTRACTOR STATUS.** Notwithstanding the provisions of the Agreement, nothing contained herein shall be construed to mean that Carrier is an agent or an employee of Broker and Carrier declares that the services performed in this Agreement shall be offered by Carrier as an independent contractor status for filing with Broker's insurer in the form attached as Addendum A.
  
9. **TERM OF THE AGREEMENT.** This agreement is to become effective October 2005, and shall remain in effect for a period of one (1) year from such date and shall continue in effect from year to year unless and until terminated by either party upon not less than thirty (30) days prior written notice to the other, delivered personally or mailed to such party at the address set forth below.
  
10. **NO BACK SOLICITATION.** Carrier shall not solicit traffic from any shipper, consignee, or customer of Broker, including but not limited to all where (1) the availability of such traffic first became known to Carrier as a result of Broker's efforts, or (2) where the traffic of the shipper, consignee, or customer of the Broker was first tendered to the Carrier by the Broker. If Carrier breaches this Agreement and "back-solicits" the Broker's customers and obtains traffic from such customer or customers, the Carrier shall be obligated to pay Broker a commission equal to twelve (12%) of the gross transportation revenue received by the Carrier from the movement of said traffic.

Carrier's obligation to pay said obligation shall last for a period of twelve (12) months, following the month in which Carrier first moved traffic for said customer not brokered by Avenue 8 Transport Services, Inc. Carrier agrees that delivery of a copy of this Agreement shall constitute a valid assignment of the percentage of Carrier's gross payments received from customer as stated above. This Agreement shall serve as a directive authorizing customer to pay said commission directly to Broker.

Both parties agree to the terms and conditions outlined above.

**CARRIER:**

By: \_\_\_\_\_

Title:

Telephone Number:

**BROKER:** Avenue Transport Services  
 12021 Wilshire Blvd. #230  
 Los Angeles, CA 90025

By: \_\_\_\_\_

Ryan Luu  
 President

