



MASTER INDEPENDENT PILOT CAR AGREEMENT

This Master Independent Contractor Agreement, including its appendices, addenda, exhibits or schedules (together, the "Agreement") is dated this day of _____, 20____, (the "effective date") by and between _____, (collectively and individually referred to as the "Company") on one hand and on the other _____, having its principal place of business at _____ (the "Contractor"). Contractor includes any other independent contractors, subcontractors, or entities contracted by the above named Contractor which perform any of the services under this agreement.

The Company is engaged in the trucking business and desires to retain the services of Contractor to perform escort services upon the terms and conditions set forth below. Accordingly, the parties agree as follows:

1. Independent Contractor Relationship

The relationship between Contractor and Company shall be that of an independent contractor status and not an employer/employee or principal/agent relationship. Neither the Contractor nor its drivers are to be considered employees or agents of the Company under any circumstances, or for any purpose, including, but not limited to, federal or state taxes. Contractor will file all tax forms required of an independent contractor on behalf of Contractor and its drivers. Neither party is the agent of the other nor shall neither party have the right to bind the other by contract or otherwise, except as specifically provided herein. This provision shall also apply to the relationship between the Company, and it is expressly understood and agreed that the Company are separate and independent entities and not employer/employee, principal/agent or joint employers.

Contractor shall have complete control over the means and method of providing services required to be performed hereunder, and shall comply with applicable state or federal laws and regulations as well as all requirements of Company or any customer of Company. Company will not exercise direct or implied authority or control over Contractor in the Contractor's work nor shall it have supervisor power over the procedures utilized by Contractor or its drivers.

2. Duration of Agreement

The initial term of this Agreement shall be for 12 months from its effective date and shall automatically renew for successive 12 month terms. Notwithstanding the foregoing, either party may terminate this Agreement for default or for convenience as permitted in Paragraph 8 of this Agreement.

3. Availability of Service

During the term of this Agreement, Contractor shall devote such amount of his time and best efforts as are required to perform the escort services contemplated in this Agreement. Contractor shall exercise all diligent efforts to conduct its operations under this Agreement so as to assure the continued satisfaction of Company and Company' customers. This Agreement does not obligate Contractor to accept for escort every load or trip offered by Company to Contractor. For the purpose of scheduling customer deliveries, Contractor agrees to notify Company at least twenty four (24) hours in advance of any unavailability of service.

4. Obligations of Contractor

A. Taxes and Licenses. Contractor shall pay all self-employment taxes, estimated taxes, social security taxes and other taxes, whether local, state or federal, that may be required by applicable federal, state or local law. Contractor shall be responsible for the payment of all required city and county occupational license fees, permits, fuel, tolls, equipment expenses, and any and all other costs necessary or appropriate in connection with its performance of services pursuant to this Agreement, excepting only those expense items listed on Appendix A hereto, including actual costs of highway permits and tolls incurred and paid as a direct result of providing escort services for the Company, which will be reimbursed, provided that valid receipts are submitted with Contractor's invoice and routes for tolls requested are listed on the state permit. Contractor is responsible for all operating expenses of their equipment, including all expenses of fuel, oil, maintenance and repairs to equipment, vehicle insurance, and personal expenses while on the road.



B. Insurance Requirements. At all times during the term of this Agreement, Contractor(Contractor includes any other independent contractors, subcontractors, or entities contracted by the above named Contractor which perform any of the services under this agreement) shall maintain the following insurance of the types and in the amount described below:

Liability Insurance. **Commercial Automobile Liability** insurance with a combined single limit for bodily injury and property damage of not less than **ONE MILLION DOLLARS** (\$1,000,000) for each occurrence with respect to **all** vehicles owned, leased, hired or assigned by Contractor to escort shipments on behalf of Company. **Commercial General Liability** insurance coverage of not less than **ONE HUNDRED THOUSAND DOLLARS** (\$100,000) per occurrence for personal property in the care, custody or control of Company while such property is being escorted by Contractor. **Professional Liability Insurance** (Errors and Omissions) with a combined single limit for bodily injury and property damage of not less than **ONE MILLION DOLLARS** (\$1,000,000) for each occurrence with respect to **all** vehicles owned, leased, hired or assigned by Contractor to escort shipments on behalf of Company. Professional Liability Insurance is to include coverage for professional exposure including: flagging, height pole, route surveys, and shunting services. **All insurance policies required under this contract must have coverage for any claim and/or liability arising out of the Contractor's work or services provided or performed under this Agreement. The Contractors Automobile Liability and Commercial General Liability insurance policies must be endorsed to name the Company as an additional insured.**

Waiver of Subrogation. Contractor waives all rights against Company and its agents, officers, directors, and employees for recovery of damages to the extent such damages are covered by the auto liability or commercial liability insurance obtained by Contractor pursuant to this provision or under any other insurance coverage available through Contractor.

Proof of Insurance. Contractor shall furnish to Company written certificates along with all copies of endorsements adding Company as additional insured on all policies required under this Agreement. The certificates shall specify the name of the insurance carrier, the policy number and the expiration date. Further Contractor shall give written notice of cancellation or modification of any policy to Company at least thirty (30) days prior to such cancellation or modification.

Failure to Maintain Coverage. In the event that Contractor fails to provide satisfactory proof of the liability insurance required in subparagraph (1) herein on or before the date of first service performed by Contractor, Company may terminate agreement.

C. Compliance with Pertinent Laws and Company's Requirements. At all times during the term of this Agreement, Contractor agrees to maintain compliance with the following laws and requirements related to the services contemplated in this Agreement as well as all state requirements:

- (1) Contractor shall provide competent drivers who meet all of the requirements of the U.S. Department of Transportation who possess a valid driver's license from their state of residence, and have received escort training certification per state as traveled in requirements. Contractor shall provide copies of all drivers' licenses and certifications to Company. No passengers under 18 years of age are allowed in escort vehicles during movement of loads.
- (2) All escort vehicles shall be well maintained and in compliance with all federal, state and local laws or regulations.
- (3) To promote safe operations, any escort vehicle used by Contractor in providing services under this Agreement shall be equipped with the following emergency equipment. Appropriate replacement equipment, and replace lost or broken or worn out equipment immediately.
 1. Front-mounted high pole constructed out of non-conductive, non-destructive material;
 2. Vertical-measuring device in a manner in which height of load can be determined accurately;



3. Height pole for over-height loads, which pole must be affixed to the front of the escort vehicle in a manner in which its heights will not be reduced by wind or slippage of the fastening device and which pole must be at least 6" above the highest point of the load; and
 4. Maps of the appropriate areas, including all applicable cities or GPS; and
 5. In all instances, pilot car must carry the type & amount of equipment as required by the state(s).
- (5) Contractor or its employees or agents shall review the routes to be traveled with the operator for Company prior to departing on any shipment. Contractor agrees that the lead escort will maintain a safe speed at all times and run at driver's requested distance in front of the truck that it is escorting. The parties agree that communications between the drivers during the shipment will occur through the use of the CB Radio, preferably on a low traffic channel. The driver of the escort service vehicle shall discuss the manner in which the vehicles will negotiate intersections, on and off ramps, slowdowns and other road hazards.
- (6) If either the Contractor or the height pole on the Contractor's escort vehicle detects or hits an overhead object during travel, it shall be the Contractor's responsibility to, immediately but safely, radio the Company driver, pull over, stop the vehicle, turn on the emergency flashers, and hand signal the Company driver to stop so that the Company vehicle and/or load does not come in contact with the overhead object.

5. Indemnification/Hold-Harmless Agreement

To the fullest extent permitted by law, Contractor agrees to indemnify and hold harmless Company and any and all motor carriers for whom Company are providing transportation services from any and **all** claims, judgments, costs, expenses and losses (including attorneys' fees) by reason of any claim of damage or injury to person (including death) or property, including but not limited to damage or injury sustained by Company, its employees, operators, contractors or customers, caused in whole or in part by the negligence, breach of contract, breach of warranty, or other fault or default on the part of Contractor or its employees or agents in the performance of, or pursuant to, its work under this Agreement.

6. Contractor's Compliance with Law

Contractor agrees to comply with all federal, state and local laws regarding the provision of all services contemplated under this Agreement, and further agrees to indemnify and hold Company harmless from any and all liability that may be incurred by Contractor or its agents for failure to comply with such laws.

7. Compensation

It is expressly understood and agreed that Contractor's compensation shall be set forth in Appendix A and such compensation shall constitute the total compensation for everything furnished by Contractor in connection with this Agreement, including driver services. Within three (3) business days of the completion of each escort shipment, Contractor shall submit to Company, via fax or regular mail, an invoice for payment, which invoice must show a breakdown of all charges, including per mile rates, layover fees, detention rates, etc. Contractor's invoice must contain the trip #, the freight bill number, or the PO #, truck number provided to Contractor by Company, as well as the point of origin, destination and all routes traveled and odometer readings by the escort vehicle. Contractor will not be covered by any fringe benefit program provided by Company to its employees. Company shall not be liable to Contractor for any expenses paid or incurred by Contractor unless otherwise agreed to in writing. Company may deduct from Contractor's compensation any expense that Contractor is obligated to pay pursuant to this Agreement.

8. Termination

This Agreement may be terminated in accordance with the following provisions:

- A. Termination for Cause. With reasonable cause, either party may terminate this Agreement immediately upon the giving of written notice of termination to the other party. Reasonable cause shall include:



- (1) Willful failure of Company to make timely payment of compensation due Contractor under this Agreement;
- (2) Material breach of this Agreement by either party;
- (3) Failure of Contractor to provide the certificates evidencing insurance coverage or to make payment of all taxes, licenses and fees as required by this Agreement; or
- (4) Failure of Contractor to provide proper and adequate services in the performance of its work under this Agreement.

B. Termination Without Cause. Without cause, either party may terminate this Agreement after giving immediate notice.

C. Continued Obligations. Termination of this Agreement for any reason shall not release either party from any liability or obligation existing or accrued, at or prior to such termination, nor shall it preclude either party from exercising any rights or remedies it may have under the law or equity to enforce such obligations.

9. Miscellaneous Provisions

- A. Notices.** All notice provisions of this Agreement shall be in writing delivered personally, by postage prepaid, registered or certified mail, or by facsimile machine to the address or fax number shown at the end of this Agreement.
- B. Binding Agreements and Non-Assignability.** Each of the provisions and Agreements herein contained shall be binding upon and inure to the benefit of the personal representatives, heirs, devisees, successors and assigns of the respective parties hereto, but none of the rights or obligations attaching to either party hereunder shall be assignable. This Agreement shall be binding upon Contractor upon the signature of its authorized agent regardless of whether the Agreement is signed by either or both of the Company.
- C. Entire Agreement.** This Agreement and the other documents referenced herein constitute the entire understanding of the parties hereto with respect to the subject matter hereof, and no amendment, modification or alteration of the terms hereof shall be binding unless it is in writing, dated subsequent to the date hereof and signed by both of the parties hereto.
- D. Severability.** Every provision of this Agreement is intended severable. If any term or provisions hereof is illegal or invalid for any reason whatever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.
- E. Headings.** The headings in this Agreement are inserted for convenience and identification only, and are in no way intended to describe, interpret, define or limit the scope, or extent of intent hereof,
- F. Governing Law, Jurisdiction and Venue.** This Agreement, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Arizona without regard to its conflict of law rules. Each of the parties hereto irrevocably and unconditionally submits itself to the exclusive jurisdiction and venue of the state and federal courts serving Arizona, and any appellate court thereof, in any suit, action or proceeding arising out of or relating to this Agreement and further irrevocably and unconditionally waives any claim or defense that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Each party further agrees that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions in any manner provided by law.



IN WITNESS WHEREOF, the parties have executed this Agreement on the date written above.

COMPANY

Signature: _____

Print Name: _____

Title: _____

Address: _____

Telephone #: _____

Fax #: _____

CONTRACTOR

Signature: _____

Print Name: _____

Title: _____

Address: _____

Telephone #: _____

Fax #: _____

Federal I.D. #: _____

E-Mail Address: _____



ROUTE SURVEY INDEMNITY ADDENDUM.
TO MASTER INDEPENDENT CONTRACTOR AGREEMENT

This Route Survey Indemnity Addendum to the Master Independent Contractor Agreement heretofore entered into between the parties (this "**Addendum**") is made effective as of 20 _____ by and between (the "**Contractor**") on one hand and on the other _____(collectively and individually referred to as the "**Company**").

WHEREAS, the parties hereto have entered into a Master Independent Contractor Agreement, dated as of the ____ day of _____, 20____ (the "**Agreement**") establishing terms by which Contractor will provide escort services to the Company.

WHEREAS, Contractor desires to provide route survey services to the Company in connection with its escort services;

NOW, THEREFORE, in consideration of the promises and the covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

Contractor agrees to indemnify and hold harmless the Company from and against any and all claims, judgments, costs, damages, repairs, expenses and losses (including reasonable attorney's fees) arising out of or relating to any damage or injury to person (including death) or property, including, but not limited to, economic losses and claims asserted by the Company's customers, shippers, consignees or other third parties or by any federal, state or local government and/or their respective agencies against the Company, resulting from, in whole or in part, any route survey services undertaken by the Contractor for the Company.

The terms and agreements herein contained shall bind and inure to the benefit of the respective parties hereto, their respective legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have duly executed this Addendum the date and year first written above.

COMPANY

CONTRACTOR

Signed by: _____

Signed by: _____

Office or Title: _____

Office or Title: _____



**ATTACHMENT #1
COMMERCIAL GENERAL LIABILITY**

Coverage Provided:

Contractor must provide Commercial General Liability insurance coverage needed to cover liability for injuries or property damage sustained by members of the public. It should cover accidents occurring on your premises or away from your premises as a result of business operations. It should automatically cover certain hazards which do not now exist, but which may develop during the life of the policy, and should contain fewer exclusions than the individual policies.

GENERAL LIABILITY COVERAGE INFORMATION

Liability Coverage Type:

Commercial General Liability

Coverage Basis:

Occurrence

GENERAL LIABILITY COVERAGE/LIMITS

Coverage Minimum Limit (Company Requirement)

| | |
|-----------------------------------|---------------|
| General Liability Aggregate Limit | \$100,000 |
| Products/Completed Ops Aggregate | \$100,000 |
| Personal & Advertising Injury | \$100,000 |
| Each Occurrence | \$100,000 |
| Fire Damage | \$100,000 |
| Medical Expense | Your Decision |
| Deductible per Claim | Your Decision |

GENERAL LIABILITY CLASSIFICATIONS

Escort Service - Rated as Truckers

Cargo Rated as Truckers

Products and/or Completed Operations Subject to the General Aggregate Limit

APPLICANT MUST COMPLETE A W-9 FORM (Request for Taxpayer Identification Number and Certification) and submit with Contractor Agreement- MUST BE SIGNED AND DATED!

If you do not have a W-9 Form - please go to www.irs.gov and copy one from the Internet.