

LOGISTICS CONTRACTS AND AGREEMENT TEMPLATE

A Logistics Contract or Logistics Services Contract is a legally binding agreement that deals with freight transportation services such as domestic freight forwarding services, motor carriers, local rail drayage services, domestic water carriers, and others. Almost every business has a relationship with a logistics company that will or should be eventually documented in a formal contract. Nonetheless, a transport contract is not used for logistics services acquired by domestic or international air carriers or international water carriers, as well as freight services negotiated for lower rates or rendered under bills of lading or CMR documents.

The Logistics Contract documents all the important details of a logistics service agreement, including the obligations of both parties, shipping method, delivery times, and fees and costs. The basic elements of a Logistics Contract are:

- Identification of the parties.
- A description of the services to be performed.
- The dates or scheduled dates for performance of the services.
- Any conditions or limitations placed on either of the parties or warranties related to the performance of services.
- Payment terms.

The main clauses that a [LOGISTICS SERVICES CONTRACT](#) should contain are described below.

PAYMENT TO SERVICE PROVIDER

Payment terms vary depending on the services provided and the parties involved. Often, the Client agrees to pay for the services in a lump sum upon completion of the services. Usually, this type of contracts provides the option of making payment installments on specific dates, such as monthly or quarterly, or after a specific event has occurred, such as completion of various stages of the project.

Another option is to pay for the services based on an hourly fee and the number of hours required to complete the services. If the contract is for services to be provided on an ongoing basis, installment payments may be preferred.

TERM

The length of the Contract should be clearly stated. Options for how the contract will end include:

- a. upon the completion of the services;
- b. upon a specific event or occurrence;
- c. on a specific date;

- d. upon written notice by either party, or
- e. some other basics.

However, certain provisions of the Logistics Contract will survive the termination of the Contract. For example, if the Contract includes a confidentiality provision, the Carrier must continue to keep the Client's protected information confidential beyond the stated term of the Contract.

DEFAULTS

The Logistics Services Contract provides that, in addition to any other rights provided by law, a party may terminate the Contract if the other party has failed to fully perform the obligations under the Contract. The party who hasn't fallen short of its obligations may provide the other party with written notice of the contract breach and state the number of days that the other party will have to make things right, or "cure the default." A typical period to cure is thirty (30) days. If the party in default fails to remedy the situation in the specified number of days, the non-breaching party may elect to terminate the Contract.

WARRANTIES

This type of contract usually includes an option that allows the Carrier to provide a warranty that the services provided under the Contract will meet the local standard of similar Service Providers in the community. This provides a minimum level of performance that the Carrier must meet to fulfill the terms of the Contract. This provision should not be included in the Contract if the Carrier will not provide a specific warranty.

GENERAL PROVISIONS

A Logistics Contract should include provisions that:

- a. make it clear that the document contains the entire agreement of the parties;
- b. require any changes to the contract to be in writing and signed by the party affected by the change;
- c. preserve the remainder of the contract if one of its provisions is unenforceable; and
- d. specify which state's laws will govern any disputes between the parties.

INDEMNITY

Because the Client will frequently be the owner of the goods being transported, it is possible that the Client could be liable to a third party who is injured by the Carrier. For example, if the Client has retained the Carrier to transport some goods that are owned by the Client, a person injured in an accident by the Carrier may sue both the Carrier and the Client. In order for the Client to avoid paying for the negligent acts of the Carrier, it is common for the Carrier to agree to indemnify the Client for any damages or injuries caused by the Carrier. Thus, in the above example, such a provision would provide that if the injured party recovered a judgment against the Client in a lawsuit, the Carrier would have to repay the

Client for any amount of the judgment paid by the Client, plus the Client's other related costs such as attorney fees.

REMEDIES FOR LATE PAYMENT

Charging interest on a past due amount can be a good way to deter any potential late payments. However, the maximum percentage of interest that may be charged may be regulated by local or state laws, and many of these laws can be rather complex depending upon the situation and contract. If you have any questions about the maximum interest rate, consult an attorney.

CONFIDENTIALITY

The Logistics Contract should include a clause that obligates the Carrier to protect and not disclose the Client's proprietary or confidential information. "Confidential information" is information that is unique to a specific business or individual and is not available from other sources. Additionally, information is confidential if unauthorized disclosure could result in harm to the Client. Some examples of "confidential information" might include customer lists, trade secrets, products, business plans, financial statements, and manufacturing processes.

ARBITRATION

In arbitration proceedings, as opposed to traditional litigation of a dispute, the parties agree to hire a neutral decision maker (an "arbitrator") to listen to and review the facts and issues related to their dispute. The arbitrator then issues a decision that resolves the dispute, similar to a decision by a judge or jury in a lawsuit. Most arbitration proceedings avoid the greater time, complexity and expense of fighting a case in court. The arbitrator's decision is final, and both parties agree to accept the arbitrator's decision.

SIGNING INSTRUCTIONS

Finally, the Logistics Contract should be signed by authorized representatives of both parties and becomes effective as of the date specified in the Contract. It is not necessary that the signatures be witnessed or notarized. It is advisable to sign two copies of the Contract (or used electronic signature) so that each party will have a copy with original signatures. Original copies should be kept in a fireproof and safe location.

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To obtain the Logistics Contract and Agreement template ready to use in Word Format click here:



[LOGISTICS SERVICES CONTRACT](#)

MODEL CONTRACTS

INTERNATIONAL CONTRACTS (ENGLISH, SPANISH, FRENCH, GERMAN & PORTUGUESE)

- International Sale Contract
- International Distribution Contract
- International Commercial Agency Contract
- International Sales Representative Agreement
- Intermediary Contract for Trade Operations
- International Joint Venture Contract
- International Strategic Alliance Agreement
- International Franchise Contract
- International Services Contract
- International Consulting Contract
- International Technology Transfer Agreement
- International Trademark License Agreement
- International Supply Contract
- International Manufacturing Contract
- International Buying Agent Contract
- Logistics Services Contract
- Export Contract
- Confidentiality Agreement
- Expatriate Contract of Employment
- Memorandum of Understanding for International Distribution
- Memorandum of Understanding for Joint Venture
- **Pack 10 Contracts in English**
- **Pack All Contracts in English**

BUSINESS CONTRACTS (ENGLISH, SPANISH, FRENCH, GERMAN & PORTUGUESE)

- Distribution Contract
- Commercial Agency Contract
- Sales Representative Agreement
- Commission Contract
- Joint Venture Contract
- Services Provider Contract
- Consulting Contract
- Strategic Alliance Agreement
- Franchise Contract
- Supply Contract
- **Pack 12 Commercial Contracts (Premium)**

CHINA CONTRACTS (ENGLISH-CHINESE DUAL VERSION)

- Distribution Contract China
- Agency Contract China
- Commission Contract China
- Supply Contract China
- Manufacturing Contract China
- Confidentiality Contract China
- Memorandum of Understanding for Distribution Contract China
- Memorandum of Understanding for Joint Venture China

LETTERS OF INTENT (ENGLISH & SPANISH)

- Letter of Intent for International Sale
- Letter of Intent for International Distribution
- Letter of Intent for International Joint Venture
- **Pack 3 Letters on Intent**

LETTERS FOR EXPORTERS (ENGLISH & SPANISH) LETTERS FOR IMPORTERS

- Presentation to potential client
- Proposal for agent/distributor
- Proposal to form a strategic alliance
- Invitation to a trade fair
- Making a commercial offer
- Preparation of a contract
- Reminder of payment pending
- **Pack 15 Letters for Exporters**
- Request for information to an overseas supplier
- Offering as agent/distributor
- Reply to proposal for strategic alliance
- Making contact after a trade fair
- Renegotiation of a contract
- Complaint about delivery of faulty goods
- **Pack 15 Letters for Importers**
- **Pack 30 Letters for Exporters and Importers**

