



CARRIER CONTRACT AGREEMENT

This agreement made this _____ day of _____, 20____, by and between

(Carrier)

(Address, city, state, zip code)

MC# _____, a Federally Registered Motor Carrier, "CARRIER", and **SERVICE**

TRANSPORT, INC., P.O. Box 800, HURLOCK, MD 21643, MC# 256174, a Federally Registered Property Broker also known as **STI**.

1. STI agrees to offer for shipment and CARRIER agrees to transport in its own equipment at least 40,000 pounds annually and such additional quantities of freight as STI may tender subject to the availability of suitable equipment.
2. CARRIER has authority from the FHWA to operate as a contract carrier and will maintain this authority and insurance for the protection of cargo in the amount of \$100,000. The amount of cargo insurance required may be increased by notification to meet the added valuation of specific shipments. Cargo insurance shall be in the form required by 49 CFR 1043.2 (b), and shall have no exclusions or restrictions that would not be accepted by the FHWA for filing under statutory requirements.
3. STI agrees to pay CARRIER for the transportation of freight moved under this agreement in accordance with the rates set forth in the "Load Confirmation". Modifications or additions to these rates may be agreed to in writing or may be made verbally to meet specific shipping schedules. Confirmation of verbally agreed rates can be made by a recap faxed or mailed by STI to CARRIER and by CARRIER'S pickup of that shipment. In addition, confirmation of any verbally agreed rates shall be made by CARRIER'S billing and STI'S payment thereof. If STI pays the freight invoice in a reduced amount, such amount shall constitute the agreed rate, unless CARRIER indicates to the contrary to STI within sixty (60) days of its receipt of payment. All modifications and additions to the rates made either in writing or verbally and confirmed in writing, or as established by the billing and payment by the parties together with the underlying freight bills shall be deemed as addendum to and considered a part of the agreement.
4. STI and CARRIER agree that transportation services hereunder are to be in compliance with 49 USC 10102 by assigning motor vehicles or a continuing period of time for the exclusive use if the STI or by providing specialized services or equipment designated to meet the distinctive needs of STI or the consignor. Such services shall include, when applicable, but shall not be limited to: protective service multiple stops in transit, direct dispatch, drop shipments, inside deliveries, spotting trailers, and expedited shipments.
CARRIER will be responsible to comply with all applicable FHWA and DOT regulation as well as all other federal or state regulations pertaining to the operations of a motor carrier.
5. CARRIER shall issue a bill of Lading in its own name and shall be liable to the owner of the freight for full actual loss and damage to the freight transport under this agreement while in care or custody of the CARRIER. All claims for loss and damage and salvage shall be handled and processed in accordance with the regulations of the ICC as published in the Code of Federal Regulations (49 CFR 1005).

6. CARRIER agrees to hold STI harmless from and indemnify STI for any liability resulting from loss or damage to any freight transport by CARRIER pursuant to this agreement including all cost to defend claims. CARRIER also agreed to hold STI harmless from and indemnify STI for and liability resulting from personal injury or property damage, which may occur during the operations of CARRIER pursuant to this agreement including all cost to defend claims.
7. CARRIER will bill all charges for transportation services directly to STI and CARRIER shall provide STI with a copy of the signed bill of Lading and delivery receipt.
8. STI will identify its customers to CARRIER as each first load from each customer is offered to CARRIER. If CARRIER accepts the load and moves the freight this will acknowledge that this new customer is a STI customer. CARRIER has ten (10) after such "first load" moves to challenge, in writing, why the customer should not be considered a STI customer. In any case of challenge, STI and CARRIER will agree in writing exactly how this custom will be handled.
9. CARRIER agrees to support and protect STI'S efforts in performance of the agreement by refraining from any direct contact or solicitation if STI'S Customers. During the term of the agreement and for a period of two (2) years from the time of termination of this agreement, CARRIER shall not, directly or indirectly solicit or do business of transportation or warehousing nature with any of STI'S customers who are serviced by CARRIER as a result of this agreement unless otherwise agreed to in writing.
10. The relationship of CARRIER and STI shall, at all times, be that of and independent contractor except that STI shall be the agent for CARRIER for the collection and payment of charges to CARRIER. CARRIER agrees that it will look only to STI for payment if the billed party has paid STI.
11. In cases where, after movement of freight, the ultimate payer of the freight charges for any reason defaults on the payment, CARRIER and/or STI, after both parties agree in writing, may proceed against the debtor at a cost ratio and collection ratio equal to the ratio applicable to their respective receipts agreed to on the original movement(s), including attorney fees, court costs, and costs to defend counter suits.
12. Obligations of this agreement are separate and divisible and in the event that any clause is deemed unenforceable, the balance of the agreement shall continue in full force and effect.
13. CARRIER agrees that STI'S compensation hereunder for its services is confidential and need not be disclosed to CARRIER. CARRIER further agrees that it will not reveal to anyone the terms of this agreement, the pricing of transportation service, or any other details of the business conducted between CARRIER and STI.
14. This contract is binding upon the parties hereto, their successors and assigns, shall be construed under the laws of the state of Maryland.
15. This agreement shall be deemed to be effective of the first date that CARRIER and STI commenced business together and the parties agree that the provisions contained herein properly express and memorialize the complete understanding of the parties as contained in all prior agreements, both verbal or in writing. This agreement shall be effective continuously subject to the right of either party hereto to cancel the agreement at any time upon not less than thirty (30) days written notice of one party to the other.

CARRIER

BROKER

BY _____

BY *Jim Walker*

TITLE _____

TITLE Transportation Broker

DATE _____