

# BROKER-SHIPPER TRANSPORTATION AGREEMENT

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This **Broker-Shipper Transportation Agreement** ("Agreement") is entered into as of \_\_\_\_\_ ("Effective Date") by and between:

**[BROKER LEGAL NAME]** ("Broker"), a freight broker licensed by the U.S. Federal Motor Carrier Safety Administration (FMCSA);

[BROKER ADDRESS]

[BROKER PHONE] · [BROKER EMAIL]

and

**[SHIPPER LEGAL NAME]** ("Shipper"), located at [SHIPPER ADDRESS].

## 1. Scope of Services

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Broker, as a property broker as defined by 49 U.S.C. § 13102(2), shall arrange for the transportation of Shipper's property by authorized motor carriers selected by Broker. Broker is not itself a motor carrier and does not perform transportation services directly.

## 2. Rates and Rate Confirmations

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Rates shall be agreed upon on a per-shipment basis and confirmed in writing by rate confirmation, load tender, or other documented exchange. Accessorial charges (detention, layover, lumper fees, etc.) shall be billed as incurred and consistent with the rate confirmation.

## 3. Carrier Selection and Qualification

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Broker shall use motor carriers that, at the time of dispatch, hold active FMCSA operating authority and the insurance coverages set forth in Section 5. Broker maintains a carrier-onboarding process that includes verification of authority, safety profile, and insurance for each carrier in its network.

## 4. Payment Terms

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Shipper shall pay Broker the agreed-upon rate within thirty (30) days of receipt of a complete invoice and supporting documents. Disputed charges must be raised in writing within thirty (30) days of

invoice receipt. Past-due balances may accrue interest at a rate of one and one-half percent (1.5%) per month, or the maximum permitted by law, whichever is less.

## **5. Carrier Insurance Requirements**

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Broker shall require each motor carrier it uses to maintain, at a minimum, the following insurance coverages:

- Commercial Auto Liability: \$1,000,000 combined single limit
- Motor Truck Cargo Insurance: \$100,000 per occurrence
- General Liability: \$1,000,000
- Workers' Compensation as required by law

Higher coverage limits or specialized coverage may be required for individual shipments and shall be specified on the rate confirmation.

## **6. Cargo Claims**

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Shipper acknowledges that the motor carrier (and not Broker) is liable for loss, damage, or delay to cargo under 49 U.S.C. § 14706 (the Carmack Amendment). Shipper shall file claims directly with the motor carrier within nine (9) months of delivery. Broker shall reasonably assist Shipper in the claims process but is not financially responsible for cargo claims arising from the motor carrier's performance.

## **7. Limitation of Broker Liability**

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In no event shall Broker be liable to Shipper for consequential, incidental, indirect, special, or punitive damages. Broker's aggregate liability under this Agreement shall not exceed the brokerage fee Broker earned on the shipment giving rise to the claim.

## **8. Indemnification**

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Each party shall indemnify, defend, and hold harmless the other party and its officers and employees from claims, losses, damages, fines, and expenses arising out of the indemnifying party's negligence, willful misconduct, or breach of this Agreement.

## **9. Confidentiality**

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Each party shall treat the other party's non-public business information, including rates and customer information, as confidential and shall not disclose such information to any third party except as required by law.

## 10. Termination

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Either party may terminate this Agreement at any time, with or without cause, on thirty (30) days' written notice. Outstanding obligations as of the effective date of termination survive.

## 11. Governing Law and Venue

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This Agreement shall be governed by the laws of the State of [\_\_\_\_\_]. The parties consent to the exclusive jurisdiction of the courts located in [\_\_\_\_\_].

## 12. Entire Agreement

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This Agreement, together with rate confirmations, constitutes the entire agreement between the parties. Amendments must be in writing and signed by both parties.

**BROKER:** [BROKER LEGAL NAME]

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SHIPPER:**

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_