

AMERICAN LOGISTICS SERVICES LLC
MOTOR CARRIER/BROKER AGREEMENT

THIS MOTOR CARRIER/BROKER AGREEMENT ("Agreement") is effective as of _____, 20____ (the "Effective Date"). The parties to this Agreement (the "Parties") are _____, a _____ organized under the laws of _____ ("Carrier"), and American Logistics Services, a LLC Company organized under the laws of Minnesota ("Broker"). The purpose of this Agreement is to specify the terms and conditions under which Broker will engage Carrier to perform motor contract carriage and related services for Shippers (the "Services"), and under which Carrier will render those Services.

TERMS AND CONDITIONS

1. **Contract Carriage.** All Services by Carrier as a motor carrier of property in United States interstate or foreign commerce shall be rendered as contract carriage within the meaning of 49 U.S.C. §§ 13102(4)(B) and 14101(b). In connection with contract carriage Services, Broker and Carrier hereby expressly waive all provisions of Chapters 137 and 147 and any other provisions of Subtitle IV, Part B of Title 49, United States Code, to the extent that such provisions are in conflict with express provisions of this Agreement. The Parties do not, however, waive the provisions of that subtitle relating to registration, insurance, or safety fitness.
2. **Relationship of Parties.** The relationship of Carrier to Broker is that of an independent contractor. Under no circumstances shall employees or agents of Carrier be deemed employees or agents of Broker or Shipper, nor shall Broker or Shipper be liable for any wages, fees, payroll taxes, assessments or other expenses relating to employees or agents of Carrier.
3. **Subcontracting.** Carrier shall not subcontract any Services to third parties without giving prior notice to Broker and obtaining Broker's consent. Any such subcontracting with notice and consent, shall not affect Carrier's responsibilities or liabilities to Broker under this Agreement. Any subcontracting without notice shall render this contract null and void and relieve broker of payment responsibility. As between Broker and Carrier, all costs of rendering the Services (including compensation of subcontractors as well as payment of all taxes or other governmental assessments imposed on Carrier) shall be borne solely and exclusively by Carrier. The prohibition against subcontracting does not apply to a person leased to the Carrier pursuant to the provisions of 49 C.F.R. Part 376.
4. **Due Diligence.** By arranging for transportation of shipments by Carrier pursuant to this Agreement, Broker represents and warrants that it has conducted due diligence with regard to the creditworthiness of Shippers tendering such shipments, and that it vouches for same.
5. **Non-Exclusivity of Services.** Neither Party intends to give the other Party any exclusive rights or privileges under this Agreement. Except as otherwise stated in this Agreement, either party may contract with or otherwise provide service to any other motor carrier, broker, other intermediary or shipper.
6. **Rates and Charges.** Carrier shall be entitled to the rates and charges set forth in the carrier confirmation sheet as its sole and exclusive compensation for rendering the Services (including any Services subcontracted to third parties or performed in a capacity other than as a motor carrier, with or without the notices and consents required under paragraph 3). No shipment tendered under this Agreement to Carrier shall be subject to rates or charges set forth in any tariff or rate schedule maintained by Carrier, unless those rates and charges are specifically set forth in the carrier confirmation sheet. Rates and charges set forth in the carrier confirmation sheet on the effective date of this Agreement shall not be changed except by the mutual written agreement of the Parties.
7. **Invoicing and Payment.** Carrier shall invoice Broker for all Services and fees. Broker shall invoice Shippers for Carrier's freight charges and Broker's commissions or other fees, and to take necessary measures to collect such invoices. Broker shall remit freight charges owed to Carrier within 30 days of the date of Carrier's invoice regardless of any late payment or non-payment to Broker by Shippers.
8. **Insurance: Broker bond**
 - 8.1 **Broker** shall at all times maintain a surety bond/trust in an amount no less than \$10,000. The form and terms of the bond shall be consistent with the provisions of FMCSA Form BMC 34 as that form was in effect on January 1, 2005.
 - 8.2 **Carrier** shall maintain cargo liability insurance in the amount of \$100,000 per occurrence.

8.3 Upon either Party's request, the non-requesting Party shall furnish the requesting Party with certificates from the insurers or trustee evidencing such coverages and providing for not less than thirty (30) days' advance written notice of cancellation or non-renewal of coverage or trust, or shall cause the insurers or trustee to name the requesting Party as an additional insured or beneficiary for the sole purpose of receiving such 30-day advance written notices of cancellation or non-renewal.

9. Cargo Liability. Except as otherwise provided herein, the Carrier's liability for cargo loss or damage shall be governed by the provisions of 49 U.S.C. § 14706. Claims for loss of or damage to cargo shall be filed and processed in accordance with 49 C.F.R. Part 370 as in effect on the Effective Date of this Agreement, except that if the claim is filed by Broker it must be accompanied by proof (such as a signed power of attorney, a written assignment of the claim, or other evidence satisfactory to Carrier) that the involved Shipper has granted Broker full authority to resolve the claim. Claims must be filed, and any litigation on such claims must be commenced, within the minimum time frames (9 months and two years, respectively) as permitted in 49 U.S.C. § 14706(e).

10. Governing Law. Except to the extent that such laws are preempted by reason of 49 U.S.C. § 14501(c) or other federal law, this Agreement shall be interpreted in accordance with the laws of the State of Minnesota, disregarding any choice-of-law principle under which that State would look to the laws of another jurisdiction.

11. Notices. Pursuant to the provisions of the Agreement notices shall be sent to the Parties at the addresses first stated above to the attention of the respective signatory of this Agreement.

12. Back-Solicitation. Except upon a material breach of this Agreement by Broker, Carrier shall refrain from directly soliciting freight business during the term of this Agreement, or for twelve months thereafter, from any entity which was not solicited by Carrier prior to the Effective Date.

WHEREFORE, the Parties have executed this instrument as their legally binding agreement as of the Effective Date first written above.

American Logistics Services (Broker)

_____ (Carrier)

By its Designated Contact:

By its Designated Contact:

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Facsimile: _____

Facsimile: _____