This Agreement is between: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Agent) and (Your Freight Brokerage) (MC#\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

The purpose of this Agreement is to provide a working program whereby the Broker supports the Agents transportation activity to the benefit of both parties to the Agreement. The Agent, having fulfilled the terms and conditions of this Agreement, will be able to operate as a licensed Federal Motor Carrier Safety Administration (FMCSA) Property Broker. The license of the Broker is MC 000000.

For the purpose of this Agreement, the definition of a Shipper is any entity that is responsible for paying an invoice for the movement of freight. A Carrier is any person authorized by the (FMCSA) as a mode of transportation for domestic ground transportation.

WHEREAS, Broker has earned the respect of the US shipping and transportation communities, and WHEREAS, Broker has developed automated transportation contracting and remitting capabilities that relieves Agents of burdensome paperwork, including credit acceptance and collections as well as other features that benefit the Agent’s brokering activities and,

WHEREAS, Agent desires Broker, to perform certain administrative functions and desires affiliation with the Broker as a creditworthy, widely recognized service institution.

Now, THEREFORE, Agent and Broker agree to perform the following activities and to split commissions realized from their transportation brokering activity, in a manner agreed upon as set forth below.

**Agent Duties**

Agent’s duties in this Agreement are to secure commitments from Shippers and Carriers to move freight from one location to another including the following:

* Agent must prepare the LOAD SHEET, similar to the attached, with sufficient information to permit the Broker to legally contract with (FMCSA) authorized Carriers.
* Agent must conduct brokering activity in accordance with accepted (FMCSA) practices.
* Agent must assist Broker with credit acceptance and collection procedures, and be liable for payment of uncollectable freight bills and for claims resulting from the errors and omissions of the Agent while performing his duties as defined by this Agreement.
* Agent must offer to Broker all freight shipments in which they represent Broker as the party responsible for payments. Such freight brokered to other (FMCSA) carriers without the knowledge and prior approval of Broker, is cause for immediate termination of the Agreement.

**Broker Duties**

* Broker’s duties in this Agreement are to fulfill all legal requirements mandated by the (FMCSA) plus additional assistance to permit the Agent to legally negotiate the movement of freight under the license by the following. Such duties include the following:
* Broker must comply with all regulations of the Negotiated Rates Act of 1993 and 1995, as amended, with respect to Contracts of Transportation.
* Broker will be liable for undercharges resulting from contracting and billing errors committed by Broker.
* Broker must maintain current status of (FMCSA) operating authorities and insurance for all approved transportation providers.
* Broker bills and collects transportation charges from shippers.
* Broker pays carriers.
* Broker settles commissions due to Agent.

**Commissions** – All commission checks due are paid at the bi-monthly via Direct Deposit to the agent’s specified financial institution. Commissions due are only calculated once “Original BOL” has been received from the carrier and shipper has been invoiced. Agent will be furnished with a transcript of commissions earned from (Your Freight Brokerage) from the comptroller each pay period. This transcript will include load “Pro #” and commissioned earned by agent. It is the agent responsibility to record commissions earned and to report all discrepancies to the accounting department for review.

**Standard Commission** – Agent earns 50% commission from every load generated from Agent’s own efforts (Agent Accounts). Agent earns 50% commission from every load generated from the efforts of (Your Freight Brokerage) sales prospecting or lead generation. These are (House Accounts) and may be worked by any agent that the freight has been assigned to by management personnel.

**Minimum Gross Commissions** - Brokerage must receive at least $50 gross commission from any load as a minimum commission.

**Financing Accounts** – Agent’s shippers should be prompt in payment (30 days). Broker will finance accounts over 30 days past invoice as a matter of course, however, if Agent’s shipper is 45 days or more days past date of invoice, Broker will deduct an additional (15%) commission from Agent for that account. Shippers who are past due 45 days in payment will be barred, unless special arrangements are made. Agent will be notified by Broker of all accounts past due.

**Collections**

* Broker will commence collection activity on the 34th day from invoice by faxing a copy of the invoice and BOL to Agent, and request assistance from Agent.
* Failing receipt of receivable on the 45th day, Broker will mail a copy of the past due invoice to shipper as a past due notice and credit to that shipper will be suspended, until account is paid to current status, or other arrangements are made.
* Agent is required to inform his clients that claims are a separate issue from payment of freight bill. Agent will assist in the settlement of any claim.
* Failing collection efforts of Agent against the shipper the amount paid to carrier and Agent will be deducted from Agent’s commission account. If no positive balance is available, a chargeback against outstanding commissions will be made.

**Broker Assistance**

* Broker will provide assistance in the formats listed below, and any other support deemed prudent by broker.
* Broker will provide free listing of Agent’s loads (up to 90 days), and will send truck-to-load matches to Agent’s FAX by 7:00 A.M. Central time, Monday through Friday.
* Broker can provide a printed (or software) list of all carriers, which have approved Broker’s credit that lists equipment, phones, and names of dispatchers, fax numbers, etc.
* Broker can network with other Agents for assistance with particular load problems.
* Agent Help Desk - Broker will provide brokering service to Agent’s individual account base in the absence of Agent, and commission splits will be 75% Broker / Agent 25% for loads successfully negotiated.

**Expenses / Work Station**

No travel, living, training, entertainment, or other costs will be billed by or paid to Contractor unless otherwise agreed and described in the Addendum. Contractor shall provide his/her own tools, equipment, or other materials. Individual work stations are available for Contractors to utilize at their discretion.

**Contractor Representations**

Contractor represents that all information provided by it regarding Contractor or its personnel, including, but not limited to, resumes, interviews, and references are true, accurate, and complete; neither Contractor nor its personnel are restricted by any employment or other contractor agreement; Contractor is an entity with a Federal Tax ID number or Social Security number, has (Your Freight Brokerage), on or about (Today’s Date) a signed IRS form W-9 and is validly existing under the laws of the State indicated in the Addendum;

Contractor is qualified to do business in all jurisdictions where such qualification is required to perform the services hereunder: Contractor and/or Contractor’s personnel have never been convicted of, pled no contest, or nolo contendere, to a crime of dishonesty; Contractor and/or Contractor’s personnel have never stolen or misappropriated any trade secret, proprietary information or other property of a third party.

Contractor makes these representations with the knowledge that (Your Freight Brokerage), and Client will rely on the representations. Contractor and/or Contractor’s personnel agree to submit to a Background check initiated by (Your Freight Brokerage), and/or its representatives. Contractor makes these representations with the knowledge that (Your Freight Brokerage), and client will rely on the representations. In addition to any other remedies (Your Freight Brokerage), may have, it may terminate this Agreement in the event of any misstatement or misrepresentation.

**Confidential Information**

This Agreement and all technical business information, sales strategies, pricing and competitive data, whether conveyed orally or in writing, shall be maintained as confidential by Contractor and remain the property of (Your Freight Brokerage). In addition, Contractor understands (Your Freight Brokerage) and Contractor must maintain the confidential nature of Client information. Contractor agrees that neither Contractor nor anyone under Contractor’s control or direction will disclose to any third party or use for its own purposes any information it obtains from or learns about (Your Freight Brokerage) or (Your Freight Brokerage) client roster while performing services hereunder and which:

1. is marked confidential or proprietary or the like,
2. is identified as confidential or proprietary or the like; or
3. a reasonable person would know is confidential or proprietary.

**Restrictions**

During the term of this Agreement and any renewals thereof, and for twelve (12) months after the expiration of the initial and renewal periods, Contractor agrees that neither it nor any of its personnel will provide or attempt to provide, directly or indirectly, any services to any Client introduced by (Your Freight Brokerage) or about which (Your Freight Brokerage) provided information. The term “Client” includes any affiliates and divisions of Client. Contractor agrees to provide (Your Freight Brokerage) with evidence of its employees or contractor agreement.

**Relationship of the Parties**

The parties to this Agreement agree that the relationship created by this Agreement is that of **BROKER–INDEPENDENT CONTRACTOR** and that no employer–employee relationship by or among Contractor, (Your Freight Brokerage), and/or Client is intended by any party.

**Risk of Loss**

Contractor hereby releases (Your Freight Brokerage), from any liability relating to representations about the task requirements or to the conditions under which Contractor will be working. Contractor shall be solely responsible and liable for the services it provides hereunder and will not look (Your Freight Brokerage) or Client for any indemnification or sharing of risk in the performance of its duties or the resulting work product.

**Entire Agreement**

This Agreement and any attachments or exhibits hereto represent the entire agreement and understanding of the parties and any modification thereof shall not be effective unless contained in writing and signed by both parties. Any prior agreements have been merged into this Agreement. Agreements between (Your Freight Brokerage) and Client shall not modify or amend any terms of this Agreement unless signed by both (Your Freight Brokerage) and Contractor.

**Severability**

Each provision of the Agreement shall be considered severable such that if any one provision of clause conflicts with existing or future applicable law, or may not be given full effect because of such law, this shall not affect any other provision of the Agreement that can be given effect without the conflicting provision of clause.

**Right to Assign**

Contractor is to provide services named in this agreement for who it is responsible, and may not assign its rights under this Agreement or any Addendum and may not subcontract its obligations hereunder to others.

**Conflicts**

To the extent that there may be any conflict between the terms of this Agreement and any Addendum that may be given hereto, this Agreement shall take precedence.

**Cost of Suits**

If (Your Freight Brokerage), is successful in recovering damages or obtaining injunctive relief, Contractor agrees to be responsible for paying all of (Your Freight Brokerage), expenses in seeking such relief, including all costs of bringing suit and all reasonable attorneys’ fees.

**State Law**

This Agreement shall be governed by the laws of the (Your County, State) and any litigation in connection herewith shall be brought in the state or federal courts of said state**. IN WITNESS WHEREOF**, the parties hereto have made and executed this Agreement as of the day and year first above written.

**Termination**

Broker or Agent may terminate Agreement with 10 days’ notice.

|  |  |  |
| --- | --- | --- |
| **FREIGHT BROKER NAME** | **Agent Name:** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Mailing Address | **Signature:** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| City, State, Zip Code | **Address:** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Phone: (000) 000-0000 | **City, State, Zip:** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Fax: (000) 000-0000 | **Phone:** | ( \_\_\_\_\_\_ ) \_\_\_\_\_\_ - \_\_\_\_\_\_\_\_\_\_\_\_\_ |