

## Consulting Agreement

This Consulting Agreement (the "Agreement") is entered into effective \_\_\_\_\_, 2007, by and between \_\_\_\_\_ ("Client") and CLIATT CONSULTING, ("CC").

### I. Recitals

CC is a consulting firm specializing in professional railroad consulting services for investigative, operational and safety/training services within the rail and transportation industries. At CC railroad safety is paramount. CC's concerns include accident prevention and safety/training for the railroad industry.

### II. Engagement

Client hereby engages CC to render the consulting services described in Schedule A hereto and such other services as may be agreed upon from time to time by Client and CC.

CC hereby accepts the engagement to provide consulting services to Client on the terms and conditions set forth herein.

### III. Duties

CC shall serve as a consultant to Client in the activities of Client set forth in Schedule A hereto or as otherwise requested by (Client name and title) \_\_\_\_\_, CC shall perform such services under the general direction of Client, but CC shall determine the manner and means by which the services are accomplished. CC agrees to perform all duties to the best of its ability.

### IV. Compensation

- a. **Consulting Fees.** Client agrees to pay CC consulting fees as set forth in Schedule A. Payment of consulting fees shall be made within thirty (30) days of receipt of CC's invoice. Billable hours will include time spent in transit for Client or otherwise in connection with the performance of this Agreement, provided however that travel time will be billed at one-half (50%) of the hourly rate set out in Schedule A unless substantive work, research or discussions in support of the engagement are performed while traveling, in which case such activities will be billed at the full hourly rate set out in Schedule A.
- b. **Legal Relationship.** CC shall be an independent contractor with respect to Client and shall not be an employee or agent of Client.

V. **Term.**

This Agreement will commence on the date first written above and shall continue until the earlier of the end date set out in Schedule A, or if no end date is specified, for six months from the effective date of this Agreement, unless modified by written agreement of the parties. Either Client or CC may terminate the Agreement upon 30 days written notice to the other. Upon termination of the Agreement, CC shall be entitled to payments for all periods that occurred prior to the effective date notice of termination is received. Notice shall be effective three (3) days after it is mailed to a party at the following addresses:

If to Client:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to CC:

Cliatt Consulting  
ATTN: Otis Cliatt, Jr.  
P.O. Box 3288  
Bellaire, Texas 77402.

VI. **Attorney's Fees.**

Should either party or its successor-in-interest resort to litigation to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs of court, in addition to such other relief as may be granted by the court.

VII. **Confidentiality.** CC shall not disclose any patent, trademark, copyright, trade secret or other proprietary information of Client to anyone, except as may be required by law.

VIII. **Entire Agreement.** This Agreement contains the entire understanding and agreement between the parties hereto with respect to its subject matter and supersedes any prior or contemporaneous written or oral agreements, representations, or warranties between them regarding the subject matter hereof.

IX. **Amendment.** This Agreement may be amended only by a written amendment signed by both parties by their duly authorized agents or representatives.

X. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Texas which shall govern all actions arising hereunder, with any dispute arising hereunder to be brought in a court of competent jurisdiction in Harris County, Texas.

CLIENT:

\_\_\_\_\_,  
a \_\_\_\_\_ corporation

ADDRESS:

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

CLIATT CONSULTING, a Texas  
company

P.O. Box 3288  
Bellaire, Texas 77402  
Phone: 281-587-8432  
Fax: 281-587-8531

\_\_\_\_\_  
By: Otis Cliatt, Jr.  
Title: President

**Schedule A to Consulting Agreement**

1. Name of Consultant: Cliatt Consulting
2. Address of Consultant: P.O. Box 3288  
Bellaire, Texas 77402
3. Term of Consulting Period: Start Date: \_\_\_\_\_, 2007  
End Date: \_\_\_\_\_, 2007
4. Minimum number of hours to be performed during consulting period: \_\_\_\_\_
5. Duties of Consultant: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. Consulting Fee for Services Pursuant to this Agreement:
  - a. Day Rate. \$100/hr up to 8-hr/day (minimum of 4 hrs./day)
  - b. Overtime Rate. \$200/hr over the regular 8-hr. day (maximum 12-hr workday)
  - c. Mileage. Standard Mileage. Up to 100 miles is included in the daily rate.
    - i. Excess Mileage. 101-250 miles, standard mileage according to the IRS as of January 1, 2007 = 48.5¢ per mile
  - d. Flights. Travel over 250 miles, one way, requires flight reservations. The best internet rate possible will be secured. Continental Airlines is the airline of choice.
  - e. Car Rental. The best internet rate possible will be secured for a rental car. Budget and Hertz are preferred rental companies.
  - f. Lodging. Marriott property (Courtyard/Residence Inn) or equivalent.
  - g. Meals. \$50 per day
  - h. Client shall pay all expenses, including travel, related to performance of services.
7. Billing and Collection:

Consulting Fees for work performed in a month will customarily be billed by E-mail on or after the last day of the month, and payment of the Consulting Fees shall be made within 30 days after receipt of CC's invoice. Accounts overdue thirty days or more will be charged an additional service charge of 1.5% of the unpaid balance per month. The costs of collection, including any attorney's fees and expenses, will be added to the invoice principal amount and be subject to the monthly service charge.