

Broker-Carrier Agreement

This "Agreement" is entered into the _____ day of _____, 20____, by and between AV Logistics, LLC., an Illinois corporation ("Broker"), with its principal place of business at 350 Corporate Way, Suite# 250, Orange Park, FL., and _____, a _____ corporation ("Carrier"), with its principal place of business at _____.

Recitals

1. Broker is a transportation broker of property properly authorized and registered with the Department of Transportation ("DOT") in Docket NO. MC-414502.
2. Broker regularly has the opportunity to control the routing of shipments under its arrangements with various consignees and consignors ("Customers"), including the working control over the selection of carrier and the payment of charges for transportation.
3. Broker desires Carrier to perform transportation of shipments that Broker has obtained under its independent arrangements with various Customers.
4. Carrier has been granted authority from the Department of Transportation, Docket No. _____ to operate as a contract carrier, by motor vehicle in interstate and/or foreign commerce transporting general commodities.

Transportation Services

Broker agrees to offer to Carrier, from time to time, on a non-exclusive basis, shipments for Carrier to transport as a motor contract carrier. Upon execution of this Agreement, Carrier, if so requested by Broker, will furnish Broker a copy of its operating authority. Subject to availability, Carrier may accept shipments and perform the transportation service in a prompt, competent and efficient manner within the generally accepted service standards of the trucking industry. Carrier agrees to transport all accepted loads on equipment owned by or leased to Carrier, and Carrier will not broker the loads without Broker's prior consent. All services performed by Carrier shall be deemed to be that of a contract carrier.

Compensation to Carrier

Carrier and Broker shall establish mutually acceptable contract rates, rules and accessorial charges, and Carrier shall be paid based on said rates and rules. All rates, rules and accessorial charges will be confirmed in writing or by facsimile transmission, properly signed by authorized representatives of each party, and by reference incorporated herein.

Receipts and Bills of Lading

Each shipment hereunder must be evidenced by a receipt or bill of lading, issued by Shipper, showing the kind and quantity of product tendered to Carrier. Carrier must obtain a signed receipt on the bill of lading at time the shipment is delivered. Any discrepancy with the shipment as to damage, shortages or overages must be noted on the receipt of bill of lading. Bill of lading with original signature must be submitted with bill from Carrier. Any terms, conditions, or provisions of the receipt or bill of lading shall not modify or add to, but shall be subject and subordinate to the terms, conditions and provisions of this Agreement. In the event the receipt or bill of lading conflicts with this Agreement, the terms, conditions and provisions of this Agreement shall prevail and take precedence.

Cargo Liability

Carrier shall be liable to Broker for the full actual value of any loss or damage to cargo occurring while in the sole possession or under the exclusive control of Carrier, and resulting from Carrier's negligent performance or failure to perform the services under this Agreement. All claims for overage, shortage, loss and damage must be properly submitted to Carrier and processed in accordance with 49 CFR Part 1005. The time limits for filing loss and damage claims will be governed by the provisions of 49 U.S.C. Section 11707.

Undercharge and Overcharge Claims

All undercharge and overcharge (duplicate payment) claims must be processed in accordance with 49 C.F.R. Part 1008. The time limit for filing overcharge and undercharge claims is one hundred and eighty (180) days from the date of shipment delivery, or the date it was scheduled to deliver, whichever is sooner. Failure to file a timely and proper claim shall bar any action for recovery of same.

Payment

Broker shall pay Carrier for its service within thirty (30) days of invoice date, with proper receipt of bill of lading containing original signature for the shipment. Carrier agrees to look solely to Broker for payment for any services rendered hereunder, unless Broker unreasonably delays or refuses to make payment. Carrier agrees that no penalty or late charge will be assessed against Broker or its Customer for an occasional or inadvertent late payment. Broker may not offset, deduct, short-pay or assert a credit for any outstanding claim or alleged damage.

Compliance with Laws

Carrier and Broker agree to comply with all federal, state and local laws, rules, regulations and ordinances with respect to every shipment hereunder. The parties agree to defend, indemnify and hold each other harmless from and against all fines, penalties or liabilities arising from the other's failure to comply with federal, state or local laws, rules, regulations or ordinances. Carrier represents that its current safety rating (if any) issued by the Department of Transportation is not less than "Satisfactory". In the event Carrier is issued a safety rating of less than "Satisfactory" at any time during the term of this Agreement, it agrees to immediately notify Broker, who in turn will have the right to immediately terminate this agreement.

Insurance

Carrier agrees to maintain in force such authority and insurance as required by the Department of Transportation. Carrier shall maintain minimum coverages as follows:

- Comprehensive General Liability Insurance. Maintaining minimums of:
 - Each Occurrence - \$1,000,000.
 - General Aggregate - \$2,000,000.
- Automobile Liability Insurance. To include at least one of Any Auto, All Owned, Non-Owned, or Hired Auto maintaining a minimum of:
 - Combined Single Limit - \$1,000,000.
- Motor Truck Cargo Coverage. Maintaining minimums of:
 - \$100,000
- AV Logistics **must** be listed as "Additional Insured as their interest may appear."
- Worker's compensation as statutorily required

Upon request, Carrier will provide Broker a certificate of insurance evidencing the appropriate coverage and naming Broker as the certificate holder. Carrier agrees to give thirty (30) days written notice prior to the effective date of any cancellation of the above-listed policies.

Billing Procedures & Requirements

Carrier agrees to provide the following information with invoice:

- Signed Proof of Delivery
- Loaded TIR (if applicable)
- Empty TIR
- Loaded container and associated Empty Container detailed on invoice.

- AV Logistics Billing Reference Number
 - This number should be provided to you at the time of dispatch.
- Any supporting documentation for accessorials.

Inability to provide any of the above information may result in your invoice being returned.

Indemnity

Carrier will defend, indemnify and hold Broker and its Customers harmless from all fines, costs, claims and liabilities that Broker may be subjected to on account of loss or injury (including death of persons) arising out of Carrier's negligent transportation of property under this agreement.

Equipment

Carrier agrees to maintain its equipment in good order, condition and repair, and in compliance with all applicable federal and state laws, rules and regulations.

Independent Contractor

Carrier is a lawfully licensed operator with required insurance, process agents and motor carrier authority. This agreement does not make Carrier an agent, legal representative, or partner of Broker for any purpose. It is understood between the parties hereto that Carrier is to act as an independent contractor. Carrier assumes full responsibility for payment of federal, state and local taxes or contributions for unemployment insurance, pensions, worker's compensation, social security and related protection with respect to its employees and drivers.

Termination

This Agreement shall be effective on the date hereof and shall continue until terminated by fifteen (15) days' written notice from one party to the other. This Agreement will automatically terminate if Broker fails to tender to Carrier at least 3 loads per year. Neither party may assign this Agreement without the prior written consent of the other party.

Non-Waiver

If either party fails to enforce, or waives the breach of any term or condition of this Agreement, such action or inaction shall not operate as a waiver of any other breach of such term or condition, or of any other part of this Agreement.

In the event any provision of this Agreement is construed or declared legally invalid, then said provision shall be considered severed from this Agreement to the extent of such invalidation. All remaining provisions shall remain in full force and effect. This agreement exclusively and completely states the rights and obligations of the parties hereto with respect to the subject matter hereof and super-cedes all other agreements. Carrier's tariff applies to the extent an issue is not covered by this Agreement.

Notices

All notices hereunder shall be deemed given with proof of Certified mail delivery or facsimile confirmation. Notices to Broker and Carrier are adequately addressed as follows:

Confidentiality

The parties hereto shall protect the confidentiality of all non-public information developed by either party in connection with the performance of this agreement.

Solicitation – Customer Contact

Carriers shall not solicit traffic from any shipper, consignor, consignee or customer of Broker where (1) the availability of such traffic first became know to Carrier as a result of Broker's efforts, or (2) where the traffic of the shipper, consignor, consignee or customer of the Broker was first tendered to the Carrier by the Broker's customers, and obtains traffic after the involved traffic first begins to move, a commission from the Carrier of seven (7) percent (%) of the transportation revenue received on the movement of all such traffic.

BROKER

AV Logistics, LLC.
350 Corporate Way
Suite# 250
Orange Park, FL. 32073

President

CARRIER

