

## CONTRACT FOR INDEMNITY, HOLD HARMLESS AND RELEASE

This Contract For Indemnity, Hold Harmless and Release (hereinafter referred to as the "Agreement") is made by and between \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to as "Insured")  
and/or \_\_\_\_\_  
(hereinafter referred to as "Broker") (collectively referred to as "the Insured") and the Alliance Interstate Risk, Inc., (hereinafter referred to as "the Company") (collectively referred to as "the Parties") this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

### RECITALS

**WHEREAS**, the Company, as a condition of membership in its Participation Agreement and for participation in its program(s), requires all of its Insured(s) who utilize the services of owner operators, independent contractors, and/or contract drivers to comply with the following: the owner operators, independent contractors, and/or contract drivers used, leased, or otherwise engaged by the Insured must have purchased workers' compensation and/or employer's liability coverage or an occupational accident insurance policy acceptable to the Company, and the Insured must purchase a corresponding contingent liability policy acceptable to the Company that covers each and every owner operator, independent contractor, and/or contract driver.

**WHEREAS**, the Insured could utilize owner operators, independent contractors, and/or contract drivers used, leased, or otherwise engaged through an affiliated or third-party Broker/Brokerage operation and/or Freight Agent.

**WHEREAS**, the affiliated or third-party Broker/Brokerage operation and/or Freight Agent is either unable or unwilling to require its owner operators, independent contractors, and/or contract drivers to obtain workers' compensation and/or employers' liability coverage or an occupational accident insurance policy acceptable to the Company and the Insured is unable to purchase a corresponding contingent liability policy for these Broker/Brokerage operation and/or Freight Agent owner operators, independent contractors, and/or contract drivers acceptable to the Company.

**WHEREAS**, the Insured desires to continue to participate in the Company's program(s) and the Company is willing to allow the Insured to maintain its participation upon the terms and conditions as contained herein.

**IN CONSIDERATION** of the mutual promises and covenants made herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, do hereby agree to the following terms and conditions:

## DEFINITIONS

1. **Non-Covered Individual** – A non-covered individual is one who may or may not qualify as an employee under State Workers' Compensation Law (such as a lease/purchase driver, owner/operator, independent contractor, sub-contractor, broker/brokerage utilized independent contractor/owner operator, a fleet owner of one or more tractors not above the minimum number of employees required to carry workers' compensation coverage, or driver of leased equipment, but the Insured has elected not to purchase or require the non-covered individual to purchase workers' compensation and/or employer's liability coverage through the Insured's coverage with the Company's program to cover such individual(s).

## TERMS AND CONDITIONS

1. **Indemnification** - The Insured agrees to defend the Company or the claim on behalf of the Company, hold harmless, and unconditionally indemnify and pay on behalf of the Company, its affiliates, and its respective officers, directors, trustees, agents, employees and members from any and all liability, claims, demands, losses, causes of action, damage, lawsuits, judgments, whatsoever, including attorneys' fees and costs, arising out of, or relating to, any claims made by Non-Covered Individuals for workers' compensation benefits and/or employer's liability. Said claims include but are not limited to, claims for workers' compensation benefits, outrage, breach of contract, fraud, and bad faith. This duty shall only apply to claims in which the accident, injury or acts giving rise to the claim occur during the term of the Insured's coverage with the Company. The Insured's deductible will not be applicable to any such claim for indemnification by the Company and will not be applied to the reimbursement of any expenses related to a Non-Covered Individual claim. The intent of this provision is to provide full and complete defense and indemnity to the Company relating to any claims made by Non-covered Individuals.

If the Company seeks indemnification and defense from the Insured pursuant to this Agreement, the Company shall notify the Insured as promptly as practicable and give the Insured an opportunity to defend the Claim using the services of an Attorney approved by the Company. The Company will extend reasonable cooperation in connection with such defense. If the Insured fails to timely or sufficiently defend the Claim and/or the Company, the Company may assume the defense, which in no way will affect or limit the Insured's duty to indemnify the Company.

2. **Release and Waiver** - The Insured agrees to release the Company from any such claims made by Non-Covered Individuals claiming workers' compensation benefits and/or employer's liability. The Insured further waives any right of recovery of Non-Covered Individual claims by anyone claiming through them, by way of subrogation or otherwise, including their respective insurers. This release and waiver remains effective

despite the Insured's failure to obtain insurance. If the Insured fails to obtain insurance, it bears the full risk of its own loss.

3. **Term and Termination** – This Agreement shall remain in effect from the date of execution for the duration of the Insured's coverage with the Company's program unless an earlier date for termination is mutually agreed upon in writing by the Parties. Due to the fact that workers' compensation and/or employer's liability claims can be filed in an appropriate time frame as established under State Workers' Compensation Law that could extend beyond the duration of the Insured's coverage with the Company, this Agreement shall remain in effect for any workers' compensation and/or employer's liability claims that arise from an accident(s)/event(s) or cumulative trauma occurring or giving rise to a qualifying claim occurring during the Insured's coverage with Alliance Interstate Risk program

4. **Governing Law and Jurisdiction** - This Agreement shall be governed by and construed in accordance with the Laws of the State of Alabama. The exclusive jurisdiction of any claim arising from or relating to this Agreement shall reside in the appropriate State courts of Montgomery County, Alabama.

5. **Attorney Fees and Expense Associated with Enforcement** – The Insured shall be responsible for all costs and expenses, including reasonable Attorney fees, incurred by the Company in the enforcement of this Agreement.

6. **Entire Agreement** – This Agreement, represents the entire agreement between the Parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements or representations, oral or written, between the Parties. Notwithstanding the foregoing, this Agreement is not meant to conflict with the terms and conditions of the Participation Agreement executed previously by the Parties, but to add additional terms and conditions, with each agreement to be fully enforceable as to each of the Parties.

7. **Severability** – If any provision of this Agreement or its application to any party or circumstances is invalid or unenforceable, then the remainder of this Agreement or the application of such provision to the other parties or circumstances shall not be affected thereby. Further, if any provision or application hereof is invalid or unenforceable, then a suitable and equitable provision shall be substituted therefore in order to carry out so far as may be valid or enforceable the intents and purposes of the invalid and unenforceable provision.

8. **Amendment and Modification** - The terms of this Agreement may be modified or amended, but only by another writing signed and dated by both parties, to be attached hereto and which shall be made a part hereof.

9. **Notice** – All notices with respect to this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes either on the date hand delivered, or date delivered by commercial express carrier or date deposited in the U.S.

Postal Service via certified mail, postage prepaid and properly addressed to the Parties principal place of business, or date of confirmed receipt of a legible facsimile transmission or electronic mail communication.

10. **Construction Doctrine** – The Insured agrees it has had the opportunity to have an Attorney review this Agreement prior to its execution and no doctrines related to having the document construed in favor of the non-drafting party will apply to this Agreement. This Agreement will be construed to the benefit of the Parties, affiliates, respective officers, directors, trustees, agents, employees, and members.

SIGNATURES TO FOLLOW

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth herein above.

\_\_\_\_\_  
Insured

Alliance Interstate Risk, Inc.

By:\_\_\_\_\_  
(Signature)

By:\_\_\_\_\_  
(Signature)

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

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

\_\_\_\_\_  
Affiliated Broker/Brokerage (if applicable)

By:\_\_\_\_\_  
(Signature)

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