

FULL COVERAGE **FREE BROKER RESOURCE KIT 2 OF 4**

Sample Broker-Carrier Agreement Clauses

Four clauses many brokers put in their agreement with each carrier. Fill in the [brackets]. This is not a complete agreement and it is not legal advice.

1 Insurance minimums

1.1 Carrier shall keep in force, at its own cost, for the whole term of this Agreement: (a) auto liability of at least \$[1,000,000] combined single limit covering every vehicle Carrier uses to haul for Broker; (b) motor truck cargo of at least \$[100,000] per load, with no exclusion for the commodities Broker tenders; (c) general liability of at least \$[1,000,000] per occurrence; and (d) workers' compensation as required by law.

1.2 Each policy shall be issued by an insurer rated [A- VII] or better by A.M. Best, or as Broker approves in writing. Carrier's limits shall never be less than the minimums required by federal law.

2 Certificate requirements

2.1 Before the first load, Carrier shall have its insurance agent send Broker a certificate of insurance showing the coverage in Section 1, naming [Broker legal name] as certificate holder [and as additional insured on the general liability policy].

2.2 Carrier shall give Broker at least [30] days' written notice of cancellation, non-renewal or a reduction in coverage. Carrier shall not haul for Broker while any required coverage has lapsed.

3 Indemnity

3.1 Carrier shall defend, indemnify and hold harmless Broker and its officers, employees and customers from all claims, losses, damages, fines and costs, including reasonable attorney's fees, arising out of Carrier's performance under this Agreement, including bodily injury, death, property damage and cargo loss, except to the extent caused by Broker's own negligence. [Check your state's anti-indemnity statute with your attorney.]

3.2 This Section survives the end of this Agreement.

4 No re-brokering

4.1 Carrier shall haul every load tendered under this Agreement on its own operating authority, with its own drivers and equipment. Carrier shall not re-broker, assign, subcontract, interline or co-broker any load without Broker's prior written consent.

4.2 If Carrier breaks Section 4.1, Carrier [forfeits the freight charge for that load and] remains fully liable for the load, and Broker may end this Agreement at once.

Signatures

Broker	Carrier
Legal name / MC #:	Legal name / MC # / USDOT #:
Signed by / title:	Signed by / title:
Date:	Date:

Some contingent auto policies apply only when a signed broker-carrier agreement is on file. Ask your insurance agent what your policy requires.

SAMPLE ONLY - HAVE YOUR ATTORNEY REVIEW BEFORE USE