



5901 Shallowford Rd. Suite 104, Chattanooga, Tennessee 37421
Office 423.822.1000 Fax 423.308.2610 ttsdispatch@shiptts.com

Shipper Agreement for Transportation Service

This Agreement, made and entered into this _____ day of _____ by and between _____, with the address, of _____,

hereinafter referred to as "Shipper"; and Tranco Transportation Services, LLC. a corporation or company organized and existing under the laws of the State of Tennessee, with the address of 5901 Shallowford Rd. Suite 104, Chattanooga, TN. 37421, hereinafter referred to as the "Broker".

It is the intent of the parties that Broker provide the transportation services described in this agreement to Shipper as a Broker that is duly authorized to perform such services for compensation under a license issued to it by the Federal Motor Carrier Safety Administration. In consideration of the promise hereinafter contained the parties do hereby mutually agree as follows:

1. **Transportation.** Broker represents that it is duly authorized to engage in operations, in interstate or foreign commerce, as a broker, arranging for transportation of freight (except household goods) by motor vehicle under a license MC 868332, issued to it by Federal Motor Carrier Safety Administration under 49 U.S.C. 10927(b) and 49 C.F.R. 1045; and that it shall employ only the services of motor carriers duly authorized by the Department of Transportation and insured in accordance with the laws and regulations of the appropriate federal and/or state regulatory agencies including but not limited to the United States Department of Transportation. Shipper shall tender or cause to be tendered a series of shipments during the term of this Agreement and Broker agrees to make every reasonable effort to place such loads with contract carriers for the purpose of transporting the loads with reasonable dispatch under the direction of Shipper. In no event, will Shipper knowingly request Broker to and Broker will not knowingly, provide services or act in any manner which would cause broker to break any laws or conflict with any regulations of the appropriate local, state or federal agencies.

2. **Minimum Shipment.** During the term of this Agreement, the Shipper will tender or cause to be tendered to Broker a series of shipments from time to time.

3. **Rates.** From time to time, Broker may receive a request to perform special services, limited duration services, and/or single shipment service. In these cases, the parties, prior to the movement of the shipment, shall agree to, the charges as to each shipment and/or service either orally or in writing.

4. **Payments.** Broker is responsible for all payments to carriers for all services rendered by the carriers. Shipper's payments will always be made directly to the Broker. Payments from the Shipper to the Broker shall be made within 20 days from the freight invoice date. Freight invoices from the Broker, must be accompanied by a copy of a receipt specified in this Agreement. Shipper retains the right to pay the Broker based on the Shipper's records without the submission of the receipt or document specified in this Agreement. The Shipper understands that all amounts past due will be charged interest at a rate of 1 1/2% per month. In the event that Shipper receives any undercharge claim from a carrier on shipments which were arranged by the Broker, shipper will immediately forward such undercharge claim to the Broker who will be responsible for such claims

Initial _____

5. **Form of Receipt.** Broker agrees to provide Shipper with adequate proof of acceptance and delivery of loads tendered to Broker by Shipper, Shipper's vendors, or Shipper's consignees. Adequate proof will be in the form of a signed bill of lading, delivery receipt, shipping instructions, or another document acceptable to Shipper.

6. **Compliance.** Broker, at Broker's own expense, will at all times during the performance of this Agreement, maintain in full force and effect any and all licenses, permits, certificates, surety bonds and insurance which are, or may be required by any and all governmental regulatory bodies having jurisdiction over the services herein contemplated.

7. **Indemnification.** Broker will defend, indemnify and hold harmless Shipper from and against all claims, lawsuits, demands, liability, costs, caused by, arising out of or connected with any injury to or death of persons, or damage to property, including cargo, which arise from the use of carriers not meeting the requirements specified in this agreement. Broker will defend, indemnify and hold harmless Shipper from and against all claims, lawsuits, demands, liability, costs, and expenses caused by, arising out of or connected with broker's failure to adhere to applicable federal and state laws and regulations governing the services from a Broker.

8. **Insurance.** Without regard to such lesser limits as may be required by law, Broker will ensure that each carrier will carry public liability insurance covering its vehicles involved in the performance of this Agreement in an amount of at least \$1 million for a single occurrence. Broker will also ensure each carrier will carry cargo insurance adequate in amount to respond to loss of a shipment tendered by Shipper, Shipper's vendors, or Shipper's consignees.

9. **Liability.** Not Specified. Except as may be otherwise specifically provided herein, the rights and obligations of the parties under this Agreement regarding public liability, charges for services rendered, payment terms, loss and damage claims, and safety matters shall be the same as for property brokers governed by the Surface Transportation Board (STB) and the Department of Transportation as set forth in the Code of Federal Regulations and all applicable federal statutes.

10. **Contractor Status.** Broker functions as an independent entity, and not as a carrier, in selling, negotiating, providing or arranging for transportation by motor carrier and other modes for compensation. Broker shall perform its services as an independent contractor and not as an employee or agent of Shipper. Broker shall have exclusive control and direction of the personnel operating its business while engaged in providing services hereunder. Broker assumes full responsibility for the acts and omissions of such persons.

11. **Force Majeure.** If either party is prevented from performing any of its obligations hereunder by reason of fire, flood, windstorm, other act of God, labor dispute, act of government, the failure of the other party, or any other unforeseen cause beyond the control of such party (any such events being hereafter referred to as Events of Force Majeure), it shall be excused from performing the obligation it is so prevented from performing during the pendency of such Event of Force Majeure. Occurrence of any Event of Force Majeure shall not extend the term of this Agreement. Each party agrees to give the other party immediate oral notice of an Event of Force Majeure, stating its course and probable duration, followed by written notice as soon as practical. Such party shall notify the other party immediately upon termination of such cause.

12. **Notice.** All notices under this Agreement shall be in writing and shall be properly given and delivered in person or sent by first class mail, facsimile, or overnight delivery service, postage prepaid, addressed as provided for by the parties hereof.

13. **Disclosure.** Broker and Shipper shall not make any disclosure of the material terms of this Agreement to any third party except to the extent that, such disclosure is required by law. Either party may make any such disclosure to its auditors. Shipper shall have the right to disclose any such terms, conditions, or information to the consignors or consignees of the individual shipments moving between Shipper and the applicable vendor or consignee.

Initials_____

14. **Term.** This agreement shall become effective on the date first written above, shall remain in full effect for one (1) year from its effective date, and shall be automatically renewed from year to year thereafter; provided either party may terminate this Agreement at any time upon written notice to the other party given 30 days in advance, provided further, however, that if either party ceases or desists from the transportation service provided by reason of bankruptcy, going out of business, any provision of law, order of any court, commission, or other public authority, this Agreement will automatically terminate as of the date of cessation.

15. **Entire Agreement.** This Agreement, including Appendices, constitutes the entire Agreement between the parties with respect to the subject matter hereof and merges and replaces all prior negotiations, discussions, representation, warranties, promises, and agreements of the parties with respect to such subject matter. No modification of this Agreement shall be valid unless in writing and executed by both parties hereto. No breach of any provision of this Agreement shall be deemed waived unless specifically waived in writing by the non-breaching party. The waiver of any breach of any term or condition hereof shall not be deemed a waiver of any prior or subsequent breach, whether of like or of different nature.

16. **Additional Transportation.** Shipper does not limit its right to procure additional transportation services from other brokers or other carriers as needed.

17. **Carriers.** Broker will utilize the services of properly licensed carriers including motor carriers, rail, and/or intermodal service providers. Broker will be under contract with such carriers. All contracts between broker and carriers shall reference Broker as a licensed broker, independent contractor, and the party solely liable to carrier for payments of all charges. Broker will ensure within its abilities and control that carriers provide services to Shipper utilizing only safe and well-maintained equipment which will meet all laws and regulations of the appropriate local, state, or federal regulatory agencies. Broker will ensure within its abilities and control that a carrier's operators, including but not limited to motor carrier drivers, upon accepting a tendered load, certify that the load is safely and properly loaded and meets all requirements and specifications for the equipment being utilized. Broker will ensure within its abilities and control that carriers will abide by the legal limit for maximum weights for rating and loading purposes for the equipment utilized.

18. **Bill of Lading Document and Shipping Instructions.** Bill of Lading documents that apply to shipments tendered to broker will serve as shipping instructions from Shipper to Broker. Bill of Lading documents (designated as shipping instructions) will contain the following legend: "**NOTE: Shipping instructions only - not valid as contract of carriage.**" The exclusion of this legend does not eliminate the designation of the bill of lading document as shipping instructions. The Shipper's name should be entered in the Shipper's sections of the bill of lading document (designated as shipping instructions) and the Broker's name should be entered in the carrier sections of the bill of lading document (designated as shipping instructions). All bills of lading documents (designated as shipping instructions) will contain the following legend: "**NOTE: This shipment moves pursuant to contract with Tranco Transportation Services, LLC. a licensed property broker, who is responsible for all freight charges. Carrier to bill Tranco Transportation Services, LLC., as its sole recourse for all freight charges.**" The exclusion of this legend from the bill of lading document (designated as shipping instructions) does not eliminate the Broker's responsibility to make all freight payments to carriers.

19. **Claims.** The parties agree that in the event Shipper determines it has a claim for cargo loss or damage against any carrier transporting a load tendered to it by Broker, the Broker will act as administrator for the claim and insure that all claims are filed and processed in accordance with 49 C.F.R. 1005. The Shipper agrees that no deductions will be made or offsetting of freight bills for claims or damages without prior written approval of Broker.

20. **Assignment.** The parties agree that neither may assign this agreement with the prior written consent of the other party.

Initial _____

IN WITNESS, WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

BROKER

Tranco Transportation Services, LLC.

By: _____

Printed: _____

Its: _____

5901 Shallowford Rd. Ste. 104

Chattanooga, TN 37421

Phone: 423.822.1000

Fax: 423.308.2610

Email: ttsdispatch@shiptts.com

SHIPPER

By: _____

Printed: _____

Its: _____

Address: _____

City / State: _____

Phone: _____

Fax: _____

Email: _____