

PSS TRUCKING INC

2473 EL FRESCO DR BAY POINT CA 94565

Ph. 925-726-6269 Fax 925-665-0394

INDEPENDENT CONTRACTOR SUB-HAUL AGREEMENT

This independent Contractor Agreement is entered as of this _____ day of _____ 20____, by and between. PSS TRUCKING INC (hereinafter referred to as the Prime Carrier) and _____ MC _____ DOT _____ (hereinafter referred to as the Sub-Hauler).

1. A) Transportation Services: The Sub-Hauler, as an independent contractor and not as an employee of the PSS TRUCKING INC, agrees to furnish transportation of certain materials consisting of _____
And other materials for the prime carrier, and to furnish all equipment and perform all services required for such transportation. Sub-Hauler agrees to provide Prime Carrier with transportation services to and from points and places within California by the Prime Carrier's Shipper/Customers subject to the provisions of the sub-haul agreement.
- B) Authorization and Licenses: Sub-Hauler shall be the holder of all the states, Federal County and City Certificates, Permits, registration, authorization and license which are required or necessary for the operation of business as a sub-hauler carrier and for the performance of service covered by the Sub-Haul agreement. Sub-Hauler will continue to hold such certificates, permits, registration, authorization and licenses in full force and effect at all times while providing services covered by the Sub-Haul Agreement.
- C) Sub-Hauler warrants that the equipment supplied by him/her for the performance of services under this Agreement is fully licensed for operation in the State of California and complies with all licensing conditions and/or safety requirements imposed upon the Prime Carrier by the State of California regarding operation for the Prime Carrier's Sub-Haulers. Sub-Haulers will not, except on specific written authorization of the Prime Carrier, obligate the Prime Carrier, for payment, use or operation of said equipment.
- D) Other Services: Prime Carrier shall have the right to use the services of any other contractor or contractors of its choice. Sub-Hauler shall have the right to refuse to perform specific requests by the Prime Carrier to provide transportation services. Additionally, Sub-Hauler shall have the right to perform transportation services for carriers other than the Prime Carrier, except as stipulated in paragraph 5D.

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performance of this Agreement and the pick-up, parking, unloading, assembling, disassembling and delivery of shipments in the performance of this Agreement.

G) Sub-Hauler shall be solely responsible for the direction and control of the employees, agents and servants of the Sub-Hauler, if any, performing labor pursuant to subparagraph 4F, hereinabove, including their selection, hiring, firing, supervision, assignments and direction, the setting of wages, hours and working conditions, and the adjustment of their grievances, Sub-Hauler shall determine the method, means and manner of performance of the work or the work of his/her employees, agents and servants, if any, and their performance of the Agreement.

H) Sub-Hauler assumes full and sole responsibility for the payments of all wages, benefits and expenses of his employees, if any, and for all state and federal income tax withholding, unemployment insurance, and Social Security taxes as to all persons employed by the Sub-Hauler in the performance of services under this Agreement, and the Sub-Hauler shall be responsible for meeting the fulfilling the requirements of all regulations now or hereafter prescribed by legally constituted authority with respect thereto. Prime Carrier shall not be responsible for the wages, benefits, or expenses due the Sub-Haulers employees, agents, or servants nor for income tax withholding, Social Security, unemployment, or other payroll taxes of the Sub-Haulers employees, agents or servants. Sub-Hauler shall indemnify, save and hold harmless the Prime Carrier from any and all liability the Prime Carrier may incur by the Sub-Haulers failure to comply with this subparagraph (H).

I) Prime Carrier is not authorized to withhold state or federal income taxes, Social Security taxes, unemployment insurance taxes, or any other local, state or federal tax on the behalf of the Sub-Hauler or Sub-Haulers employees.

J) All pay, benefits, and working conditions of the Sub-Haulers employees are a matter of agreement solely between the Sub-Hauler and his/her employees.

K) Prime Carrier shall have no obligations or responsibility to the Sub-Hauler or the Sub-Hauler's employees, agents, or servants from any fine, cost, or Sub-Haulers failure to have proper marking on his equipment, or by reason of any violation by Sub-Hauler or his/her employees, of any law or authorities in and through whose jurisdiction the Sub-Hauler or his employees may be operating in the performance of this Agreement.

L) Sub-Hauler will accept responsibility for any violations of laws by Sub-Hauler or Sub-Hauler's employees.

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(15%) to defray the cost of handling. Each time a bridge card is used, ten (10%) will be added over and above the bridge charges and fees.

C) Control of Work: The Sub-Hauler shall direct the operation of his/her equipment in all respects and shall determine the method, means and manner of performance, including but not limited to such matters as:

- a. When a load is to be picked up (within customer requirements.)
- b. Who is to load the vehicle.
- c. How the vehicle is to be loaded, tied down and unloaded.
- d. Rest stops.
- e. Selection of routes.
- f. Where vehicle is to be repaired.
- g. Selection of oil and gas stops.
- h. If and when his/her own credit cards should be used.
- i. Time of delivery (within customer requirements).
- j. If he/she or his employees should hire additional labor to load or unload goods at pickup and destination points.
- k. His/her own working hours.
- l. His/her employees working hours, compensation and conditions of employment.
- m. Which insurance company will provide insurance coverage.
- n. The method of financing his/her vehicle or vehicles.

Prime Carrier is interested only in the results achieved by Sub-Hauler, and shall not control the means by which Sub-Hauler achieves those results. For example, Prime Carrier shall not require regular interim or status reports from Sub-Hauler. Sub-Hauler shall use his/her own methods and skills to accomplish the work. Sub-Hauler shall have the exclusive authority to control and direct the performance of the work performed under this Agreement.

D) Delivering, Loading and Unloading: Sub-Hauler shall deliver customers items, load and unload shipments and perform such other transportation and related service as may be necessary to serve the Prime Carriers customers and to protect said items against loss and damage.

E) Equipment: Sub-Hauler shall furnish at his/her own expense, whatever labor, materials, equipment he/she deems necessary for, or reasonable related to the delivery, unloading and hauling of shipments pursuant to the term of the Agreement.

F) Employment of Assistants: Sub-Hauler shall furnish at his/her own discretion, selection, and expense any labor required incident to the operation of the equipment involved in the

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be a material breach of this Agreement and grounds for the immediate termination of the Agreement by the Prime Carrier without further notice. Sub-Hauler shall have sole responsibility for selecting the insurance company to provide such insurance coverage.

C) Sub-Hauler agrees that neither Sub-Hauler nor Sub-Haulers employees are eligible for coverage under the Workers Compensation Policy held by the Prime Carrier, and Sub-Hauler agrees that he/she is not entitled to make any claim with respect to any policy held by the Prime Carrier.

3. A) Independent Contractor: Sub-Hauler represents and warrants that he/she is an independent contractor and shall provide services covered by the Sub-Hauler Agreement only as an independent contractor, and not as an employee of the Prime Carrier. Sub-Hauler shall report all compensation paid to him/her pursuant to the terms of the Sub-Haul Agreement as self employment income and shall be solely responsible for all matters relating to such payment, including, without limitation, compliance with social security laws, withholding, employment taxes and all other laws and regulations governing compensation. In addition, Sub-Hauler shall be solely responsible for all matters relating to the payment of himself/herself and his employees, including, without limitation, compliance with social security laws and regulations governing compensation and benefits, Sub-Hauler shall not hold out himself/herself or any of his/her employees, as an employee of the Prime Carrier, and shall ensure that all business cards, stationary or other method of communication with the general public do not state or imply that Sub-Hauler or any of his/her employees, is an employee of the Prime Carrier.

4. A) The Sub-Hauler shall indemnify and save harmless the Prime Carrier against any loss or damage expense, including any truck, trailers or combinations of such of the Prime Carrier when in use by the Sub-Hauler, or any cargo being transported therein, which is in any manner directly or indirectly caused by an act, omission, fault, or negligence of the Sub-Hauler or anyone acting under his/her direction, control, or behalf, including reasonable attorney's fees which the Prime Carrier may suffer or incur from an act of omission of the Sub-Hauler.

B) Costs: In performing services under this Agreement, the Sub-Hauler shall, except as otherwise agreed upon in writing, be responsible for paying all costs and expenses incidental to the performance of such service. In this regard, the Sub-Hauler shall be responsible for paying his/her own vehicle license fees, property taxes, tolls and labor costs, and for paying for his/her own insurance, fuel, oil, lubrication, tires and equipment repairs and maintenance, and all other costs related to the operation of his/her equipment in the event the Sub-Hauler purchases such material from the Prime Carrier, the Prime Carrier is authorized to deduct the cost from the Sub-Haulers compensations, plus an additional fifteen

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E) While the Prime Carrier will use its best efforts to furnish Sub-Hauler with appropriate shipment for transportation, it is expressly understood and agreed that this Agreement creates no obligation on the part of the Prime Carrier to make any particular loads available to the Sub-Hauler for transportations, and nothing herein nor any course of dealing hereunder shall be construed to give rise to any guarantee or implied agreement that the Sub-Hauler shall receive or continue to receive any particular revenue, minimum earning, work or profit.

2. A) Insurance: The Sub-Hauler represents that he/she is fully protected by liability and property damage insurance in amounts and with companies satisfactory to the Prime Carrier. Sub-Hauler shall deliver to the Prime Carrier a Certificate of Insurance and Additional Insured Endorsement prior to the commencement of any work. Such insurance will not be altered or cancelled by the insurance company and such policy shall contain a provision that the Prime Carrier will be given at least (30) thirty days notice prior to the alteration or termination of such insurance. The Prime Carrier will be furnished with evidence of such insurance. Sub-Hauler shall be responsible for and carry adequate Workers Compensation insurance and pay all applicable premiums and taxes pertaining to any employee of the Sub-Hauler, as may be required by contract of law. Sub-Hauler shall deliver to the Prime Carrier a Certificate of Workers Compensation Insurance, and further agrees to indemnify and hold harmless the Prime Carrier from any and all claims or demands of any kind, except payment of compensation due to the Sub-Hauler for hauling. No payment will be made until Certificate of Insurance and this written Sub-Haul Agreement have been executed and received by the Prime Carrier.

B) Sub-Hauler will carry at his/her own expense bodily injury, property damage and general liability insurance upon the equipment used in the performance of the Sub-Haul Agreement in the following minimum amounts: \$1,000,000.00 combined single limit, for Bodily Injury and Property Damage from any one accident or occurrence and unidentified trailer and interchange coverage; or such increased amounts as required by this contract. All such insurance policies shall be placed with a Licensed Insurance carrier with a financial rating of not less than "A" VI. Sub-Hauler agrees to name the Prime Carrier as additional insured in the Sub-Haulers policies and to deliver to the Prime Carrier copies of the Insurance Endorsements and certificates of insurance of the Sub-Hauler. It is also agreed that such insurance protection extended to the Prime Carrier as the additional named insured shall be primary insurance and any other protection to the Prime Carrier shall be excess over such insurance. Such insurance policies shall provide that, they shall not be canceled by the Sub-Hauler or his insurance company without at least thirty (30) days written notice therefore served on the Prime Carrier by said insurance company. It is understood that no transportation shall be performed under this agreement until such certificates of insurance have been received by the Prime Carrier. Any lapse or cancellation of such insurance shall

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responsible for any claims, loss or damage arising out of his/her performance of this Agreement. The Sub-Hauler agrees to indemnify and hold the Prime Carrier free and harmless from any and all claims loss or damage, incurred by the Sub-Hauler on behalf of or in the name of the Prime Carrier, any injury or death of persons, or damage to property, equipment or cargo caused by or alleged to be caused by, in connection with the operation of equipment belonging to the Prime Carrier, the Sub-Hauler shall reimburse the Prime Carrier all such damages to the extent that they are not covered by the Prime Carrier's insurance. In the event of such a claim, loss or damage, the Prime Carrier shall have the right to withhold payments of any sums due the Sub-Hauler until such claims, loss or damage, including attorneys fees and costs have been settled or until the Prime Carrier shall be reasonably satisfied that the Sub-Hauler has sufficient insurance to cover said claim, loss or damage and that such insurance coverage is applicable thereto.

B) The Sub-Hauler assumes all liability for cargo claims and hereby agrees to indemnify and hold the Prime Carrier harmless from all claims arising out of its negligence, relations with its drivers, and employees and any and all claims of a third person arising out of the transportation service contemplated hereunder. If the Prime Carrier shall become involved in any way, the Sub-Hauler shall pay, and the Prime Carrier may withhold, all expenses including reasonable attorney's fees, incurred by the Prime Carrier therein.

C) In the event that any tribunal of competent jurisdiction enforces any judgment against the Prime Carrier for any labor cost resulting from any employment relationship of employees, agents or contractors of the Sub-Hauler, the Sub-Hauler agrees to indemnify the Prime Carrier for all such costs. As stated herein, labor costs include, but are not limited to, all wages and salaries, state and federal employment income taxes, social security taxes, workers compensation, unemployment, disability, and any fringe benefit payments, and any other employer contributions as required by law. Moreover, the Sub-Hauler agrees that the Prime Carrier shall have no responsibility whatsoever to the Sub-Hauler, its drivers, helpers, or any other of its employees for payment of fines or subsistence or for any resulting expense of any nature incurred in the performance of the Agreement.

7. A) In the event any provisions of the Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of the Agreement.

B) Sub-Hauler's rights and obligations under this Agreement are personal to the Sub-Hauler, and he/she shall not have the right to assign any of his/her rights or delegate any of his/her duties without the express written consent of the Prime Carrier. Any non-consented to assignment or delegation shall be void and shall constitute a default by the Sub-Hauler.

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C) Any actions, voluntary or involuntary, against the Sub-Hauler under any bankruptcy or insolvency proceeding or any assignment for the benefit of creditors by the Sub-Hauler shall constitute default by the Sub-Hauler. Such default shall give the Prime Carrier the option to terminate this Agreement.

D) Termination for Cause: It is mutually agreed that if the Sub-Hauler violates any of the terms and conditions contained in this agreement, this agreement and any other related agreements in writing between the Prime Carrier and the Sub-Hauler shall, at the Prime Carriers option, become immediately null and void.

E) This Agreement contains the entire understanding between the parties and supersedes, replaces, and takes precedence over any prior understanding or oral or written agreement between the parties respective the subject matter of this agreement. No operation plan, procedure, practice, method or custom shall in any manner vary or change the terms and conditions of this agreement. This agreement may only be amended by the written consent of both the Prime Carrier and the Sub-Hauler at the time of such amendment. This agreement shall be governed by and construed in accordance with the laws of the State of California. Jurisdiction and venue shall rest in the state courts located in Shasta County of federal courts for the Northern District of California.

F) If any action in law or equity is brought to enforce or interpret the provisions of this agreement, the prevailing party will be entitled to reasonable attorney's fees, which may be set by the court in this same action or in a separate action brought for the purpose, in addition to any other relief to which that party may be entitled.

G) Any notices to be given hereunder by either the Sub-Hauler or Prime Carrier to the other may be effected either by personal delivery, in writing, or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the Sub-Hauler and Prime Carrier at the addresses appearing below, but each may change that address by written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of the actual receipt. Mailed notice will be deemed communicated as of two (2) days after mailing.

This Agreement shall automatically terminate on _____, unless renewed in writing prior thereto by the Prime Carrier and the Sub-Hauler. This Agreement may be voluntarily terminated at any time by either party effective upon the expiration of thirty (30) days written notice to the other party, unless otherwise agreed in writing. Pending the expiration of the thirty (30) day period, Sub-Hauler shall continue to render performance hereunder as required. On the effective date of such termination, or effective forthwith of

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the provision below apply, Sub-Hauler shall immediately remove from his/her equipment any and all sign and identification referring to the Prime Carrier, together with all plates, permits, shipping documents, logs and other records belonging to the Prime Carrier applicable to the operation of the Agreement and surrender all the to the Prime Carrier

If Sub-Hauler terminates this agreement without giving the Prime Carrier the required thirty (30) day's advance notice in writing or if after giving such notice Sub-Hauler fails to continue performance hereunder for the required minimum period of thirty (30) days, or if at any time Sub-Hauler otherwise commits any material breach in any of the provision in the agreement, the Prime Carrier shall be entitled to the retain the enter amount of any money which would otherwise be payable to Sub-Hauler hereunder as liquidated damages, it being expressly understood and agreed between the parties that any such permanent termination, abandonment of operation, or breach of this agreement by Sub-Hauler will necessarily cause the Prime Carrier great and otherwise incalculable damages, as compensation for which it is mutually agreed that this provision for liquidated damages is entirely jus and reasonable in amount.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed

This _____ Day of _____, 20

By _____ PSS TRUCKING INC

By _____ "Sub-Haler"

SUB-HALULER

NAME: _____

Adress: _____

Phone: _____

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