Broker-Carrier Agreement

This Broker-Carrier Agreement (the “Agreement”) is entered into by and between National Transport Services LLC (from now on referred to as “BROKER”) and [Name] (from now on referred to as “CARRIER”). WHEREAS, “BROKER” is a person (or company) who arranges with an operator to carry the goods of another person (or company), for compensation and by commercial motor vehicle and may be duly registered where required. WHEREAS, “CARRIER” is a person (or company) registered (“registered” means operating under authority issued by all applicable regulatory authorities) to carry the goods (property) of another person (or company) by commercial motor vehicle for compensation (copies of Operating Authorities are attached hereto as Appendix C). WHEREAS, the name “SHIPPER” is the customer of the BROKER and is also known but not limited to the names consignor, consignee, and receiver. National Transport Services (“NTS”) is a fully licensed and bonded transport broker (USDOT # 3347682; MC # 1069679).

1. **CARRIER REPRESENTS AND WARRANTS THAT IT:**

A. Is an operator of commercial motor vehicles and/or a motor carrier, authorized to provide the transportation of goods under contracts with shippers and receivers and/or brokers of motor vehicles, materials, wares, merchandise, and general commodities, and

B. Shall transport the goods (property) under its own Operating Authority and subject to the terms of this Agreement, and

C. Makes the representations herein to induce BROKER to enter into this Agreement, and

D. Agrees that a Shipper’s insertion of BROKER’s name as the Carrier on a bill of lading shall be for the Shipper’s convenience only and shall not change BROKER’s or CARRIER’s status as defined above, and

E. Will not re-broker, assign, or interline the shipments hereunder without the prior written consent of BROKER. If CARRIER breaches this provision, BROKER shall have the right to pay the monies it owes CARRIER directly to the delivering Carrier instead of payment to CARRIER. CARRIER shall not be released from liability to BROKER under this Agreement upon BROKER's payment to the delivering Carrier. In addition to the indemnity obligation in Paragraph 1.H, CARRIER will be liable for consequential damages resulting from any violation of this Paragraph.

F. FRAUD PREVENTION: CARRIER represents and warrants that it shall transport freight only under its own valid FMCSA operating authority and shall not use another carrier's operating authority, MC number, USDOT number, or other operating credentials. CARRIER shall not impersonate another carrier or permit another carrier to operate under its authority. CARRIER shall immediately notify BROKER of any suspected identity theft, unauthorized use of its operating authority, cybersecurity incident affecting its operations, or any fraudulent activity that could impact the transportation services performed under this Agreement. Any violation of this Section shall constitute a material breach of this Agreement and shall entitle BROKER to terminate this Agreement immediately and exercise any rights and pursue any remedies available under this Agreement or applicable law.

G.CARRIER is in, and shall maintain, compliance during the term of this Agreement, with all applicable federal, provincial (or state) and local laws relating to the provision of its services including, but not limited to: transportation of Dangerous Goods (or Hazardous Materials), (including the licensing and training of drivers), to the extent that any shipments hereunder constitute Dangerous Goods (or Hazardous Materials); security regulations; customs regulations; owner/operator lease regulations; loading and securement of freight regulations; implementation and maintenance of driver safety regulations including, but not limited to, hiring, controlled substances, and hours of service regulations; sanitation, temperature, and contamination requirements for transporting food, perishable, and other products, qualification and licensing and training of drivers; implementation and maintenance of equipment safety regulations; maintenance and control of the means and method of transportation including, but not limited to, performance of its drivers, and

H. CARRIER will notify BROKER immediately if any Operating Authority is suspended, revoked, or rendered inactive for any reason; and/or if it is sold, or if there is a change in control of ownership, and/or any insurance required hereunder is threatened to be or is terminated, canceled, suspended, or revoked for any reason, and

I. CARRIER shall defend, indemnify and hold BROKER and its shipper customer harmless from any claims, actions, or damages arising from its performance under this Agreement, including cargo loss and damage, theft, delay, damage to property, and personal injury or death. BROKER shall not be liable to the CARRIER for any claims, actions, or damages due to the negligence of the CARRIER or the Shipper. The obligation to defend shall include all costs of defense as they accrue, and

J. Does not have an “Unsatisfactory” safety rating issued by the Federal Motor Carrier Safety Administration (FMCSA), U.S. Department of Transportation or any provincial regulatory authority and will notify BROKER in writing immediately if its safety rating is changed to “Unsatisfactory” or “Conditional,” and

K. Authorizes BROKER to invoice CARRIER’s freight charges to Shipper, consignee, or third parties responsible for payment, and

L. Has investigated, monitors, and agrees to conduct business hereunder based on the creditworthiness of BROKER and is granting BROKER credit terms accordingly.

2. **BROKER RESPONSIBILITIES:**

A. SHIPMENTS, BILLING & RATES: BROKER agrees to solicit and obtain freight transportation business for CARRIER to the mutual benefit of CARRIER and BROKER shall use commercially reasonable efforts to offer shipments to CARRIER but shall have no obligation to tender any minimum number of shipments. BROKER retains sole discretion regarding the selection of carriers for each shipment. BROKER shall inform CARRIER of the (a) place of origin and destination of all shipments; and (b), if applicable, any special shipping instructions or special equipment requirements of which BROKER has been notified.

B. BROKER agrees to conduct all billing services to shippers. CARRIER shall invoice BROKER for its (CARRIER's) charges, as mutually agreed in writing, by fax, or by electronic means, contained in BROKER's Load Confirmation Sheet(s) incorporated herein by reference (Exhibit A, et seq.). Additional rates for truckload or LTL shipments, or modifications or amendments of the above rates, or other rates, may be established to meet changing market conditions, shipper requirements, BROKER requirements, and/or specific shipping schedules as mutually agreed upon and shall be confirmed in writing (or by fax) by both Parties. Any such additional, modified, or amended rate changes shall automatically be incorporated herein by reference as part of Exhibit A, Amendment 1, et seq.

C. RATES: Additionally, any rates, which have been verbally agreed upon, shall be confirmed in writing where CARRIER has billed the agreed rate and BROKER has paid it. All written confirmations of rates, including proofs by billing and payment, shall be incorporated herein by reference as part of Exhibit A, Amendment 1, et seq. **No detention, layover, stop-off, lumper, storage, loading, unloading, or any other accessorial charge shall be payable unless approved by BROKER in writing before such charge is incurred whenever reasonably possible.** CARRIER shall provide reasonable supporting documentation for any approved accessorial charge before payment is due.

D. PAYMENT: The Parties agree that BROKER is the sole party responsible for payment of CARRIER's transportation charges, subject to the terms of this Agreement. Failure of BROKER to collect payment from its customer shall not relieve BROKER of its obligation to pay CARRIER in accordance with this Agreement. BROKER shall pay CARRIER within thirty (30) days after receipt of a complete and accurate invoice, the signed Bill of Lading, Proof of Delivery, and any other documentation reasonably requested by BROKER. BROKER shall have the right to withhold, offset, deduct, or recoup any amounts owed by CARRIER to BROKER or BROKER'S customer, including but not limited to:

- Cargo loss or damage claims;
- Cargo shortages;
- Concealed damage;
- Freight charge adjustments;
- Unauthorized or disputed accessorial charges;
- Detention or layover disputes;
- Chargebacks;
- Fines or penalties resulting from CARRIER'S acts or omissions;
- Overpayments;
- Claims arising under this Agreement; and
- Any other amounts legally owed by CARRIER to BROKER or BROKER'S customer.

Except as expressly authorized in writing by BROKER, including shipments designated as Cash on Delivery ("COD"), CARRIER shall not contact, invoice, demand payment from, initiate legal proceedings against, or otherwise seek payment directly from any shipper, consignor, consignee, customer, or third party introduced by BROKER.

For shipments requiring COD collection, CARRIER shall collect payment only in strict accordance with BROKER'S written instructions. Unless otherwise authorized in writing by BROKER, all COD payments, including cash, checks, money orders, cashier's checks, or other negotiable instruments, shall be held in trust for BROKER and promptly delivered or remitted to BROKER. CARRIER shall have no ownership interest in any COD funds and shall not endorse, negotiate, deposit, transfer, or retain such funds except as expressly authorized in writing by BROKER.

CARRIER shall exercise reasonable care in safeguarding all COD payments while in its possession and shall be responsible for any loss, theft, misappropriation, or unauthorized negotiation of such payments resulting from its negligence or willful misconduct.

If BROKER disputes any portion of an invoice in good faith, BROKER shall notify CARRIER of the disputed amount. BROKER shall timely pay all undisputed amounts, and the Parties shall cooperate in good faith to resolve any disputed charges.

Payment by BROKER shall not constitute a waiver of any rights or remedies available under this Agreement or applicable law, including but not limited to cargo claims, indemnification, offset rights, or recovery of damages.

3. **CARRIER RESPONSIBILITIES:**

A. EQUIPMENT: Subject to its representations and warranties in Paragraph 1 above, CARRIER agrees to provide the necessary equipment and qualified personnel for completing the transportation services required for BROKER and/or its customers. CARRIER will not supply equipment used to transport hazardous wastes, solid or liquid. CARRIER agrees that all shipments will be transported and delivered with reasonable dispatch or as otherwise agreed in writing.

B.SHIPMENT VISIBILITY: CARRIER agrees to provide continuous shipment visibility throughout transportation.

Upon BROKER'S request, CARRIER shall:

- Accept electronic GPS tracking through MacroPoint, Trucker Tools, or another tracking platform approved by BROKER;
- Respond to dispatch communications within thirty (30) minutes during transit;
- Notify BROKER immediately of any delay, accident, cargo damage, mechanical failure, missed appointment, or other event affecting pickup or delivery.

Failure to comply may result in chargebacks or removal from BROKER'S approved carrier network.

C. BILLS OF LADING: CARRIER shall issue a Uniform Bill of Lading for the property it receives for transportation under this Agreement. CARRIER shall become fully responsible and or liable for the freight when it takes possession thereof and the trailer(s) is loaded, regardless of whether a bill of lading is issued and/or signed and/or delivered to CARRIER and which responsibility/liability shall continue until delivery of the shipment to the consignee and the consignee signs the bill of lading or delivery receipt. The Terms on the Carrier's bill of lading, including but not limited to payment terms inconsistent with this Agreement, shall be controlled by the terms of this Agreement. Failure to issue a bill of lading, or sign a bill of lading acknowledging receipt of the cargo by CARRIER, shall not affect the liability of CARRIER.

D. LOSS & DAMAGE CLAIMS:

i. CARRIER shall comply with 49 C.F.R. §370.1 et seq. and any amendments and/or any other applicable regulations adopted by the Federal Motor Carrier Safety Administration, U.S. Department of Transportation, or any applicable federal, state, or provincial regulatory agency, for processing all loss and damage claims and salvage and

ii. CARRIER liability for any cargo damage, loss, or theft from any cause shall be determined under the Carmack Amendment 49 USC 14706 as governing shipments according to its terms and in respect of shipments originating in Canada under the uniform bill of lading in effect in the province of Canada where the Carrier issues a bill of lading. It is agreed, in respect of shipments originating from Canada, that the BROKER is deemed to have declared the total value of the shipment for the carriage on the bill of lading, and in this regard, the CARRIER shall have total liability for cargo damage, loss or theft. CARRIER waives the provisions of clauses 9 and 10 of the uniform bill of lading in effect in the province of origin.

iii. Special Damages: CARRIER indemnification liability (Par 1. H) for freight loss and damage claims under this sub-par C (ii) shall include legal fees which shall constitute special damages, the risk of which is expressly assumed by CARRIER, and which shall not be limited by any liability of CARRIER under sub-par (ii) above.

iv. Except as provided in Par 1. E above, neither Party shall be liable to the other for consequential damages without prior written notification of the risk of loss and its approximate financial amount and agree to assume such responsibility in writing.

v. Notwithstanding the terms of 49 CFR 370.9, CARRIER shall pay, decline, or make a settlement offer in writing on all cargo loss or damage claims within 60 days of receipt of the claim. Failure of CARRIER to pay, decline or offer settlement within these 60 days shall be deemed admission by CARRIER of total liability for the amount claimed and a material breach of this Agreement.

E. INSURANCE: **E. INSURANCE:** CARRIER shall maintain throughout the term of this Agreement:

- Automobile Liability: $1,000,000 Combined Single Limit
- Cargo Insurance: Minimum $100,000 per occurrence
- General Liability: $1,000,000 per occurrence
- Workers' Compensation as required by applicable law

CARRIER shall provide certificates of insurance before transporting any shipment.

Upon BROKER'S request, CARRIER shall cause BROKER, National Transport Services LLC, to be named as an Additional Insured and Certificate Holder on all applicable insurance policies, to the extent such endorsements are available from CARRIER'S insurer. CARRIER shall promptly provide updated certificates of insurance or endorsements evidencing such status upon request.

CARRIER shall immediately notify BROKER if any required insurance is canceled, suspended, materially reduced, or allowed to lapse.

Failure to maintain required insurance constitutes immediate grounds for termination.

F. DRIVER AND ELD COMPLIANCE:

CARRIER warrants that:

- All drivers are properly licensed and medically qualified.
- Drivers comply with all FMCSA Hours-of-Service regulations.
- All vehicles required to utilize Electronic Logging Devices (ELDs) shall do so in compliance with FMCSA regulations.
- Drivers shall maintain all required qualifications throughout the term of this Agreement.

G. CARGO THEFT

If any cargo is lost, stolen, or suspected of theft, CARRIER shall:

- Immediately notify BROKER by telephone.
- Notify local law enforcement.
- Fully cooperate with any investigation.
- Preserve all documentation, photographs, GPS records, and communications relating to the shipment.

Failure to comply constitutes a material breach of this Agreement.

H. CYBERSECURITY: CARRIER shall implement commercially reasonable safeguards to protect shipment information, customer information, electronic communications, and login credentials.

CARRIER shall notify BROKER immediately upon discovering any unauthorized access, cyberattack, ransomware event, data breach, or fraudulent communication affecting transportation services performed under this Agreement.

I. ASSIGNMENT OF RIGHTS: CARRIER automatically assigns to BROKER all its rights to collect freight charges from the Shipper or any responsible third party on receipt of payment from BROKER.

J. NO FREIGHT LIENS: CARRIER expressly waives and relinquishes any possessory lien, warehouseman's lien, carrier's lien, or any other right to retain possession of freight due to any dispute regarding payment.

Under no circumstances shall CARRIER hold freight hostage or delay delivery due to a payment dispute.
K. FORCE MAJEURE: Neither Party shall be liable for delays caused by events beyond its reasonable control, including acts of God, natural disasters, severe weather, terrorism, war, labor disputes, pandemics, governmental actions, or civil unrest. The affected Party shall promptly notify the other Party and resume performance as soon as reasonably possible.

4. **MISCELLANEOUS:**

A. INDEPENDENT CONTRACTOR: It is understood and agreed that the relationship between BROKER and CARRIER is that of an independent contractor and that no employer/employee relationship exists. BROKER has no control over CARRIER, including but not limited to freight routing, and nothing contained herein shall be inconsistent with this provision.

B. NON-EXCLUSIVE AGREEMENT: CARRIER and BROKER acknowledge and agree that this contract does not bind the respective Parties to exclusive services to each other. Either Party may enter into similar agreements with other carriers, brokers, or freight forwarders.

C. WAIVER OF PROVISIONS: i. Failure of each Party to enforce a breach or waiver of this Agreement shall not constitute a waiver of any subsequent failure or breach and shall not affect or limit the right of either Party to enforce such a term or provision after that. ii. This Agreement is for specified services according to 49 U.S.C. §14101(b), where applicable.

To the extent that terms and conditions herein are inconsistent with Part (b), Subtitle IV, of Title 49 U.S.C. (I.C.C. Termination Act of 1995), the Parties expressly waive any or all rights and remedies they may have under the Act.

D. DISPUTES: In case of a dispute arising out of this Agreement, including but not limited to Federal, State, or Provincial statutory claims, the Party's sole recourse (except as provided below) shall be arbitration. Proceedings will conduct under the Texas Rules of Court (A.D.R.) rules upon mutual Agreement of the Parties, or if there is no agreement, then at BROKER's sole discretion. Arbitration proceedings shall start within eighteen (18) months from the date of delivery or scheduled date of delivery of the freight, whichever is later. Upon Agreement of the Parties, arbitration proceedings may conduct outside of the administrative control of the A.D.R. The arbitrator's decision shall be binding and final, and the arbitrator's award may enter as a judgment in any court of competent jurisdiction. The prevailing Party shall be entitled to recovery of costs, expenses, and reasonable attorney fees as well as those incurred in any action for injunctive relief or in the event further legal action is taken to enforce the award of arbitrators. Arbitration proceedings shall be conducted at the office of the A.D.R. nearest the offices of the BROKER or such other place as mutually agreed upon in writing or directed by the acting arbitration association, provided, however, either Party may apply to a court of competent jurisdiction for injunctive relief. The venue and controlling law for any such action shall be Texas. The arbitration provisions of this Paragraph shall not apply to the enforcement of the arbitration award.

E. NO BACK SOLICITATION: If CARRIER violates this Section, BROKER shall be entitled to liquidated damages equal to the greater of:

(a) Twenty-five percent (25%) of all gross transportation revenue earned by CARRIER from the improperly solicited customer for a period of thirty-six (36) months;

or

(b) Fifty Thousand Dollars ($50,000) per occurrence.

BROKER shall also be entitled to injunctive relief, recovery of reasonable attorney's fees, court costs, arbitration costs, and any additional damages permitted by law.

F. CONFIDENTIALITY: i. In addition to confidential information protected by law, the Parties agree that all of their financial information and their customers, including but not limited to freight rates, amounts received for brokerage services, amounts of freight charges collected, freight volume requirements, as well as personal customer information, customer shipping or other logistics requirements shared or learned between the Parties and their customers, shall be treated as Confidential, and shall not be disclosed or used for any reason without prior written consent. ii. In the event of a violation of this Paragraph, the Parties agree that the remedy at law, including monetary damages, may be inadequate, and the Parties shall be entitled to an injunction restraining the violating Party from further violation of this Agreement, in which case the prevailing Party shall be liable for all costs and expenses incurred, including but not limited to reasonable attorney's fees.

G. MODIFICATION OF AGREEMENT: This Agreement and Exhibit A et. seq. attached may not be amended except by mutual written Agreement or the procedures set forth above (Pars 2. B and 2. C).

H. NOTICES: i. All notices provided or required by this Agreement shall be made in writing and delivered, return receipt requested, to the addresses shown herein with postage prepaid; or by confirmed (electronically acknowledged on paper) fax. ii. THE PARTIES shall promptly notify each other of any claim asserted against either of them by anyone arising from the Party's performance of this Agreement. iii. Notices sent as required hereunder to the addresses shown in this Agreement shall be deemed sent to the correct address unless the Parties are notified of any address changes in writing.

I. CONTRACT TERM: The term of this Agreement shall be one year from the date hereof, and after that, it shall automatically be renewed for successive one (1) year periods, unless terminated, upon thirty (30) days prior written notice, with or without cause, by either Party at any time, including the initial term. The Parties must complete any work in progress if the Agreement is terminated for any reason.

J. SEVERANCE: SURVIVAL: In the event, any of the terms of this Agreement are determined to be invalid or unenforceable, no other terms shall be affected, and the unaffected terms shall remain valid and enforceable as written. The representations, rights, and obligations of the parties hereunder shall survive termination of this Agreement for any reason.

K. COUNTERPARTS: This Agreement may execute in any number of counterparts, each of which shall be deemed a duplicate original hereof.

L. FAX CONSENT: The Parties to this Agreement are authorized to fax each other at the numbers shown herein (or otherwise modified in writing from time to time) shipment availabilities, equipment, rate promotions, or any advertisements of new services.

M. ENTIRE AGREEMENT: Except for Exhibit A and its amendments, and unless otherwise agreed in writing, this Agreement contains the entire understanding of the Parties and supersedes all verbal or written prior agreements, arrangements, and interpretations of the Parties relating to the subject matter stated herein. The Parties further intend that this Agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence may be introduced to reform this Agreement in any judicial or arbitration proceeding.

IN WITNESS, we have signed this Agreement on the date and year first shown above. I am authorized to execute the contract set out above between National Transport Services and [Name] legally bind the company to the terms and conditions set forth therein. This electronic signature is an original, and any electronic version and other signatures are incorporated as if originals into the original document. This electronic signature shall have the same force and effect as a source.

Please Upload the following documents:	
This year signed W-9 form:	
MC Operating Authority Certificate:	

Please Upload the following documents:	
Cargo Insurance Certificate:	
Liability and General Liability Insurance Certificate:	
ACH / Void Check:	

Full Name: **required** Position in the Company: **required** Sign Date: **required**