



MOTOR CARRIER BROKERAGE AGREEMENT

This agreement is made this _____, 20__ by and between HLI Laredo, LLC, hereinafter designated as the "BROKER", and _____, designated as the "CARRIER".

WHEREAS, BROKER holds authority issued by the Department of Transportation (DOT) under license No. 9581, to engage in the operations as a broker of property, in interstate or foreign commerce; and

WHEREAS, CARRIER holds authority issued by the Department of Transportation under MC NO. _____, to transport property as a common or contract carrier, in interstate and foreign commerce; and now therefore, in consideration of the mutual covenants and promises herein contained, the parties hereto intending to be legally bound hereby, agree, represent, and warrant as follows:

- 1) From time to time, BROKER has unique, distinct and continuing transportation needs and CARRIER agrees to provide motor carrier service designed to meet these needs. These needs may include van, flatbed, step deck or specialized trailing equipment service, short notice availability, delivery scheduling, detention, LTL service, stops in transit, scale requirements, rate-making negotiability, over dimension shipments and permit securement.
- 2) The compensation which shall be paid by BROKER to CARRIER for the transportation services shall be agreed upon in writing and signed for by both parties prior to the performance of any service by carrier and set forth in the signed and dated Load Confirmation. Such charges shall be in the form of a written Rate Confirmation signed by both Broker and Carrier and will be required to accompany any and all invoices to Broker from Carrier. In all events, Carrier agrees that it will look exclusively to Broker for payment of all freight and related charges applicable under this Agreement and will not invoice or otherwise seek to collect such charges from Broker's customer or the customer's supplier or consignee unless BROKER defaults on its payment obligations and fails to cure such default.
 - a) Detention: Carrier is to be paid the agreed contract amount on all monies collected by Broker for freight charges or detention. Carrier may not and will not invoice, or solicit Brokers customer, or the consignor or consignee for any charges connected with this agreement up to and including detention unless BROKER defaults on its payment obligations and fails to cure such default.
 - b) Carrier shall make no claim and shall hold Broker and its customer harmless for shipping delays due to weather, Act of God, or *force majeure*. Carrier understands and agrees that Broker's determination as to whether such delays are excused is determinative, and that such is necessary because of the variety and sensitivity of goods which Shipper/Consignee chose to have transported, and because each load is different and therefore may be more sensitive to certain types or severity of weather, Act(s) of God, *force majeure*, or other factors. The term "force majeure" shall have its broadest meaning as defined at law, and shall include, without limitation, war or insurrection or civil unrest or riot or terrorist act, whether domestic or foreign in origin, and strikes or other labor disruption.
- 3) Except as otherwise provided, BROKER shall pay CARRIER'S invoices (30) thirty days after BROKER receives from CARRIER **SIGNED PROOF OF DELIVERY**, the shipping order, signed rate confirmation and an invoice for services rendered.
- 4) It is Carrier's responsibility upon acceptance of the load, to verify the condition of cargo and all quantities and dimensions for accuracy to the Load Confirmation. Dimension accuracy will include measurement of length(s), width(s), height(s) and weight(s). Discrepancies found by Carrier and not reported to Broker, prior to departing loading point, will forfeit any potential additional funds which may have otherwise been due Carrier by Broker.
- 5) CARRIER shall be liable for any loss or damage to the property or cargo which is in possession of or under the control of CARRIER. The measure of damage resulting from the negligence of CARRIER shall be the same as that which should be imposed upon CARRIER if CARRIER were operating as a common carrier pursuant to 49 U.S.C. §14706. The parties acknowledge the application and controlling status of the provisions of Part 1005 of Title 49 Code of Federal Regulations, with regard to the procedures for processing claims for loss or damage to cargo transported pursuant to this agreement.
- 6) In addition to the CARRIER'S acts or omissions covered under the CARRIER'S respective insurance policies identified in this agreement, CARRIER agrees to DEFEND, INDEMNIFY AND HOLD HARMLESS BROKER for any direct loss, damage, fine, expense, including reasonable attorney's fees, action, claim for injury to person, including death, and damage to property and Cargo, arising out of or in connection with its negligence, willful misconduct, obligations under this Agreement or breach thereof. This provision shall remain in full force and effect both during and after the termination of this Agreement.
- 7) Insurance: CARRIER WILL PROVIDE BROKER WITH A CERTIFICATE OF INSURANCE EVIDENCING THE BELOW DESCRIBED POLICIES, NAMING THE BROKER AS A CERTIFICATE HOLDER AND ADDITIONAL INSURED UPON EXECUTION OF THIS AGREEMENT.
 - a) Cargo: CARRIER agrees to carry and maintain at its own expense a minimum of \$1,000,000 per load, cargo insurance, on all property transported by the CARRIER under the terms of this agreement. Whenever value is not declared it is assumed that the value of the cargo is at least \$1,000,000. CARRIER is hereby put on-notice that additional cargo insurance exceeding \$1,000,000 in declared value per load may be required. In the event that CARRIER will be required to provide additional cargo insurance at direction of BROKER, CARRIER shall provide to BROKER certificate of insurance in an amount acceptable to BROKER and naming BROKER as additionally insured.
 - b) Auto Liability: CARRIER also agrees to maintain a minimum of \$1,000,000 automotive liability insurance on all motor vehicles used in transporting property under this agreement.

- 8) BROKER will advise CARRIER, at the time of tender of each shipment, of the Hazardous nature of any property being tendered and of any unique or unusual transportation requirements known to BROKER.
- 9) CARRIER is responsible to comply with all Department of Transportation regulations, all applicable state regulations pertaining to motor carriers and all federal or state permits relating to each load.
- 10) CARRIER will not knowingly contact BROKER'S customers (which have been introduced to the CARRIER by the BROKER) to solicit freight movements for a period of one year after BROKER has tendered a shipment to CARRIER for that customer. In the event of such solicitation, CARRIER agrees to compensate BROKER at the rate of cost plus 15% of the Freight Bill for any shipments solicited by CARRIER contrary to the terms of this paragraph.
- 11) This agreement shall be effective this date of execution and shall remain in effect until terminated by either party upon thirty (30) days prior written notice.
- 12) This agreement shall not be assigned or transferred by BROKER or CARRIER without written consent of the other party.
- 13) CARRIER agrees NOT to subcontract or double broker any freight tendered by BROKER, without written approval of BROKER naming the specific sub-carrier and driver by name, and a copy of sub-carrier's insurance is filed with BROKER. In addition to being fully liable for any loss, damage or extra cost resulting from any breach of this provision, CARRIER shall forfeit its right to any compensation for all shipments that were subcontracted or double brokered without BROKER'S approval. Further, any such breach shall be grounds for immediate termination.
- 14) Any notices, demands, or other communication delivered or tendered under this agreement shall be in writing and shall be sufficient if sent by regular U.S. mail postage prepaid, by private overnight mail courier service or by e-mail, to the parties at the addresses set forth below.
- 15) This contract shall be interpreted under the laws of the state of Texas. Venue for all suits, claims, causes of action or other legal proceedings shall be proper in the county Harris County, Texas. CARRIER specifically agrees and accepts this choice of law and venue consents to the subject matter and personal jurisdiction of the courts of the State of Texas, and waives all right and claim to any other choice of law or venue.
- 16) This agreement constitutes the entire agreement between the parties, cancels or replaces any other agreement or arrangements theretofore in existence, and shall not be modified or changed by any expressed or implied promises, warranties, guarantees, representations or other information unless expressly and specifically set forth in the agreement or an addendum thereto properly executed by the parties.

In WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives as of the date above written.

HLI LAREDO, LLC, 8900 Eastloch Dr., Spring TX 77379
(BROKER)

BY: _____

(Printed) Pedro Nava

Title: Managing Director

Address:

(CARRIER)

BY: _____ **Title:** _____

(Printed) _____

Telephone: _____

Fax: _____