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Glossary of the Top 75 Transportation & Logistics Contracts

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Our team's passion for the transportation and logistics industry is driven in part by the undeniably practical, tangible, real-world nature of the work. Having a deep bench of attorneys who focus <u>exclusively</u> on transactional and regulatory matters means that our practice group touches all functional elements of the global supply chain every single day.

We took an inspired moment from client work to compile a simple glossary of what in our estimation are the top 75 transportation and logistics contracts. This glossary is by no means comprehensive, although we trust that it will be a valuable resource. It is presented in alphabetical order and styled as: *Title. Description. Mode*.

The entire team at Benesch stands ready to swiftly assist with your transactional, regulatory, and litigation matters wherever they may arise in the end-to-end supply chain. Jonathan Todd is a partner in Benesch's Transportation & Logistics Practice Group. His experience includes having served as inhouse counsel for large domestic motor carriers. He may be reached at (216) 363-4658 and jtodd@beneschlaw.com. Chris Razek is an associate in the Transportation & Logistics Practice Group who may be reached at (216) 363-4413 and crazek@beneschlaw.com.

<u>Air Charter Agreement</u> – The air cargo space generally involves a multitude of contracts with various service providers, including direct and indirect air carriers as well as other forwarders. Shippers may have preference or leverage to contract with air carriers or intermediaries to charter aircrafts in whole or in part in lieu of relying an IAC's negotiation of space with several different providers. If the Air Charter Agreement is not directly with the air carrier, the air charter broker may perform its services as an indirect air carrier or as an agent for the shipper and/or the direct air carrier. Air transportation.

<u>Air Forwarding Agreement</u> – Similar to other modes of transportation, part of most shippers' transportation procurement involves contracting with intermediaries, and air transport is no exception. In the air cargo space in particular, contracting with an indirect air carrier for air forwarding services generally opens the door to more attractive rates and the opportunity for the shipper to pass through the heavy compliance obligations based on the indirect air carrier's requirement to maintain an indirect air carrier standard security program with the TSA. Air transportation.

<u>Air Waybill</u> – Agreement and receipt issued by the air carrier of the freight with the shipper and/or beneficial owner of the freight detailing the type, quantity, condition, and description of the freight being carried. Air Waybills are not documents of title and are non-negotiable. Similar to a bill of lading for surface transportation, an air waybill may contain additional terms and conditions governing the shipment. Many air carriers utilize the form air waybill designed and distributed by the International Air Transport Association. Air transportation.

<u>Bailment Agreement</u> – An agreement memorializing the rights and obligations of the parties when a bailor places goods in the custody of a bailee. Warehousing relationships will sometimes address bailment principles as found under common law. Essentially, the bailee will be responsible for



reasonably protecting the goods in its care. Warehousing and 3PL services.

<u>Big and Bulky Agreement</u> – Last mile residential delivery often involves the movement of big and bulky items that are not suitable for traditional parcel delivery, such home appliances. Big and Bulky Agreements will involve the service provider as well as the retailer or in some cases the end user. The base is a traditional carrier agreement with attention to special handling, risk, and claims concerns associated with the high-value over-the-threshold work. Warehousing and 3PL services.

<u>Block Space Agreement</u> – Block space arrangements present shippers and their air intermediaries with additional flexibility for reserving capacity with air carriers in anticipation of peak or for more consistent traffic lanes, but short of chartering an entire aircraft. Block Space Agreements often contain a guaranteed cargo commitment and the shipper's assent to be charged for such capacity irrespective of actual use. Block space arrangements generally present the opportunity for more favorable rates given the commitment of cargo. Air transportation.

<u>Break Bulk Agreement</u> – Certain cargo, such as manufacturing equipment, may not be conducive to ocean transportation in traditional shipping containers. The carriage of unpackaged and large quantities of commodities, not stowed in traditional shipping containers, is the subject of break bulk arrangements with ocean transportation intermediaries and steamship lines. Some benefits to break bulk arrangements include the absence of need to consolidate/deconsolidate containers and the often more direct shipping lanes for cargo that would otherwise need to be broken down by shipments. Ocean transportation.

<u>Broker-Carrier Agreement</u> – Services agreement between a licensed property broker (from the FMCSA or state equivalent for intrastate shipments) and the underlying interstate or intrastate motor carrier that performs the transportation services. Key terms include the liability regime and claims procedure for cargo loss and damage and adequate carrier representations regarding qualification/capability to perform the transportation services. Surface transportation.

<u>Broker-Shipper Agreement</u> – Services agreement between the shipper, whether consignor or consignee, and a licensed property broker. Shippers often use bespoke templates tailored to their particular supply chains and often aligning with requirements of the motor carriers in a corresponding Broker-Carrier Agreement. Surface transportation.

<u>Broker Sales/Ops Agent Agreement</u> – Agreements establishing principal-agent relationships with licensed property brokers and their agents. These are often one of the most important relationships for the continued growth of new or established freight brokers. Agreements can be carefully tailored to limit the grant of agency and offer the broker sufficient protection over its business. Surface transportation.

<u>Co-Broker Agreement</u> – Services agreement between two licensed property brokers. One broker (typically characterized as "Broker A") holds the shipper-facing relationship and the other broker(s) ("Broker B") holds the motor carrier-facing relationship. Terms in a co-broker relationship will be mutual (i.e., compliance with broker legal requirements) unless Broker A is the sole source of volume. Surface transportation.

<u>Co-Loading Agreement</u> – Co-loading is a regulated activity under 46 CFR 520.2, customarily involving multiple NVOCCs engaged in either a shipper-to-carrier or carrier-to-carrier capacity for the tender for ultimate carriage. In co-loading arrangements between multiple NVOCCs (whether stylized as being a shipper-to-carrier or carrier-to-carrier relationship), the tendering NVOCC must annotate the face of each bill of lading identifying any other NVOCC to which the shipment has been tendered. Ocean transportation.

<u>Consolidation/Deconsolidation Agreement</u> – Many supply chains rely upon the consolidation and deconsolidation (often the "stuffing" and "unstuffing") of equipment to accomplish intermodal movement and efficiencies. The service provider will enter into contractual relationships with carriers



and shippers, as appropriate, for accomplishing the same. The limitation of liability is often commensurate with the dominant mode of transportation rather than warehousing. Warehousing and 3PL services.

<u>Control Tower Agreement</u> – The term "control tower" as used today often refers to either traditional transportation management and shipper's agent services or to services performed in the capacity as a transportation broker. The value proposition is the same for both in that the service provider offers to serve as a single point of contact and manage disparate underlying service providers in the interest of its shipper. See also Fourth-Party Logistics (4PL) Agreement and Managed Transportation Agreement. Warehousing and 3PL services.

<u>Crossdock Agreement</u> – Crossdocking facilities are lengthy with parallel dock doors on each side so that trailers may be unloaded, new loads built, and then loaded as appropriate on the other side of the facility. Crossdocking Agreements may exist between the facility operator and the motor carrier or shipper using its services. Crossdocking bears the character of very short-term storage in transit and, as a result, the liabilities of motor carriers will often apply to those brief unloading and loading activities in the interest of accomplishing through movements. Warehousing and 3PL services.

<u>Customs Services Agreement</u> – Licensed U.S. customs broker services are always delivered under a Power of Attorney form as required under 19 CFR Subpart C, which often incorporate standard terms. The terms of service are sometimes also negotiated between large enterprise importers and their customs broker service providers. Those bespoke Customs Services Agreements can address the unique traffic flows, duty mitigation programs, trade compliance concerns, and internal standard operating procedures of concern for the importer of record. Terms considered "industry standard," particularly for spot market services, are published by the National Customs Brokers and Forwarders Association of America under the title Terms and Conditions of Service (and also in the form of the Associations' Power of Attorney). Customs services.

<u>Dispatch Agreement</u> – Services agreement between a licensed motor carrier entity and an administrative services provider which, often as agent, manages relationships for the carrier, including communications with shippers and operational dispatch with drivers. Dispatch is often structured as distinct from regulated property broker services requiring permit. Surface transportation.

<u>Distribution Agreement</u> – A Distribution Agreement traditionally refers to a party whose role is to sell and distribute product in a given market. The parties are often a distributor and the source of the product, often the manufacture or the holder of the brand. In this sense, distribution agreements are distinct from other transportation and logistics agreements, including those for fulfillment. Warehousing and 3PL services.

<u>Dray Agreement</u> – Services agreement between a shipper and the licensed motor carrier or property broker that performs or arranges for the movement of intermodal containers to and from ports or railheads. Surface and ocean transportation.

<u>Driver Leasing Agreement</u> – Lease agreement between a driver staffing entity and a licensed motor carrier entity for the temporary or permanent placement of drivers with the motor carrier entity. Such driver leasing arrangements may also include a grant of agency on behalf of the motor carrier and the driver staffing agency in order to accomplish certain safety compliance functions. Negotiations of such agreements often include which specific driver screening, qualification, and record retention requirements the staffing agency will provide. Surface transportation.

<u>Drop Yard Agreement</u> – Permission granted by an entity controlling a property interest in a yard or lot, or otherwise authorized to grant access, and a licensed motor carrier so that the carrier may access and drop empty or loaded trailers or other equipment on such yard or lot. Such agreements customarily include details regarding the use and risk of loss of such equipment while in the yard or lot. Surface transportation.



<u>Equipment Lease/Rental Agreement</u> – Agreement between the owner of transportation equipment, including tractors, trailers, other vehicles, or chassis, and a licensed motor carrier entity detailing the maintenance and use requirements of such equipment for a period greater than 30 days (for a Lease) or less than 30 days (for a Rental). Surface transportation.

<u>Facility Access Agreement</u> – The concept of a facility access agreement takes on two forms in today's market. First, many facility owners will require specific terms and conditions for those third parties seeking work on site at the facility (such as during the COVID-19 pandemic) in order to minimize risk and set operational expectations. Second, during in-transit freight lenders and other parties to the transaction may require access to warehouses and other facilities under certain circumstances so that goods may be recovered in the event of default. See In-Transit Freight Finance Agreement. Applies across modes.

<u>Forwarder Note/Receipt</u> – Certain segments of international forwarding will issue forwarder notes or receipts where permitted by law. Those materials are often analogous to warehouse receipts and stand in contrast to waybills and bills of lading. Forwarder notes document receipt and establish terms between the forwarder and shipper. Forwarding services.

<u>Forwarding Agent Agreement</u> – Export forwarding agent services are frequently sold in the market alongside customs broker and freight forwarder services. Essentially, the forwarder receives grant of agency from the exporter of record to submit electronic export information (EEI) to U.S. Census via the Automated Export System pursuant to the Foreign Trade Regulations at 15 CFR Subpart A. Forwarding services.

<u>Fourth-Party Logistics (4PL) Agreement</u> – The term 4PL is often used to refer to services often structured as Control Tower or Transportation Management models. The 4PL's value proposition is often to provide an outsourced logistics function on behalf of its shipper customer, often across downstream modalities and services. See also Control Tower Agreement and Transportation Management Agreement. Applies across modes.

<u>Freight Factor Agreement</u> – Factoring is the practice of purchasing the accounts receivable of a motor carrier at a discount and then collecting those amounts under a notice of assignment. Brokers and shippers owing freight charges are obligated to pay the factor, and payment to the motor carrier directly will not relieve that obligation. If payment is not received, the factor may have recourse to the motor carrier under the agreement or an additional personal guaranty. Applies across modes.

<u>Freight Matching Agreement</u> – Freight matching and similar technology-oriented platform services, or online marketplace services, offer functionality allowing a shipper to select and manage its procurement with brokers or carriers. The platform company often takes care to clarify that the matching service, or the technology features, are the sole service to avoid performing unlicensed broker activities in violation of federal law. Applies across modes.

<u>Freight Payment and Auditing Agreement</u> – Freight payment and audit services are largely unregulated common law services whereby a service provider will monitor invoices from third-party services providers against rates agreed under contract or elsewhere. Payment of charges is accomplished on a periodic basis, often from a pre-paid account between the shipper and the freight payment service provider, and any disputes with amounts under demand are raised by the service provider for substantiation from the underlying carrier. Applies across modes.

<u>Fulfillment Agreement</u> – A Fulfillment Agreement provides for the range of services necessary to accomplish inventory management, order fulfillment, and the tender or delivery of those goods to end users. Fulfillment services may or may not include forwarding, brokerage, or asset-based transportation. The liability regime may be found in warehousing or transportation law depending on the services offered and the type of loss. Warehousing and 3PL services.



<u>High Value Cargo Agreement</u> – Services agreement between a shipper, beneficial cargo owner, or broker of freight and the transportation services provider governing shipments of unusual and extraordinary value and/or sensitivity that reasonably justify a special agreement with specific negotiated terms, including a precise limitation of liability and customarily more onerous operating requirements. Surface transportation.

<u>Household Goods Agent Agreement</u> – The traditional moving services market developed large agency networks as part of its historic growth, and today the model is recognized under federal law at 49 USC 13907. The duly authorized household goods motor carrier will establish contractual agency relationships within geographic markets to perform origin, destination, and over-the-road services in the name and right of the interstate van line. The grant of agency, allocation of liabilities, and commercial aspects of the relationship are provided under agreement. Surface transportation.

<u>IAC Agreement</u> – Indirect air carriers are not in possession of an FAA air carrier operating certificate but are licensed by the TSA to engage indirectly in air transportation of property, and use the services of an air carrier for all or any part of such transportation. Indirect air carriers issue air waybills and accept liability for cargo loss and damage. Indirect air carriers are required to maintain a security program that meets TSA requirements and is renewed annually. Air transportation.

<u>In-Bond Transportation Agreement</u> – Supply chain and duty efficiencies can be gained on some facts by accomplishing transportation of goods between ports of entry, foreign trade zones, or customs bonded warehouses without having first accomplished customs entry. Agreements supporting these movements may include a traditional carrier services agreement with bonded transport terms added or in some instances under a form power of attorney with the bond holder, and commensurate indemnity obligations, so that the carrier can accomplish the movement under the bond of another. Surface transportation.

<u>Independent Contractor Services Agreement</u> – Services agreement between a licensed motor carrier entity and an independent contractor owner-operator such that the independent contractor performs transportation services under the motor carrier authority of the motor carrier entity. Depending on the nature of the relationship, such agreements customarily comply with the federal leasing regulations at 49 CFR 376.12. Surface transportation.

<u>Interchange Agreement</u> – Use agreement between an entity that owns, leases, or otherwise controls transportation equipment, including trailers or chassis, and a licensed motor carrier that establishes the maintenance, use, and risk of loss requirements of such equipment while being transported by the motor carrier's vehicles and under its authority. Surface transportation.

Intermodal Marketing Agreement – Intermodal Marketing Agreements generally address performance of rail transportation arrangement by an intermediary, often in conjunction with other modalities such as motor carriage. Traffic may include motor carrier transportation from the shipper to rail yard, the rail transportation from the origin to destination rail yards, and the motor carrier transportation from rail yard to destination. The parties serving as "intermodal marketing companies" will often hold motor carrier broker permits and present those as supporting the service, although such permits are not strictly required. Surface transportation.

International Forwarder Terms of Service – Many trade associations for international freight forwarders around the world issue favored terms of service. Examples include the terms issued by the National Customs Brokers and Forwarders Association of America and the British International Forwarding Association. These unilateral and extra-contractual terms have greatest applicability to spot movements, since precise expressions of negotiated contract terms are typically favored by large enterprise shippers. Forwarding services.

<u>International Letters of Credit</u> – Letters of credit (LOCs) are forms of international trade finance that allow parties to conduct transactions across borders where low levels of trust or other high risks may exist. The challenge from a transportation perspective is that the LOC will establish precise terms for



bill of lading content and presentment of the same. Strict compliance is often required for payment to be issue and goods to be released. International transportation services.

<u>In-Transit Freight Finance Agreement</u> – Accomplishing asset-based lending on in-transit freight finance requires close attention to bill of lading issuance and handling under the lending agreement. Implementing those requirements often requires further tripartite agreement between the debtor and the respective service provider, including any forwarder, carrier, warehouseman, or customs broker who may directly or indirectly possess the cargoes or the documentation. The essential purpose of those downstream agreements is to ensure that the lender maintains a right to recover the goods under circumstances of default. International transportation services.

<u>Inventory Liquidation Agreement</u> – Liquidation can become necessary where refused, overage, or abandoned goods remain in a service provider's custody. The exercise of rights over those goods is often under common law or contractual lien. The service provider will utilize services of a third-party liquidation company to sell and mitigate loss, with the depositor bearing risk of any deficiency or the right to overages. Warehousing and 3PL services.

<u>Jet Membership Agreement</u> – Membership agreement between an individual or company and a broker for passenger air charter services via aircraft operated by third-party direct air carriers, certified by the FAA, for air travel. In addition to the general conditions of membership, Jet Membership Agreements also generally contain the appointment of the broker as agent of the customer for purposes of arranging the transportation with direct air carriers. Air transportation.

<u>Last Mile Residential Agreement</u> – Last mile parcel transportation services is one of the fastest growing transportation segments given the influx of e-commerce activities. Last mile services range from traditional motor carriage with motor carriers holding active motor carrier authority from the FMCSA to specialized courier or delivery services depending on region and cargo. In such an arrangement, we encourage detailed discussions and terms regarding the service provider's operating authorities (if applicable) and insurance obligations based on the tendency for such service providers to perform the transportation services in lightweight and personal vehicles. Surface transportation.

<u>Less-Than-Truckload/Truckload Agreement</u> – Transportation procurement takes on varied forms depending on shipper needs. The primary distinction between LTL and truckload shipments involves the carriage of more than a single shipper's cargo in LTL transportation, often leading to more efficient transit times in the truckload segment. For purposes of contracting, key distinctions in the commercial relationship between these modes of transport include the limitation of liability for purposes of damage to the cargo, application of an LTL carrier's tariff, and the speed differences/expectations in performance. Surface transportation.

<u>Managed Transportation Agreement</u> – Managed transportation is a service often built upon agency between the shipper and the service provider, although property broker licensure may be required. The key value proposition is that the service provider will perform as an outsourced logistics department for the shipper. Performance of such outsourcing can involve contracting with third-party carriers and intermediaries on behalf of and in the name of the shipper, managing the data flow and logistics analysis of the movements, accomplishing freight charge payment and audit, and cargo claims management. Applies across modes.

<u>Master Fleet Agreement</u> – Motor carriers may structure operations to work with master fleets rather than singular independent contractor owner-operator relationships. Those independent fleets bring their drivers and equipment for service to the motor carrier, under the motor carrier's operating authority, through Federal Leasing Regulation-compliant contractual relationships. Surface transportation.



<u>Material Handling Equipment Agreement</u> – Modern warehouse operations will often require the sourcing, installation, and use of costly and sophisticated material handling equipment. Examples include conveyor and automated fulfillment systems. Key considerations often involve the handling of capital expenditures, the passage of title in equipment, timing of installation and termination rights, as well as management for the intellectual property and information technology rights associated with the equipment. Warehousing and 3PL services.

<u>Middle Mile Agreement</u> – Prior to the transportation of the cargo to the ultimate consumer (*See Last Mile Residential Agreement*), enterprise shippers' cargo typically makes at least one stop at a regional distribution or fulfillment center. Such middle mile transportation between distribution centers or from ports or holding centers to distribution centers prior to delivery to the ultimate consumer offers shippers additional control over their supply chains while minimizing potential delays in the last mile segment. Key considerations often involve performance standards and efficiencies. Surface transportation.

Negotiable/Non-negotiable Bill of Lading – Bills of lading are the classic contracts of carriage and may, depending upon mode or use, be considered negotiable instruments. A Negotiable Bill of Lading is a document of title for the freight and is transferable similar to any other negotiable instrument such as a personal check. A Non-negotiable Bill of Lading is traditionally considered a waybill and does not serve as a document of title. Today, negotiable bills of lading are most frequently seen in the ocean carriage market. Surface transportation.

Negotiated Rate Arrangement – A Negotiated Rate Arrangement (NRA) is a binding written arrangement recognized by the Federal Maritime Commission (FMC) in 46 CFR Part 532 between an NVOCC and its shipper to provide specific ocean transportation service for a stated cargo quantity, from origin to destination, on and after a stated date or within a defined time frame. While an NVOCC must still provide access to its rules tariffs prior to entering into an NRA, if an NVOCC uses an NRA and satisfies the regulatory conditions, the NVOCC is not required to publish the rate of the NRA in the tariff that it makes available to the public. Ocean transportation.

NCBFAA Standard Terms – The National Customs Brokers & Forwarders Association of America (NCBFAA) issues a set of common terms agreed upon by the parties interested in customs brokerage and ocean forwarding services. The terms establish rights and liabilities of parties with respect to such services. Those members of the NCBFAA that utilize the standard terms are ocean transportation intermediaries and customs brokers. Ocean transportation.

Non-Contiguous Domestic Trade Transportation Agreement – Water carrier traffic between the continental U.S. and other U.S. states and territories is subject to the jurisdiction of the Department of Transportation and Surface Transportation Board, not the FMC. As such, service providers engaged in non-contiguous domestic movements must secure operating authority (customarily, freight forwarder authority) from the U.S. DOT, and the negotiation of such transportation agreements focus on the provider's freight forwarding obligations. Ocean transportation.

NVOCC Service Arrangement – Similar to an NRA (See Negotiated Rate Arrangement), a Negotiated Service Arrangement (NSA) is a binding written arrangement recognized by the FMC in 46 CFR Part 531 between an NVOCC and its shipper to provide ocean transportation service from origin to destination for a defined time frame. The defining feature of an NSA is the requirement of an expression of a minimum volume commitment during the term of the NSA. If an NVOCC uses an NSA and satisfies the regulatory conditions, the NVOCC is not required to publish the rate of the NSA in the tariff that it makes available to the public. Ocean transportation.

<u>NVOCC Agreement</u> – Ocean transportation intermediary services agreement between a shipper and an NVOCC licensed by the FMC. Pursuant to 46 CFR Part 515, an NVOCC is an ocean transportation intermediary operating as a common carrier that holds itself out to the public to provide



ocean transportation and issues its own house bill of lading or equivalent document but does not operate the vessels by which ocean transportation is provided. Ocean transportation.

Ocean Charter Agreement – Ocean charters are useful in procuring guaranteed space in whole or in part on specific ocean-going vessels. Ocean charters are entered into between shippers and NVOCCs or other service providers, occasionally with an appointment of agency. While not exclusive, ocean charter agreements are common with shippers of break bulk or other non-containerized cargo. Ocean transportation.

Ocean Freight Forwarding Agreement – Ocean transportation intermediary services agreement between a shipper and an ocean freight forwarder licensed by the FMC. Pursuant to 46 CFR Part 515, an ocean freight forwarder arranges for cargo movements to an internal destination, dispatches shipments from the U.S. via common carriers and books or otherwise arranges space for shipments, and prepares and processes the documentation pertaining to those shipments. Ocean transportation.

<u>Power of Attorney (CHB, Export Forwarding, etc.)</u> – A power of attorney (POA) form is used in a number of contexts to grant agency and attorney-in-fact status to a service provider. POAs may be required by law as in the case of customs house brokerage or to facilitate legal requirements such as for export forwarding agents. They may serve to build or strengthen other forms of relationships where not required, but in the interest of accommodating party expectations, such as in the case of managed transportation services. International transportation services.

<u>Project Logistics Agreement</u> – Project logistics refers to complex movements as part of a large-scale project rather than a steady throughput of cargoes. Project Logistics Agreements are often used in construction applications and similar contexts where many movements across wide geographies are required on defined timelines. The underlying modalities involved in project logistics can involve any type of service, although the provider often represents itself as a forwarder. Warehousing and 3PL services.

Rail Carrier Agreement – Contracts between shippers and railroads under Surface Transportation Board jurisdiction are recognized at 49 USC 10709. Negotiated contracts will address all service requirements and volume commitments, often with incorporation of published rail circulars and certain American Association of Railroads (AAR) rules. The Carmack Amendment governs liability for cargo loss and damage, as expressed at 49 USC 11706 and its case law, with claims adjudication procedures found at 49 CFR Part 1005. Rail transportation services.

<u>Rate Confirmation Sheet</u> – Document issued by the party booking a shipment (i.e., shipper or broker) on a shipment by shipment basis to the underlying motor carrier with detail regarding the movement of the freight and the freight charges applicable to the movement. Rate Confirmation Sheets typically include special instructions or additional terms that apply to the shipment and may supersede an established transportation services agreement between the parties. Surface transportation.

Reverse Logistics Agreement – Reverse logistics refers to the movement of goods from end user back up the supply chain on behalf of the party at the last point of sale (the retailer). It most frequently encompasses consumer returns and the range of value-add services necessary to reintegrate those goods, including parcel transportation, refurbishment, rehanging, repackaging, and determination of whether the goods are fit to enter the primary or secondary markets once again. Warehousing and 3PL services.

<u>RO/RO Agreement</u> – A Roll-on/Roll-off Agreement customarily involves a combination of surface and ocean or water transportation in which vehicles or other cargoes are rolled-on and off specialized vessels. Such engagements are competitive and require careful operational and risk considerations given the loading/unloading procedures associated with those non-containerized movements. Ocean transportation.



<u>Settlement Carrier Agreement</u> – Services agreement between a broker and small licensed motor carrier (the "settlement carrier") for the performance of transportation services. The net effect is to establish a broker-carrier relationship rather than a traditional independent contractor owner-operator relationship. Surface transportation.

<u>Shipper's Agent Agreement</u> – It is common in some applications to establish agency relationships between shippers (as principal) and their service providers (as agent). The service providers may then act in the name and right of the shipper rather than in their own right as an independent contractor (and under its own operating authorities, licenses, and permits). See Fourth-Party Logistics Services Agreements, Control Tower Agreements, and Managed Transportation Agreements. Applies across modes.

<u>Station Agent Agreement</u> – Station agents are domestic and international locations for air forwarding service. The air forwarder may establish those relationships with its agent under Authorized Representative models or mere agency models as may be required by applicable regulation. The station agent may provide marketing services, operational services, or both under the agreement and in observance of any essential cargo security rules. Air forwarding services.

<u>Surface Freight Forwarder</u> – Services agreement between a shipper and an entity that holds surface freight forwarder authority from the FMCSA. The surface freight forwarder may be asset-based (in which case it may provide the transportation services directly) or non-asset based (in which case it will arrange for the transportation services of the freight). In either event, a surface freight forwarder issues its own bill of lading and assumes liability for freight loss and damage, as a carrier. Surface transportation.

<u>Third-Party Logistics (3PL) Agreement</u> – A 3PL Agreement has come to refer to motor carrier brokerage, although there remain segments within the supply chain who use it in reference to sophisticated warehouse operators. The fluidity of this term is due in part to the absence of any legal definition for the term "third-party logistics." Warehousing and 3PL services.

<u>Transloading Agreement</u> – Transloading refers to the movement of goods from one conveyance to another in the interest of optimizing efficiency in the supply chain, often with intermodal application. The liability regime for transloading tends to align with the dominant mode of transportation. See also Crossdock Agreement and Consolidation/Deconsolidation Agreement. Warehousing and 3PL services.

<u>Trip Lease</u> – Lease agreement between an independent contractor owner-operator (as lessor) and a licensed motor carrier (as lessee) for a single trip. A trip lease permits the owner-operator to perform the transportation services under the operating authority of the licensed motor carrier. Surface transportation.

<u>Uniform Intermodal Interchange Agreement</u> – The Uniform Intermodal Interchange Agreement (UIIA) is a set of common terms agreed upon by parties interested in exchanging intermodal equipment, such as ocean containers and chassis. The terms establish rights and liabilities of parties with respect to the equipment. Signatories to the UIIA include ocean carriers, motor carriers, and rail carriers. The UIIA are promulgated and managed by the Intermodal Association of North America (IANA). Applies across modes.

<u>Value Added Services Agreement</u> – Value-added services tend to refer to the wide range of labor-intensive services that sophisticated warehouse operators can offer, including kitting, hanging, racking, labeling, and even light assembly. In the extreme, certain light assembly services may require high levels of attention and standard operating procedures so that party interests and objectives are clear, often taking the form of a Production Services Agreement. Warehousing and 3PL services.



<u>Warehouseman's Receipt</u> – Warehouse services providers traditionally issue Warehouse Receipts upon receipt of goods from depositors. The receipt is both a document of receipt and may also serve as the contract for service, often incorporating standard industry terms, depending on the facts of the deposit and the existence or non-existence of a Warehousing Agreement. See UCC § 7-202. Warehousing and 3PL services.

<u>Warehousing Agreement</u> – The procurement and delivery of warehousing services may be memorialized in the form of a Warehousing Agreement. These are bespoke agreements among sophisticated enterprise depositors, where all aspects of service, service level, inventory management, cost metrics, and liability are addressed. Terms considered "industry standard" particularly for spot service are published by the International Warehouse Logistics Association (IWLA) under the title Standard Contract Terms & Conditions for Merchandise Warehouses. Warehousing and 3PL services.

<u>Warehousing Management System Agreement</u> – Modern warehouse services and their sophisticated inventory controls functions are highly tech enabled. The operating systems behind those functionalities are referred to as warehouse management systems (WMS). Agreements with depositors will often require integration between the WMS and the depositor's enterprise resource planning (ERP) system. Agreements between warehouse and WMS provider take the form of software license and often SaaS agreements. Warehousing and 3PL services.

<u>Wet Lease Agreement</u> – A wet lease arrangement involves the leasing of an aircraft and at least one crew member from the owner of the aircraft. Areas of focus in such arrangements include clarity on responsibility for operational control of the aircraft, maintenance of the aircraft, and insurance obligations. Air transportation.