

Shipper/Broker Agreement

THIS AGREEMENT is made and entered on _____, 20____, by and between

_____ ("Shipper") and Schafer Freight Brokerage, LLC

1. **Term.** The term of this Agreement shall be for one (1) year and shall automatically be renewed for successive one (1) year periods; provided, however, that this Agreement may be terminated at any time by giving ten (10) days prior written notice to the other party.
2. **Broker's Compliance With Law.** Broker represents and warrants that it is duly and legally qualified to operate as a property Broker and to provide the transportation services contemplated herein. Broker agrees to comply with all federal, state and local laws regarding the provision of such Brokerage services. The parties understand and agree that Broker functions as an independent entity, and not as a carrier, in selling, negotiating, providing and arranging for transportation for compensation.
3. **Payment and Charges.** Shipper shall tender certain shipments, from time to time, to Broker. The charges and rates for each shipment shall be provided in Appendix A, attached hereto and incorporated herein, although from time to time rates may be agreed upon orally. Appendix A can be supplemented or revised by written agreement signed by both parties, or, prior to transportation, by facsimile by Broker to Shipper if not objected to by Shipper, in writing, within twenty-four (24) hours from the date and time faxed. In the event Brokerage services are provided and it is subsequently discovered that there was no applicable or understood rate in **Appendix A, the parties agree that the charges invoiced by Broker shall be the agreed upon contract rate of the parties for the services provided, unless such payment is objected to by Shipper within ten (10) days of the invoice date. Shipper agrees to pay Broker within fifteen (15) days of receiving the invoice, with interest accruing monthly at a rate of FIVE percent (5%). Shipper shall also be liable for any expenses, including attorney fees, Broker incurs in collecting its rates and charges.**
4. **Indemnification.** Broker shall defend, indemnify and hold harmless Shipper from any loss or damage, including loss, damage or injury to persons or property, that Shipper may incur as a direct result of Broker's negligent acts or omissions. However, it is understood and agreed that Broker assumes no liability for bodily injury, property damage or public liability arising out of the involved transportation. Shipper shall defend, indemnify and hold harmless Broker from any and all loss or damage, including loss, damage or injury to persons or property, that Broker may incur as a direct result of Shipper's negligent acts or omissions.
5. **Independent Contractor.** Broker represents and warrants that it is an independent contractor under this Agreement and that its agents and/or employees are under Broker's exclusive management and control, and that Shipper neither exercises nor retains any control over Broker, its operations, agents or employees in any manner whatsoever.
6. **Contract Carriers.** Broker shall make reasonable efforts to place Shipper's loads with responsible carriers for the purposes of transporting the loads with reasonable dispatch under the direction of Shipper. However, the parties understand and agree that Broker, by signing this Agreement, makes no express or implied warranties or guarantees concerning delivery time or the locating of a carrier to provide the transportation services requested by Shipper.
7. **Cargo Loss, Damage, or Shortage.** In the event of a cargo loss, damage or shortage claim, Shipper agrees to notify Broker immediately by phone and to subsequently submit to Broker a written claim, fully supported by all relevant documentation, including but not limited to the signed delivery receipt, listing the nature and cause of the claim for cargo damage within twenty (20) days following the date of delivery. No claims or allowances for shortages, damage or delay will be considered unless clearly noted on the delivery

receipt or bill of lading signed by the consignee at delivery. Broker assumes no liability for cargo loss, damage, or shortage. However, Broker agrees to submit, negotiate and settle all cargo claims with the responsible carrier and to keep Shipper advised of the status of all such claims. Upon request by Shipper, Broker shall assign its rights against the carrier to Shipper. Nothing herein shall be construed to restrict any right or cause of action Shipper may have against any carrier involved with the transportation of Shipper's shipment.

8. **Shipping Documents.** Unless otherwise agreed in writing, all shipments tendered shall be accepted on a bill of lading acceptable to Shipper as the shipping document. In the event of a conflict between the bill of lading terms and this Agreement, this Agreement shall prevail. Upon request of Shipper, Broker shall require all carriers to obtain a delivery receipt from the consignee, showing the products delivered, condition of the shipment and the date and time of such delivery.

9. **Notification of Accidents or Delays.** Broker agrees to notify Shipper of any accident or other event which prevents carrier from making a timely or safe delivery.

10. **Assignment/Modification/Benefit of Agreement.** No party may assign this Agreement without the prior written consent of the other party. However, Broker may co-broker any shipments made on behalf of Shipper under this Agreement.

11. **Complete Agreement.** This Agreement constitutes the entire agreement of the parties with reference to the subject matters herein, and may not be changed, waived, or modified except in writing signed by both parties. This Agreement shall be construed in accordance with the laws of the California. All civil actions filed as a result of disputes arising out of this Agreement shall be filed in the court of proper jurisdiction in the California.

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

Schafer Freight Brokerage, LLC

Shipper

Name:

Name:

Signature:

Signature:

Title:

Title:

Date:

Date:

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