



SHIPPER – BROKER AGREEMENT

This Agreement, made this _____ day of _____, 20____ by and between _____, a domestic corporation, hereinafter called "SHIPPER", and National Traffic Systems, Inc., located at 168 Garber Lane, Winchester Virginia 22602, a corporation, hereinafter called "FREIGHT BROKER".

WHEREAS, FREIGHT BROKER is engaged in the business of placing loads, tendered to it by SHIPPER, for transportation with carrier by motor vehicle, regulated by the Federal Highway Administration, under contract with such carriers; and

WHEREAS, FREIGHT BROKER represents that it is dully authorized to perform such services for compensation under a license issued to it by the Federal Highway Administration in Docket No. MC221994; and that it holds an effective Surety Bond or Trust Fund Agreement under 49 USC 10927(b) and 49 USC 1045; and that it shall employ only the services of motor carriers duly authorized by the Federal Highway Administration and insured in accordance with the laws and regulations of the appropriate federal and/or state regulatory agencies including but not limited to the United States Department of Transportation: Federal Highway Administration.

WHEREAS, FREIGHT BROKER desires to provide its transportation services on behalf of SHIPPER for the interstate and foreign transportation of commodities as more specifically described hereinafter; and

WHEREAS, SHIPPER desires to avail itself of such services.

NOW, THEREFORE, in consideration of the mutual agreements, herein contained, and the compensation that the FREIGHT BROKER will receive from the monies that are paid for the transportation, the parties agree as follows:

1. SHIPPER agrees to tender certain load, from time to time, to FREIGHT BROKER. The charges as to each shipment shall be agreed to in writing, by the parties, prior to the movement of the shipment.
2. FREIGHT BROKER agrees to make every reasonable effort to place such loads with contract carriers for the purpose of transporting the loads with reasonable dispatch under the direction of SHIPPER.

3. FREIGHT BROKER agrees to provide SHIPPER with adequate proof of acceptance and delivery of such loads in the form of a freight bill, and SHIPPER understands that the FREIGHT BROKER will be compensated by the carrier for the moves on which SHIPPER pays the carrier the transportation charges.
4. Except as may otherwise appear herein (including appendices), the rights and obligations existing between the parties hereto shall be those defined in the Interstate Commerce Act as the conduct of Freight Brokerage in interstate and foreign countries.
5. The terms of the Agreement shall commence on the above stated date and shall continue in effect until terminated by either party upon not less than fifteen (15) days written notice, either by hand delivered or mailed to the address shown above.
6. The parties agree that in the event SHIPPER determines it has a claim for cargo loss or damage against any carrier transporting a load tendered to it by FREIGHT BROKER, the FREIGHT BROKER will act as administrator for the claim and insure that all claims are filed and processed in accordance with 49 CFR 1005. All matters pertaining to rates and charges should be solely between SHIPPER and FREIGHT BROKER.
7. FREIGHT BROKER represents that the carrier that it uses will hold effective cargo insurance for all loads placed for transportation with them, and that the benefits of such insurance shall inure to SHIPPER.
8. FREIGHT BROKER agrees that it shall treat all sensitive business information as confidential and shall not release same without written consent of SHIPPER.
9. It is understood between the parties that FREIGHT BROKER shall remain independent contractor under this contract and that its agents and/or employees are under its exclusive management and control and that SHIPPER neither exercises nor retains any control or supervision of or over FREIGHT BROKER, or its operations, agents or employees in any manner whatsoever.
10. SHIPPER will be solely responsible for the quantity and type of material that is loaded on any truck that is sent into their location. This WILL NOT be the responsibility of the Freight Carrier.
11. SHIPPER agrees that if they have a load rejected, they will reconsign the load to another destination in an expedient manner. They, also, recognize that the new destination and any additional freight charges will be their sole responsibility.
12. FREIGHT BROKER will do their best to limit the additional expense of the reconsigned load but, many times, the Freight broker is at the mercy of the freight carrier. The additional amount needed in order to pay the carrier may be substantial depending on the additional distance, location and time needed to delivery the load.

13. It is understood between the parties that each shall conduct its operations and activities in accordance with all Federal, State and Municipal laws, regulations, rules and ordinances affecting or regulating the transportation of the commodities involved.

14. FREIGHT BROKER agrees that in each of the contracts it has with contract carriers that the following clause shall be included:

“Carrier authorizes FREIGHT BROKER to invoice SHIPPER, receiver, consignor or consignee for freight charges as agent for and behalf of carrier. Payment of the freight charges to FREIGHT BROKER shall relieve SHIPPER, receiver, consignor or consignee of an liability to the carrier for non-payment of charges.”

15. FREIGHT BROKER agrees to indemnify SHIPPER and hold it harmless from any claims, which arise from the use of carriers not meeting the above stated requirements.

16. This instrument constitutes the entire agreement of the parties with reference to the subject matter hereof and may not be changed, waived or modified except in writing signed by both parties. This Agreement shall be construed in accordance with the laws of the State of Virginia.

17. If any dispute arises about any matter covered by the terms of this Motor Contract Carrier Agreement, the dispute must be submitted by the party who alleges a violation filing a complaint with the Federal Highway Administration. The complaint shall contain specific references to pertinent statutory provisions and regulations of the Federal Highway Administration and the terms of this contract that the complainant believes have been violated.

Such a complaint shall be submitted in accordance with all provisions of 49 CFR 1111

No court action can be taken by either party prior to the decision of the Federal Highway Administration and the decision of the Federal Highway Administration shall be binding, final and non-appealable decision. If for any reason the Administration refuses to accept the complaint, or refuses to make a ruling on the subject matter of the complaint, then the parties' recourse shall be to the judicial system, either State or Federal.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed as of the day and year first written above.

NATIONAL TRAFFIC SYSTEMS, INC.

SHIPPER _____

By: _____

By: _____

Witness: _____

Witness: _____