



EVANS DELIVERY COMPANY, INC.

EQUIPMENT AND HAULING AGREEMENT

Rev. 7/11/13

ELN Barcoded 12/01/2015

THIS AGREEMENT CONTAINS INDEMNIFICATION PROVISIONS, WHICH ARE HIGHLIGHTED IN BOLDFACED UNDERLINED TYPE.



EQUIPMENT AND HAULING AGREEMENT

In consideration of the covenants and agreements contained herein and pursuant to the Federal Truth-in-Leasing regulations, 49 C.F.R. Part 376, Evans Delivery Company, Inc., Pottsville, PA, **US DOT # 038111**, hereinafter designated as "Carrier", and Independent Contractor, _____ of _____ (City/ State) hereinafter designated as "Contractor," enter into this Equipment and Hauling Agreement ("Agreement") this _____ day of _____, 20_____.

WHEREAS, Contractor is the "owner", as that term is defined by 49 CFR § 376.2(d), of certain equipment suitable for the transportation of property; and

WHEREAS, Carrier is an authorized for-hire interstate motor carrier registered with the Federal Motor Carrier Safety Administration ("FMCSA") of the Department of Transportation ("DOT"); and

WHEREAS, Contractor acknowledges that the DOT regulates Carrier's operations; and

WHEREAS, Contractor desires to contract with Carrier for the use of such vehicular equipment with drivers.

NOW, THEREFORE, in consideration of the mutual covenants, it is agreed between the parties as follows:

1. USE AND DESCRIPTION

Contractor hereby leases to Carrier the equipment set forth below and at in Exhibit A of this Agreement ("Equipment") and further agrees to provide professional truck driver services incidental thereto. Contractor represents and warrants that Contractor has title to or is otherwise authorized to lease the Equipment and provide the necessary driving services to Carrier. Although Carrier shall use reasonable efforts to make shipments available to Contractor for transportation during the term of this Agreement, Contractor acknowledges and agrees that Carrier does not guarantee any specific number of shipments or amount of revenue to Contractor during the term of this Agreement. Contractor may refuse any specific shipment offered by Carrier.

YEAR	MAKE	COLOR	VEHICLE IDENTIFICATION NUMBER	UNIT NUMBER
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2. TERM

This Agreement shall begin on the date indicated on the signature page and shall remain in effect for a period of twelve (12) months, and shall continue in effect on a month to month basis thereafter. Either party may terminate this Agreement immediately, by giving five (5) day's written notice to that effect to the other party personally, by mail, email or fax at the number or address identified at the end of this Agreement.

If, up to and including the date of termination, one or more events occur that give rise, before or after that date, to a liability or entitlement of Contractor or Carrier under this Agreement, the liability or entitlement shall continue, notwithstanding the termination of this Agreement, until the liability or entitlement is satisfied in full.

3. COMPENSATION

It is expressly understood and agreed that Contractor's gross compensation shall be as set forth in Exhibit B (Contractor Compensation Rates), and such gross compensation shall constitute the total compensation for everything furnished, provided, or done by Contractor related to, arising from and/or in connection with this Agreement, including but not limited to driving of the Equipment and all non-driving activities such as conducting pre- and post-trip inspections of the Equipment, waiting to load or unload (detention), loading or unloading if required, fueling, repairing and maintaining the Equipment, hooking and unhooking empty trailers, preparing logbooks and other paperwork, and other activities and services.

4. SETTLEMENT PERIOD



4(a). Settlement. Settlement as provided herein shall be made by Carrier to Contractor within fifteen (15) days after submission by the Contractor to Carrier of the necessary delivery documents and other paperwork concerning a trip in the service of Carrier. Carrier shall, whenever possible, settle with and pay Contractor weekly. At each weekly settlement, Carrier shall make available to Contractor, a statement detailing all debit and credit entries since the preceding statement ("Settlement Statement").

4(b). Documentation. The paperwork required to be submitted prior to payment shall be driver's logs required by the DOT and those documents necessary for the Carrier to secure payment from the shipper. Contractor is required, but not as a precondition of payment, to submit driver's tickets, trip sheets, driver's vehicle condition reports and copies of fuel invoices for all fuel purchased on the road. While submission of such documents is not a precondition to payment, failure to furnish Carrier with these documents will constitute a material breach of this contract. Carrier may require the submission of additional documents but not as a prerequisite to payment. All submissions to the Carrier should be sent to: Evans Delivery Company, Inc., P.O. Box 268, Pottsville, PA. 17901.

5. AVAILABILITY OF RECORDS

Where Contractor is paid a percentage of revenue, Carrier shall, at the request of Contractor, provide Contractor with a copy of the rated freight bill or a computer-generated document that contains the same information, or, in the case of contract carriage, any other form of documentation actually used for a shipment containing the same information that would appear on a rated freight bill before or at the time of settlement. Contractor shall have the right, upon reasonable notice, to examine copies of Carrier's tariff and/or other contracts or documents, if any, as necessary to verify rates and charges, and documents underlying any computer-generated document, at Carrier's main headquarters during normal business hours. Contractor is entitled to examine only those portions of the contract containing the same information as would appear on a rated freight bill. Contractor's right herein is subject to the Carrier's right to delete all confidential information, including the names of shippers and consignees shown on the freight bill or other form of documentation. All information from Carrier's documents examined pursuant to this Subsection shall be considered "Confidential Matters" protected from unauthorized disclosure by Section 27 of this Agreement.

6. POSSESSION, CONTROL AND USE

6(a). Exclusive Possession and Responsibility. As required by Title 49, Code of Federal Regulations Part 376, this Agreement recites, and the parties agree, that Carrier, except for sublease trips described at Section 8 of this Agreement, shall have exclusive possession, use, and control of the Equipment to the extent required by such regulations during the term of this Agreement and that Carrier assumes complete responsibility for the operation of the Equipment for the term of this Agreement. This subparagraph is set forth solely to conform with DOT regulations and shall not be used for any other purposes, including any attempt to classify Contractor as an employee of Carrier. Nothing in the provisions required by 49 C.F.R. § 376.12(c)(1) is intended to affect whether Contractor or its drivers are an independent contractor or an employee of Carrier. As provided by 49 C.F.R. § 376.12(c)(4), "an independent contractor relationship may exist when a carrier complies with 49 U.S.C. § 14102 and attendant administrative requirements."

6(b). Use of Carrier's Trailer. For every trailer, chassis, or other trailing equipment provided by Carrier for Contractor's use ("Carrier's Trailer"), the following provisions apply:

6(b)(1). *Carrier's Responsibilities*. Carrier shall be responsible for all expenses relating to regular maintenance of axles, brakes, and other electrical and mechanical systems.

6(b)(2). *Contractor's Responsibilities While Using Carrier's Trailer*. Contractor shall, while using or otherwise in possession of Carrier's Trailer, be responsible for daily pre-trip and post-trip inspections; proper inflation of tires; promptly informing Carrier upon experiencing defective or mal-performing tires, brakes, or other electrical or mechanical features of Carrier's Trailer; and, at Contractor's expense, all repairs of all damage to Carrier's Trailer and Carrier's Trailer's tires. Contractor hereby authorizes Carrier to deduct or otherwise recover all costs and expenses described in this Section pursuant to Section 22(a) of this Agreement. All trailer repairs and maintenance shall be performed at facilities designated or approved by Carrier.



6(b)(3). *Contractor's Return of Carrier's Trailer.* Contractor agrees to return any Carrier's Trailer in the same good condition as received by Contractor, reasonable wear and tear excepted, along with any and all other equipment and property belonging to Carrier immediately upon Carrier's request or upon termination of this Agreement. If, at the time of return, Carrier's Trailer is not in as good as condition as when it was provided to Contractor by Carrier, Contractor hereby authorizes Carrier to restore Carrier's Trailer to proper condition and to charge back to Contractor the costs of these repairs or reconditioning consistent with Section 22(a) of this Agreement. If Contractor, for any reason, fails to return Carrier's Trailer consistent with the terms of this provision, Contractor agrees to reimburse Carrier for all reasonable expense, including attorneys' fees, incurred by Carrier in recovery of Carrier's Trailer. Contractor agrees and warrants that Carrier's Trailers will be used by Contractor and Contractor's drivers to transport only shipments tendered to Contractor by Carrier.

7. CONTRACTOR EQUIPMENT

Contractor represents and warrants that the Equipment is in good repair and operating condition, that it meets all applicable federal, state, local, and foreign requirements, and that it is in all respects fit and serviceable for the use intended under this Agreement. Upon taking possession of the Equipment from Contractor, Carrier shall furnish to Contractor a receipt for equipment, in the form attached to this Agreement, which shall constitute the receipt required by 49 C.F.R. § 376.11(b). Contractor shall be free to substitute a different vehicle for the one constituting the Equipment if each of the requirements set forth in this Section 7 are met with respect to such different vehicle and Carrier furnishes Contractor with a new receipt covering the vehicle. The substitute vehicle shall constitute the Equipment and be covered as such by this Agreement.

8. SUBLEASES AND OTHER ALTERNATIVE USES OF EQUIPMENT

Contractor is not prohibited from providing transportation services for other common or contract carriers or any other person or entity, provided that Contractor complies with the trip lease requirements set forth under federal law in 49 C.F.R. § 376.12(c)(2) and completes a "Trip Sublease Information Sheet" in the form designated by Carrier. Because of the limitations of 49 C.F.R. §§ 376.12(c)(1) and (2), Contractor may not enter into any subleases without the prior written approval of Carrier. Carrier assumes no responsibility for the collection of freight charges or payment to Contractor for any trip-lease or subcontract related revenue.

9. ACCIDENT REPORTING

As required by 49 CFR 382.303, in certain cases Contractor must submit to alcohol testing within two hours of the accident and/or drug testing within thirty-two hours of the accident. So Carrier may determine whether alcohol and/or drug testing is required, Contractor shall immediately report to the Carrier any and all crashes, collisions and/or accidents, involving property damage, bodily injury and/or cargo damage or loss ("Accident"). If an Accident is not immediately reported to the Carrier, the Contractor by his actions of not reporting the Accident (1) shall risk disqualification of Contractor's driver (including Contractor, if a driver) and termination of this Agreement and **(2) shall, not subject to the indemnification limits set forth at Section 14, indemnify and hold Carrier harmless from any and all involved costs resulting from the Accident.** Contractor and Contractor's drivers shall cooperate fully with Carrier with respect to any legal action, regulatory hearing or other similar proceeding arising from the operation of the Equipment, the relationship created by this Agreement or the services performed hereunder.

10. CARGO CLAIMS

Contractor shall immediately report all incidents of loss or damage to cargo, including all shortages, overages or other exceptions to the cargo, to Carrier. **Contractor shall be liable for, and Carrier shall charge back to Contractor consistent with Section 22(a) of this Agreement and subject to the limit, if any, set forth in Section 14(b),** all Carrier damages arising from each cargo claim, including but not limited to, delay, shortages, misdelivery, and any direct damage claim relating to lost, damaged or contaminated loads, arising out of, or in connection with Contractor's services.

11. COMPLIANCE WITH LEGAL AND CUSTOMER REQUIREMENTS

Contractor recognizes that Carrier's separate and distinct business of providing motor carrier freight transportation service to the public is subject to the requirements of Carrier's customers and to regulation



by the federal government acting through DOT, and by various other federal, state, local, and foreign authorities. Contractor hereby warrants that s/he and, if applicable, Contractor's employees possess a full and complete understanding and knowledge of the applicable requirements of all these authorities, including but not limited to DOT (including FMCSA's CSA Program), state, provincial, or local highway safety, vehicle inspection, vehicle maintenance, traffic, road, truck size-and-weight, hazardous materials transportation, cargo security, or other laws and regulations ("Applicable Law"), and of all customer requirements provided to Contractor. Contractor shall adhere to the following provisions of this Agreement to aid Carrier in discharging Carrier's legal duties and customer-service responsibilities:

11(a). Drivers. Nobody, whether Contractor or Contractor's driver, shall operate the Equipment until that person is first qualified by Carrier. Contractor shall provide competent professional drivers who meet Carrier's minimum driver qualification standards, all driver standards found in the Federal Motor Carrier Safety Regulations, and any other Applicable Law. Carrier shall have the right to disqualify any driver (including Contractor) provided by Contractor if the driver is found to be unsafe, unqualified, unfit, uninsurable, or marginal, pursuant to federal or state law or the criteria established by the FMCSA's CSA Driver Information Resource System, in violation of Carrier's minimum qualification standards, or in violation of any requirements of Carrier's customers, as all amended from time to time. Upon a driver's disqualification by Carrier, Contractor shall be free, at any time during this Agreement, to hire a substitute or additional driver or drivers, who, upon being declared qualified by Carrier under the above minimum driver qualification standards, may begin operating under Contractor's direction and control in performing some or all of Contractor's obligations under this Agreement.

11(b). Additional Obligations of Drivers. For security purposes and to meet customer requirements, when Contractor or its driver(s) picks up shipments on other than flatbed equipment, seals shall be affixed onto trailer doors and seal numbers shall be recorded on all shipping documents, including the shipper's copy of the bill of lading. Contractor and, where applicable, Contractor's driver shall not break any trailer seal(s) without first having the consignee verify the seal's number and integrity. When signing as receiving lading, drivers shall make certain the shipment is complete, and there are no shortages. Drivers should sign only for what they can visually observe as receiving. Contractor shall be responsible for the number of pieces listed on the bill of lading or such other number count as is signed for by Contractor or its driver(s). Contractor shall notify Carrier upon delivery of each shipment.

11(c). Customer Requirements. Contractor shall adhere to and perform, with respect to each shipment offered by Carrier under this Agreement, all service standards and other requirements of Carrier's customers that may reasonably be adhered to and performed without violating Applicable Law or other Carrier policies and procedures or endangering the public, Contractor's driver, and/or the property being transported.

12. OBLIGATION UPON LEASE CANCELLATION

Within five (5) business days of the cancellation of this Agreement, regardless of how such cancellation occurs, Contractor shall return to Carrier any and all bills of lading and other forms, advertising materials, and literature obtained by Contractor through or furnished by Carrier, stamps, permits, cards, licenses, Carrier's Trailers, load securement equipment, freight, registration plates or papers obtained by or on behalf of Carrier in furtherance of the operation of Contractor's vehicles in the business of Carrier ("Carrier's Property"). At the time of return, Contractor must pay Carrier all amounts Contractor owes Carrier at that time under this Agreement. Contractor hereby authorizes Carrier to deduct or otherwise recover all these amounts pursuant to Section 22(a) of this Agreement. Contractor is responsible, upon cancellation of this Agreement, for the immediate removal from the Equipment and return to Carrier of any and all identification devices, placards, or other means by which Contractor's Equipment has been identified as being operated in the service of Carrier. In the event Carrier's identification has been permanently affixed to Contractor's Equipment, proof that such identification has been obliterated is required. In the event Carrier's identification devices have been lost or stolen, an affidavit, signed and notarized to that effect, and identifying the circumstances of the loss or theft shall be provided to Carrier by Contractor. Carrier may withhold final settlement until any and all of Carrier's identification devices are returned by Contractor to Carrier or a letter certifying that Carrier's identification devices were either stolen and/or lost has been provided by Contractor to the Carrier. All warranties, indemnifications and hold harmless provisions of this Agreement by Contractor in favor of Carrier shall survive termination of this Agreement, and shall remain in full force and effect until such time as all documents, placards, plates, identification devices, licenses and



all other items identified in this paragraph are returned to, and are in the possession of Carrier, and until all terms, conditions and obligations of the Contractor as included in this paragraph are satisfied.

If Contractor fails to comply with this Section 12, Contractor shall pay Carrier all expenses incurred by Carrier in returning Carrier's Property to good operating condition and in seeking the return of Carrier's Property, including reasonable attorney fees and collection costs, and Carrier may pursue all other remedies allowed by law or authorized in this Agreement against Contractor.

If, in Carrier's judgment, Contractor has subjected Carrier to liability because of Contractor's acts or omissions relating to a shipment, including the failure to complete delivery of a shipment or the abandonment of Carrier's Trailer(s), or if other reasonable evidence shows that the Contractor has violated this Agreement, Carrier may take possession of the commodities being transported by Contractor and complete such transportation. Contractor shall reimburse Carrier for any and all costs, expenses or damages incurred by the Carrier as a result of Carrier's taking possession of the commodities and completing the transportation and/or receiving abandoned trailer and/or cargo.

13. ATTORNEY'S FEES

In the event it becomes necessary for Carrier to retain an attorney to enforce any of this Agreement's terms, Contractor shall pay to Carrier all reasonable attorneys' fees that it may incur.

14. INDEMNITY AND HOLD HARMLESS

14(a). In General. Contractor agrees to defend, indemnify and hold harmless Carrier and Carrier's affiliates, subsidiaries, officers, agents, and employees from any direct, indirect and consequential loss, damage, delay, fine, expense, including reasonable attorney's fees, litigation action, claim for injury to persons, including death, damage to property, cargo loss or damage, damage to Carrier's Trailer, or other expense which Carrier may incur arising out of or in connection with Contractor's (including Contractor's agents' or employees') negligence, gross negligence, willful misconduct, breach of this Agreement, or other culpable acts or omissions (together, "Carrier Damages"). This provision shall remain in full force and effect both during and after the termination of this Agreement. CONTRACTOR hereby authorizes CARRIER to deduct or otherwise recover pursuant to this Agreement any amounts due CARRIER under this Section 14.

14(b). Indemnity Limits. With respect to any claim of Carrier Damages under Subsection (a) of this Section, Contractor's indemnity obligation under Subsection (a) of this Section shall be limited to paying Carrier up to one thousand dollars (\$1,000) of the total amount Carrier paid or otherwise incurred per occurrence.

14(c). The indemnity limit set forth at section 14(b) shall not apply to any loss or damage (i) caused by Contractor's gross negligence and/or intentional acts or (ii) resulting from accidents or other causes whenever the Equipment is not being operated on behalf of Carrier. In the event Contractor's indemnity obligations are not limited by section 14(b), Contractor shall hold Carrier harmless and indemnify Carrier for any damage (including attorneys' fees).

15. INSURANCE

The respective obligations of the parties shall be as set forth in Exhibit E (Insurance and Allocation of Liability). Carrier shall maintain public liability, property damage and cargo insurance in such amounts as are required by the DOT and applicable state regulatory agencies. Carrier shall maintain, at Carrier's expense, insurance coverage for the protection of the public (meaning, throughout this Agreement, bodily-injury-property damage coverage and environment-restoration coverage), and cargo loss-and-damage insurance for the Equipment at all times while the Equipment is being operated on behalf of Carrier, pursuant to FMCSA regulations (49 C.F.R. Part 387) and applicable state laws. Carrier shall also maintain physical-damage liability insurance coverage on Carrier's Trailers (but not Contractor's trailers). Carrier's public liability insurance policy, trailer physical-damage insurance policy, and cargo insurance policy do not list Contractor, either by class or individually, as an additional insured. Accordingly, if Contractor wishes to insure himself/herself against bodily-injury, property-damage, environmental-restoration, and cargo claims asserted directly against Contractor by an injured third party, Contractor shall purchase and maintain his/her own insurance policies covering such claims. In addition, Carrier's possession of legally required insurance



shall in no way restrict Carrier's right of indemnification against Contractor as provided for in Section 14 and elsewhere in this Agreement.

16. ESCROW FUND

Contractor authorizes Carrier to establish and administer an escrow fund in accordance with the provisions of Exhibit C titled "Escrow Fund".

17. MAINTENANCE ACCOUNT

Carrier makes a maintenance account available to Contractor. Participation in the maintenance account is completely voluntary. Money deposited by Contractor into a maintenance account is held in a non-interest bearing account. If Contractor chooses to participate in the maintenance account, Contractor shall initial Option 2 of Exhibit F of this Agreement.

18. LICENSE; TAXES; FINES

18(a). Base Plates. Contractor shall obtain, and properly display on the Equipment, the license base plates necessary to operate the Equipment lawfully on Carrier's behalf. If Contractor chooses to rent from Carrier a base plate and have Carrier deduct the expense from Contractor's settlement compensation (with an administrative fee to Carrier), Contractor shall so indicate by initialing Option 2 of Section 1(a) of Exhibit D (Contractor Election Form). Otherwise, Contractor shall initial Option 1 of Section 1(a) of Exhibit D.

18(b). Fines and Penalties. **Not subject to the indemnity limits of Section 14(b) of this Agreement, Contractor shall be solely liable for, and agrees to pay, all other charges including charges for tolls and ferries and fines or penalties – whether naming Contractor, Carrier, or both and including but not limited to parking, traffic, or driver logbook violation fines and penalties – imposed for violation of any federal, state, or municipal laws, ordinances, rules, or regulations resulting from the acts of omissions of Contractor or its employees.** Contractor authorizes Carrier to deduct or otherwise recover all such amounts pursuant to Section 22(a) of this Agreement.

18(c). Overweight and Oversized Shipments. Contractor shall have the duty to determine that all shipments are in compliance with the size and weight laws of the states, provinces, and localities in which or through which the Equipment will travel and to notify Carrier if the vehicle is overweight, oversized, or in need of permits before commencing the haul. Except when the violation results from the acts or omissions of Contractor, Carrier agrees to assume the costs of fines for overweight and oversize trailers when the trailers are preloaded, sealed, or the load is containerized, or when the trailer or loading is otherwise outside the Contractor's control and agrees to reimburse Contractor only for the costs of such fines, provided however, when Contractor is directed by Carrier to ascertain whether the vehicle does not exceed weight or size limitations and Contractor neglects to follow instructions, Carrier shall not reimburse Contractor for such fines. Contractor authorizes Carrier to deduct or otherwise recover any and all such amounts pursuant to Section 22(a) of this Agreement.

18(d). Fuel and Mileage Tax Reporting. See Exhibit D titled "Contractor Election Form".

19. EXPENSES

19(a). Operating Expenses – In General. Contractor shall, at Contractor's expense, provide the Equipment in a fully roadworthy condition, including the necessary licenses, permits, cab cards, and state base plates, and shall furnish all lubricants, fuel, tires (including changing or repairing tires), and other parts, supplies, equipment, and repairs necessary or required for the safe and efficient operation and maintenance of the Equipment. Contractor shall pay all expenses incident to the operation of the Equipment, including, but not limited to, empty mileage, lumper expenses, highway use taxes, weight taxes, state property or indefinite situs taxes, registration fees, base plates, and licenses (and any unused portions of the fees, plates, or licenses), permits of all types, ferry, bridge, tunnel, and road tolls, detention and accessorial charges not collected by Carrier because of Contractor's failure to provide the required documentation, and wages and other remuneration of drivers, drivers' helpers, and other personnel engaged by Contractor, workers' compensation insurance, unemployment insurance, payroll taxes, and employee benefits for these personnel. In the event Carrier advances the cost of any expenses for which Contractor is responsible



under this Section 19(a), Contractor authorizes Carrier to deduct or otherwise recover any and all such amounts pursuant to Section 22(a) of this Agreement.

19(b). Maintenance and Inspection. Contractor, at Contractor's expense, shall equip and maintain the Equipment in safe condition and in complete compliance with all laws and regulations of the states in which Contractor operates and the DOT. In order to ensure compliance with all DOT regulations, Contractor shall, at Contractor's expense, at the start of this Agreement, make the Equipment available for a full DOT inspection pursuant to 49 C.F.R. § 396.17 at a maintenance facility approved by Carrier, and shall have any necessary maintenance or repairs done at Contractor's expense. Thereafter and during the course of this Agreement, Contractor shall have a full DOT inspection performed annually in accordance with 49 C.F.R. § 396.17.

20. CARRIER'S ADVANCE CARDS

Carrier's advance cards may be issued by Carrier upon Contractor's request. Contractor shall be solely responsible for all costs and expenses associated with the use of any issued Carrier advance card. Contractor hereby agrees that any such cost or expense shall be deducted by Carrier from the amount of Contractor's Settlement Compensation and authorizes Carrier to deduct or otherwise recover all these amounts pursuant to Section 22(a) of this Agreement.

21. CONTRACTOR NOT REQUIRED TO PURCHASE PRODUCTS, EQUIPMENT, OR SERVICES FROM CARRIER

Carrier shall not require Contractor to purchase or rent any products, equipment or services from Carrier.

22. CHARGE-BACKS

22(a). Deductions Table. Carrier shall deduct from Contractor's compensation at the time of payment to or settlement with Contractor, any liability or expense Carrier has incurred or paid that, under this Agreement or any addendum to this Agreement, Contractor is obligated to bear, resulting in a net amount, if any, to be remitted to Contractor ("Settlement Compensation"). Such expenses shall be deducted from the amount of Contractor's settlement compensation and shall include those expenses set forth in Exhibit B (Contractor Compensation Rates) of this Agreement. Contractor shall, immediately after each settlement, pay Carrier any net amount Contractor continues to owe Carrier following the making of such deductions. From time to time, Contractor may be permitted by Carrier to purchase fuel, products, or services, including repairs, that are charged to Carrier. When Contractor does so, Contractor hereby authorizes Carrier to deduct or otherwise recover from Contractor pursuant to this Section of this Agreement amounts equal to these charges plus any applicable administration fees. Contractor is never to charge any amounts to Carrier's account – or execute or endorse any negotiable instrument for or on behalf of Carrier – without Carrier's express written permission in advance, and Contractor and Carrier shall not incur or authorize any other debts in the name of the other. No deduction made by Carrier from any Settlement Compensation due Contractor where such deduction is not sufficient to satisfy the total amount due and owing Carrier shall be viewed as a compromise, settlement, discharge or full satisfaction of the amount due and owing.

22(b). Documentation. Carrier shall provide Contractor explanation of all charge backs where such explanation is necessary to verify the validity of the charge. With respect to all charge-backs and deductions, Carrier shall make available to Contractor, upon request, copies of those documents necessary to determine the validity of the charge.

23. CONTRACTOR NOT EMPLOYEE OF CARRIER

23(a). In General. It is expressly understood and agreed that Contractor is an independent contractor for the Equipment and driver services provided pursuant to this Agreement. **Contractor agrees, not subject to the limitations of Section 14 of this Agreement, to defend, indemnify and hold carrier harmless for any claims, suits, or actions, including reasonable attorney's fees in protecting carrier's interests, brought by employees, any union, the public, or state or federal agencies, arising out of the operation of the equipment or the providing of driver services under this Agreement.**



23(b). Selection of Equipment, Maintenance, and Routes. Subject only to all Applicable Law and safety considerations, it shall be the sole responsibility of Contractor to select, purchase or lease, and finance the Equipment; to decide when, where, and how maintenance and repairs are to be performed on the Equipment; and to select all routes and decide all meal, rest, and refueling stops, provided that to meet Carrier's customers' demands, Contractor agrees to make timely and safe deliveries of all loads, and also agrees to notify Carrier when delivery has been made or when delivery will be delayed for any reason.

23(c). Contractor's Workers. Subject only to all Applicable Law and safety considerations, Contractor hereby assumes full control and responsibility for the selection, training, hiring, setting of grooming and dress standards, disciplining, discharging, setting of hours, wages and salaries, providing for unemployment insurance, state and federal taxes, fringe benefits, workers' compensation (or, if Contractor prefers, occupational accident insurance where both state law allows and Carrier approves), adjustment of grievances, all acts and omissions, and all other matters relating to or arising out of Contractor's employment or use of drivers and laborers, and any and all other employees or agents of Contractor that Contractor may provide or use to perform any aspect of this Agreement. No person Contractor may engage shall be considered Carrier's employee. Contractor shall be solely responsible for complying with any and all state and federal laws, rules and regulations that may be applicable to the terms and conditions of employment of Contractor's employees or applicants for employment, including, without limitation, compliance with the Federal Fair Credit Reporting Act; verification of immigration and naturalization status; proof of proper taxpayer identification number; proof of highway use tax being currently paid when the Contractor purchases its license; proof of payment of income; unemployment; Medicare and other state and federal payroll taxes; and, other required withholdings for Contractor's employees.

23(d). Carrier's Filing of Form 1099s. As required by law, Carrier, itself or through an agent, agrees to file information tax returns (Form 1099) with the Internal revenue Service on behalf of Contractor if Contractor is paid more than the statutory amount in compensation during a calendar year.

24. ADDITIONAL LIABILITY OF CONTRACTOR

If, for any reason, Contractor shall fail to complete the transportation of shipments in transit (including Contractor's dropping a load at a facility Carrier operates or utilizes rather than at the consignee's location), or abandons such shipments, or otherwise subjects Carrier for liability to shippers, consignees or governmental agencies, Contractor expressly agrees that Carrier shall have the right to complete performance of the transportation contract, using the Equipment of Contractor or other equipment, and then hold Contractor liable for the cost thereof, and for any other damages. Contractor hereby waives any recourse against Carrier for such action, and agrees to reimburse Carrier for any expenses arising out of the completion of such a trip, and to pay to Carrier any damages for which Carrier may be liable to shipper or consignee arising out of such breach of contract by Contractor.

25. PRIOR AGREEMENTS

Contractor and Carrier agree that this Agreement cancels all prior Agreements, that no oral agreement or understanding of any kind or character has been, or is entered into, other than as set forth herein, that all representations, agreements, and understandings between the parties hereto are incorporated into this Agreement, and that no operating plan, method or custom shall in any way or manner vary or change the terms hereof.

26. NOTICES

All notices required or permitted by this Agreement shall be in writing (unless permitted elsewhere in this Agreement to be oral) and shall be deemed to have been fully given (a) upon delivery if delivered in person, by facsimile transmission, or, if Contractor provides an email address in the signature portion of this Agreement, by the electronic means there specified; (b) on the next business day after being deposited with an overnight delivery company with the express charges prepaid; or (c) on the date indicated on the return receipt, or if there is no receipt, on the third business day after being deposited in the United States Mail with first-class postage prepaid. Carrier and Contractor shall be under a continuing duty to provide a correct address and telephone number to the other party, and Carrier and Contractor (if the latter provides a fax number and/or email address) to provide a correct fax number and/or email address to the other. Notice of an address, telephone-number, fax-number or email address change shall be given in writing.



27. CONFIDENTIALITY

Contractor hereby recognizes and acknowledges that any list of Carrier's customers, as it may exist now or from time to time, is a valuable, special and unique asset of the business of Carrier. Contractor agrees, during and after the term of this Agreement, not to disclose the list of Carrier's customers or any part thereof to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever without Carrier's prior written consent. Contractor agrees to preserve as "Confidential Matters", all trade secrets, know how and information relating to Carrier's business, forms, processes, developments, sales and promotional systems, prices and operations, which information may be obtained from tariffs, contracts, freight bills, letters, reports, disclosures, reproductions, books, records, or other contractors, and other sources of any kind resulting from this Agreement. Contractor agrees to regard such Confidential Matters as the sole property of Carrier, and shall not publish, disclose or disseminate the same to others without the written consent of Carrier. In the event of any breach or threatened breach by Contractor of the provisions of this paragraph, Carrier shall be entitled to an injunction, restraining Contractor from disclosing, in whole or in part, the list of Carrier's customers, and all other Confidential Matters. Contractor agrees that Carrier will be irreparably damaged in the event of any breach of this provision by Contractor. Accordingly, in addition to any other legal or equitable remedies that may be available to Carrier, Contractor agrees that Carrier will be able to seek and obtain immediate injunctive relief in the form of a temporary restraining order without notice, preliminary injunction, or permanent injunction against Contractor to enforce this confidentiality provision. Carrier shall not be required to post any bond or other security and shall not be required to demonstrate any actual injury or damage to obtain injunctive relief from the courts. Nothing hereunder shall be construed as prohibiting Carrier from pursuing any remedies available to Carrier at law or in equity for such breach, including the recovery of monetary damages from Contractor.

28. FORM

The subject headings of the sections and subsections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. References in this Agreement to Contractor as "it" and "its" shall be read as "he/she," "him/her," and "his/hers," respectively, if Contractor is a natural person, rather than a corporation, limited liability company, partnership, or other entity. All dollar amounts specified in this Agreement are based on U.S. Dollars. All references to "days" mean calendar days. This Agreement may be executed in counterparts. Original, faxed, or otherwise-imaged signatures shall be equally valid, as shall assent by the electronic means specified in Exhibit F (Consent to Conduct Business Using Electronic Methods) of this Agreement if both parties have signed that exhibit.

29. VALIDITY

If any of the provisions herein become invalid, or are declared invalid, such determination of invalidity as to those provisions shall not affect the other provisions of this Agreement.

30. EXECUTION

This Equipment and Hauling Agreement is executed in triplicate and each copy shall have the force and effect of an original, with Carrier maintaining a copy, Contractor maintaining a copy and Contractor placing a copy of an executed certificate as required under Title 49, Code of Federal Regulations, Part 376.11 in the leased tractor(s) at all times during the term hereof.

31. WAIVER

The waiver by Carrier of any breach of this Agreement by Contractor shall not constitute a waiver of any subsequent breach by Contractor. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provisions whether or not similar. No waiver shall be deemed effective or binding upon either party unless executed in writing by the party making the waiver. The failure or refusal of either party to insist upon the strict performance of any provision of this Agreement or to exercise any right in any one or more instances or circumstances shall not be construed as a waiver or relinquishment of the provision or right, nor shall the failure or refusal be deemed a customary practice contrary to the provision or right. The rights and remedies of Carrier under this Agreement or under Applicable Law shall be cumulative, and the exercise of any of them shall not be exclusive of any other right or remedy provided by this Agreement or allowed under Applicable Law.



32. COMPLETE AGREEMENT

32(a). Complete Agreement. This Agreement (including the Exhibits and any addendums) shall constitute the entire agreement between Carrier and Contractor pertaining to the subject matter contained herein and fully replaces and supersedes all prior and contemporaneous agreements, representations, and understandings, except as provided in Subsection (b) of this Section.

32(b). Credits and Debits Under Previous Agreement Between Parties. Any Contractor escrow fund balances under any written agreement between the Parties that this Agreement replaces shall be credited to Contractor's Escrow Fund under this Agreement. All compensation and other amounts due Contractor from Carrier, and all advances and other amounts due Carrier from Contractor, pursuant to the predecessor agreement, shall remain due and payable. The amounts of compensation for trips started, and the amounts of advances and other amounts due Carrier, before the effective date of this Agreement shall be determined under the predecessor agreement; the payment procedures shall be determined under this Agreement; and the payment timing shall be determined under the predecessor agreement or this Agreement, whichever requires payment earlier.

[THIS SECTION INTENTIONALLY LEFT BLANK]



33. APPLICATION OF LAW

This is a Pennsylvania contract and shall be construed in accordance with the laws of the United States and the State of Pennsylvania, without regard to the choice-of-law rules of that State or any other jurisdiction. THE PARTIES AGREE THAT ANY CLAIM OR DISPUTE ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT OR OTHERWISE WITH RESPECT TO THE OVERALL RELATIONSHIP BETWEEN THE PARTIES, WHETHER UNDER FEDERAL, STATE, LOCAL, OR FOREIGN LAW (INCLUDING BUT NOT LIMITED TO 49 C.F.R. PART 376), SHALL BE LITIGATED IN THE STATE OR FEDERAL COURTS SERVING SCHUYLKILL HAVEN, PENNSYLVANIA. FOR THAT PURPOSE, CARRIER AND CONTRACTOR HEREBY AGREE TO SUBMIT TO THE VENUE AND JURISDICTION OF SUCH COURTS.

IN WITNESS WHEREOF, the parties have executed this Equipment and Hauling Agreement. This Agreement shall begin on the later of the two dates in the signature block below.

CARRIER: EVANS DELIVERY COMPANY, INC.

CONTRACTOR: _____

- Check one:
- Corporation
 - Limited Liability Company
 - Partnership
 - Sole Proprietorship

Organized in State of: _____

With Employer ID No.: _____

By: _____
Signature

By: _____
Signature

Authorized Rep.'s Name (Typed or Printed)

Authorized Rep.'s Name (Typed or Printed)

Title

Title

Date

Address (Street, P.O. Box)

City, State & Zip Code

Mobile Telephone Number

Fax Number

Email Address

Date

EXHIBIT A



REPORT OF VEHICLE RECEIPT

Make _____ Year _____ Model _____ Serial No. _____

Type: Tractor _____ Trailer **NOT APPLICABLE** Semi-Trailer _____

License Plate: # _____ State _____ Unit # _____

Owner's Name _____

Indicate in the proper column the result of the inspection of each item listed:

ITEM	OK	DEFECTIVE	REPAIRED	DESCRIPTION OF DEFECT / REPAIRS
Body				
Brakes				
Cooling System				
Drive Line				
Emergency Equip				
Engine				
Exhaust				
Fuel System				
Glass				
Horn				
Leaks				
Lights (specify which)				
Mudflaps				
Reflectors				
Speedometer				
Springs				
Steerings				
Tires				
Wheels				
Wipers				

Comments / Any other items requiring attention

I hereby certify that on the _____ day of _____, 20____, I carefully inspected the Equipment described above and that this is a correct report of such inspection. Under proper authority of the Carrier named above I have taken possession of this Equipment at ___AM___PM on this date.

(Signature of Person Authorized to Inspect) _____

In lieu of Carrier completing an inspection of the Equipment, see attached current DOT inspection that was completed in accordance with Section 19(b) of this Agreement.

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____



EXHIBIT B

CONTRACTOR COMPENSATION RATES

Agent Code: _____

Revenue Payable to Contractor:

Type of Load	Description	Method of Compensation
Percentage Loads		% of Freight Revenue
Percentage Loads		%
Percentage Loads		%
Mileage Loads		\$ Per Mile
Mileage Loads		\$ Per Mile
Mileage Loads		\$ Per Mile
Scheduled Loads	Flat Rate or Trip Rate Loads	See Schedule
Accessorial Services	Detention	
Accessorial Services	Stop-Off	
Accessorial Services		
Accessorial Services		
Accessorial Services		

PERCENTAGE OF FREIGHT REVENUE: All of Carrier’s freight bills to its customers include an insurance surcharge of one and one half percent (1 ½ %) of total freight revenue billed. Freight revenue, as used in this Agreement, shall not include any detention, fuel surcharge, or other accessorial billed by Carrier to its customer. Carrier uses the total of the one and one half percent (1 ½ %) surcharge to offset its operational costs, including Carrier’s purchase of insurance policies as required by Section 15 of this Agreement and 49 CFR § 376.12(j). Contractor agrees and understands that the proceeds associated with the one and one half percent (1 ½ %) surcharge are in no event used to purchase insurance which names Contractor and/or Contractor’s employees, agents, drivers, or laborers as additional named insured(s). Contractor further agrees and understands that, to the extent Contractor’s compensation is based on a percentage of freight revenue, that the percentage required by this Exhibit B is paid on the Carrier’s freight revenue excluding the one and one half percent (1 ½ %) insurance surcharge.

CONTRACTOR MUST INITIAL

SCHEDULED LOADS: It is understood and agreed that, from time-to-time, Contractor and Carrier will make an oral agreement for specific compensation for certain trips. These agreements will constitute “flat rates” or “trip rates”.

CONTRACTOR MUST INITIAL

MORE THAN ONE DRIVER ON A LOAD: Contractor recognizes that multiple drivers are occasionally used to complete a single shipment. (“Multi-Driver Move”). If, for any reason, Contractor or Contractor’s employee is not the only driver used to complete a Multi-Driver Move, Contractor expressly understands that in no event shall the sum of the amounts paid to all Contractors associated with a Multi-Driver Move exceed the percentage of Carrier’s Freight Revenue indicated above. Contract also expressly understands that compensation will be allocated fairly by Carrier among all drivers on Multi-Driver Moves and that Carrier at all times maintains sole decision making authority and discretion over what allocations are deemed to be fair.

CONTRACTOR MUST INITIAL



DETENTION: That portion of revenue representing detention charges will be paid to the Contractor only after Carrier is paid by its customer. No portion of detention charges will be paid to the Contractor where Contractor has failed to complete and return to Carrier a delivery receipt or proof of delivery document including all of the detention information called for in the delivery receipt form.

CONTRACTOR MUST INITIAL

FUEL SURCHARGE: Carrier and Contractor acknowledge that the amount of fuel surcharge will vary from customer to customer and will fluctuate from time-to-time. Accordingly, Contractor agrees that the amount of fuel surcharge will be agreed upon at the time of dispatch.

CONTRACTOR MUST INITIAL

MILEAGE CALCULATION: The practical route identified by the most recent edition of PC Miler will be used to determine miles between key point cities whenever required under this Agreement. In the event the customer mandates the number of miles to be paid, the customer's miles will prevail.

CONTRACTOR MUST INITIAL

COMPENSATION DISPUTES AND CLAIMS: All disputes with regard to compensation on specific loads must be submitted in writing to Carrier within sixty (60) days of receipt of Contractor's weekly settlement. Any disputes not received by Carrier in accordance with this paragraph shall be waived.

CONTRACTOR MUST INITIAL

CHARGEBACK ITEMS: The following items shall be charged back and deducted from Contractor's compensation or from Contractor's escrow funds in the event that Contractor's compensation is insufficient:

CHARGE-BACK OR OTHER DEDUCTION ITEM	AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION
Advance check	If Contractor requests an advance check, Carrier shall charge back the amount advanced, plus a per-transaction fee of to be determined at the time of Contractor's request (comprising both the fee charged by issuer of Carrier's advance checks and an admin. fee owed to Carrier)
Advances of Contractor's compensation loaded onto Carrier's Advance Card ("Advance Card") in accordance with Section 20 for Contractor's use	Amount Carrier advanced to Contractor (loaded onto Carrier's Advance Card) at Contractor's request, plus a per-transaction fee of no more than \$3.00 (comprising both a fee charged by issuer of Carrier's Advance Card and an admin. fee owed to Carrier) whenever Contractor elects to use the card for a purchase
Claims - Damages, losses, court costs, attorneys' fees, and other expenses (together "Carrier Damages") that Carrier pays or otherwise incurs arising out of or in connection with Contractor's negligence, gross negligence, willful misconduct, or other culpable acts or omissions	Amount Carrier paid or otherwise incurred, subject to indemnity limits set forth in Agreement § 14(b), if applicable



CHARGE-BACK OR OTHER DEDUCTION ITEM	AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION
under this Agreement § 14(a) subject to the indemnity limits set forth in Agreement § 14(b)	
Detention, accessorial, and other customer-charge revenue not collected by Carrier from Carrier's customer because of Contractor's failure to transmit to Carrier the necessary documentation supplied by the shipper or consignee	Amount Carrier was unable to collect from customer as a result of Contractor's failure to transmit to Carrier the necessary documentation supplied by the customer
Driver legal plan ("DLP")	Amount required by DLP should Contractor elect to enroll
Equipment purchase/rental	Amount as authorized by Contractor in separately signed settlement deduction authorization PLUS an administration fee due to Carrier in the amount of fifteen dollars (\$15.00) per settlement period
Escrow Fund contributions	As set forth in <u>Exhibit C</u>
Fines and penalties, including traffic tickets and related court costs, attorneys' fees, and other legal expenses, that Agreement §§ 18(b) and (c) make Contractor responsible for	Amount Carrier paid or otherwise incurred
Fuel and oil purchases that Contractor elects to make using Carrier's Advance Card	For fuel and oil purchases that Contractor elects to make from third-party fuel vendors using Carrier Advance Card, Carrier shall deduct (and show on Contractor's Settlement Statement) or otherwise recover pursuant to Agreement § 22(a) an amount computed by multiplying the number of gallons or other units purchased by a price per unit no greater than the price posted at the fuel vendor's facility. The amount deducted, if less than the posted price, is the result of a discount to Contractor that Carrier has negotiated with the fuel vendor or Card issuer. The discounted price is available only when the fuel purchase is made using Contractor's Advance Card, subject to the Advance fee (if any) described in this Deductions Table. If the fuel and oil purchases of all Carrier's contractors combined reach certain volumes and result in Carrier's receiving rebates from some fuel vendors, CARRIER shall retain such rebates as an administrative fee.
Fuel and mileage taxes and fuel tax reporting	See Agreement § 18(d) and Section 1(b)(2) of Agreement <u>Exhibit D</u>
Insurance coverages Contractor elects, via the CERTIFICATE OF INSURANCE at the end of Agreement <u>Exhibit E</u> , to have Carrier facilitate or that Carrier maintains at Carrier's initial expense because Contractor failed to provide proper evidence of the purchase or maintenance of the required coverages under Agreement Exhibit E	As set forth in <u>Exhibit E</u> . Such costs are subject to possible increases
Licensing (Base Plate) fees if Contractor elected, by so indicating in Section 1(a) of <u>Exhibit D</u> , to have Carrier pay the fees in advance	See Agreement § 18(a) and <u>Exhibit D</u>
Licensing (permit) fees under Section 1(b) of this <u>Exhibit</u>	See Agreement § 22(a) and Agreement <u>Exhibit D</u>
Loan payments if Contractor elects with Carrier's consent, to borrow an amount from Carrier to cover cost of maintenance, repairs, or other expenses	Weekly payments based on principal and interest agreed to by Contractor and Carrier



CHARGE-BACK OR OTHER DEDUCTION ITEM	AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION
Maintenance account	As set forth in <u>Exhibit F</u>
Maintenance, repairs, parts, and replacement tires for Equipment if Contractor elects, and Carrier each time agrees, to have Carrier advance funds for the purchase and charge Contractor back for it	Amount Carrier paid outside vendor. If Contractor elects to pay the outside vendor directly, using a Carrier advance check see "Advance Check" row above
Non-trucking / bobtail liability limiter program Contractor elects via the Election to Participate in Liability Limiter Program at the end of Agreement Exhibit E	As set forth in <u>Exhibit E</u> . Such costs are subject to possible increases
Operating expenses not otherwise listed in this table for which Contractor is responsible under this Agreement and regarding which Carrier receives a purchase order or invoice or is otherwise requested by Contractor to make an expenditure in the first instance	Amount Carrier paid or otherwise incurred. If Contractor elects to use a Carrier advance check to pay for an operating expense, see "Advance Check" row above
Overweight permits	Amount paid or otherwise incurred by Carrier
Performance completion charges – in general , pursuant to Agreement § 24, for Carrier's cost of completing a shipment or other assignment Contractor undertakes but does not complete for any reason (including Contractor's dropping a load at a facility Carrier operates or utilizes rather than at the consignee's location)	Amount Carrier paid or otherwise incurred pursuant to Agreement § 24. If non-completion is excusable in Carrier's reasonable judgment, compensation shall be paid to Contractor for the portion of the trip Contractor made.
Radio frequency identification (RFID) tags	Amount paid or otherwise incurred by Carrier
Termination-related expenses pursuant to Agreement § 12	Amount Carrier paid or otherwise incurred, if repairs or other services are performed by a non-Carrier vendor. If repairs are performed by Carrier, the amount Carrier incurred for parts and labor plus a mark-up, resulting in prices (which shall be provided to Contractor immediately after Carrier completes the work) competitive with other vendors in the relevant market(s)
Trailer repair, return, reconditioning, indemnification, and related expense to the extent Agreement §§ 6(b)(2) and 6(b)(3) make Contractor responsible for such expense	Amount Carrier paid or incurred

CONTRACTOR MUST INITIAL

Contractor agrees that Carrier may charge back to Contractor any other expenses or cost incurred by Carrier for which Contractor is responsible for under this Agreement or as otherwise agreed to by the parties. Contractor hereby waives any objection to any charge back item unless Contractor notifies Carrier in writing of Contractor's disagreement with such charge back within sixty (60) days of the charge back.

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____



EXHIBIT C

ESCROW FUND

The Contractor is required to deposit with Carrier the sum of \$1,500.00 per unit with a maximum of \$6,000.00 for any multi-truck owner to be maintained as an Escrow Fund. The Escrow Fund shall be held by Carrier for the purpose of ensuring compliance with the provisions of this Agreement.

The Carrier will deduct from all settlements \$50.00 per week, beginning the first week of services provided by Contractor under this Agreement, until the full amount of the escrow has been accumulated and shall deduct such amounts whenever it withdraws from such Escrow Fund. If, at any time, the escrow balance falls below the above maximum balance specified above, Contractor authorizes Carrier to deduct from Contractor's compensation at \$50.00 per week until the maximum principal amount is replenished. While the Escrow Fund is under Carrier's control, Carrier shall provide an accounting to Contractor, no less frequently than monthly, of all transactions involving the Escrow Fund by clearly indicating on individual settlement sheets the amount and description of any deduction or addition made to the Escrow Fund. In addition, upon Contractor's request, Carrier shall provide Contractor with an accounting of any transactions involving Contractor's Escrow Fund.

While the Escrow Fund is under the control of the Carrier, the Carrier shall pay interest on a quarterly basis ("interest period") beginning with receipt of the first Contractor contribution of principal. For purposes of calculating the balance in the Escrow Fund on which interest is paid, the Carrier will deduct a sum equal to the average advance made to the individual Contractor during the period of time for which the interest is paid. The interest rate shall be established on the date the interest period begins and shall be equal to the average yield on a 91-day, 13-week Treasury Bill as established in the weekly auction by the Department of Treasury.

The amounts remaining in the Escrow Fund including all interest shall be paid to the Contractor not later than forty-five (45) days after the termination of this Agreement. Carrier shall provide a final accounting to Contractor of all final deductions made from the Escrow Fund within forty-five (45) days from the date of termination of this Agreement.

Upon termination, Contractor shall complete all required paperwork, such as trip sheets, Driver's Daily Logs, and Fuel and Mileage Reports and return, to Carrier all Carrier's Property as required by Section 12 of this Agreement. Failure, by Contractor, to comply with Section 12 of this Agreement within 45 days of this Agreement's termination, shall result in a charge of \$500.00 to Contractor's Escrow Fund to offset Carrier's costs of replacing such property. At the time of the return of any monies, the Carrier may make deductions for those obligations incurred by the Contractor previously specified in the Agreement and all Agreement addendums and/or exhibits. Carrier's property must be turned in to the local terminal and Contractor must obtain a receipt. Carrier shall provide a final accounting to the Contractor of all such final deductions.

Carrier's use, or post-termination return to Contractor, of any balance in the Escrow Fund, under this Agreement alone, shall not constitute a waiver of Carrier's right to recover, through collection agencies, litigation, the right of offset, and all other available legal means, any additional amounts Contractor owes, or comes to owe, Carrier under this Agreement.

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____



EXHIBIT D

CONTRACTOR ELECTION FORM

1. **BASE PLATES, PERMITS, AND FUEL AND MILEAGE TAX REPORTING**

1(a). **Base Plates.** Contractor may elect to obtain base plate(s) required by Section 18(a) of this Agreement for Contractor's Equipment by initialing **OPTION 1**. Alternatively, Contractor may initial **OPTION 2** below and have Carrier initially pay the amount owed to the issuing jurisdiction for the plate(s), and rent the plate to Contractor as provided in Option 2 below.

_____ **OPTION 1:** Contractor shall obtain his/her own plate for Contractor's Equipment;

OR

_____ **OPTION 2:** Carrier shall obtain an apportioned plate under the International Registration Plan for Contractor's Equipment and deduct or otherwise recover pursuant to Section 22(a) of this Agreement a weekly rental fee of **\$85.00 per week** with a maximum rental payment due in a single year of **\$2,400.00**. The maximum amount will be calculated in the year beginning at the plate renewal date and may or may not coincide with the calendar year. Payments made on a prior year's plate do not count for the current year. The weekly rental fee includes an administrative charge to Contractor. **OPTION 2** is a plate rental and not a plate purchase. The plate remains the property of Carrier and must be returned upon the termination of the lease. Failure to return the rented plate to Company's corporate office or Contractor's local dispatch center within seven (7) calendar days of lease termination will result in a \$200.00 deduction from Contractor's final settlement and/or Contractor's escrow. There are no residual payments due to a Contractor upon returning the plate to Carrier.

1(b). **Permits and Fuel and Mileage Tax Reporting.** Certain governmental permits and licenses, which are the financial responsibility of Contractor under Sections 18 and 19 of this Agreement, must be maintained, to authorize Contractor to provide services to Carrier legally and fuel and mileage tax reporting must be performed under Section 18(d) of this Agreement.

1(b)(1). **Unified Carrier Registration Fee.** In 2005, Congress enacted the Unified Carrier Registration ("UCR") fee as a replacement for numerous States' Single-State Registration System ("SSRS") fees, effective with the 2007 calendar year. Carrier shall deduct or otherwise recover pursuant to Section 22(a) of this Agreement fifteen dollars (\$15.00) from Contractor's initial settlement with Carrier. Thereafter, Carrier shall deduct or otherwise recover pursuant to Section 22(a) of this Agreement fifteen dollars (\$15.00) from Contractor's first March calendar year settlement on an ongoing annual basis.

1(b)(2). **Contractor-Eligible Permits and Fuel Tax Reporting.** Under the International Fuel Tax Agreement ("IFTA"), an annual fuel tax permit must be obtained, and quarterly fuel taxes must be reported and paid to the IFTA base state, for the Equipment's operations nationwide. Contractor may, by initialing the line to the left of **OPTION 1** below, elect to obtain the IFTA permit on Contractor's own and to perform (or have a third-party vendor perform) all fuel and mileage tax reporting with respect to the Equipment, in accordance with Section 18(d) of this Agreement. Alternatively, Contractor may, by initialing the line to the left of **OPTION 2** below, elect to have Carrier obtain all these permits, and to have Carrier perform all fuel and mileage tax reporting with respect to the Equipment, in accordance with Section 18(d) of this Agreement, for the flat charge indicated.

CONTRACTOR SHOULD INITIAL ONE OF THE FOLLOWING TWO OPTIONS:

_____ **OPTION 1:** Contractor shall obtain IFTA and Contractor shall perform all fuel and mileage tax reporting, with respect to the Equipment at Contractor's expense; **OR**

_____ **OPTION 2:** Carrier shall obtain the IFTA permit and Carrier shall perform all fuel and mileage tax reporting services, with respect to the Equipment. Carrier shall deduct or otherwise recover pursuant to Section 22(a) of this Agreement **a flat charge of \$5.00 per week**, comprising the permit fees and Carrier's tax reporting **administrative fee**.



1(c). **Return of Permits.** All permits and licenses issued in Carrier's name shall be returned to Carrier upon termination of this Agreement. No refund shall be made to Contractor by Carrier of the permit costs upon termination of this Agreement, even if returned permits are reused by Carrier. Contractor shall be liable to Carrier for all expenses incurred by Carrier due to Contractor's failure to return all the permits.

2. **METHOD OF PAYMENT OF SETTLEMENT COMPENSATION.** Carrier shall pay compensation to Contractor through the following method.

CONTRACTOR SHOULD INITIAL ONLY ONE OF THESE TWO OPTIONS (on the line to the left):

_____ **OPTION 1 (Weekly Payments via Direct Deposit to Contractor's Bank Account):** Carrier shall pay Settlement Compensation (with Carrier charging no administrative fee) by making an electronic direct-deposit into Contractor's bank account in accordance with a Carrier-supplied form that Contractor shall complete; OR

_____ **OPTION 2 (Weekly Payment via Deposit to Contractor's Comdata Card):** Carrier shall pay Settlement Compensation (with Carrier charging no administrative fee) by making an electronic direct-deposit into Contractor's Comdata account in accordance with a Carrier-supplied form that Contractor shall complete.

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____



EXHIBIT E

INSURANCE AND ALLOCATION OF LIABILITY

1. **Carrier's Insurance Obligations.** It shall be Carrier's responsibility, pursuant to DOT regulations promulgated under 49 U.S.C. § 13906 and pursuant to applicable state laws, to provide public liability, property damage, and cargo liability insurance for the Equipment at all times while the Equipment is being operated on behalf of Carrier. However, Carrier's possession of such insurance shall in no way affect Carrier's rights of indemnification against Contractor as provided for in this Agreement.

2. **Contractor's Insurance Obligations.** Contractor shall maintain, at its sole cost and expense, the following minimum insurance coverages during this Agreement:

2(a). Workers' Compensation/Occupational Accident Insurance.

2(a)(1). Workers' Compensation / Occupational Accident Insurance. Contractor shall procure, carry and maintain one of the following insurance policies:

- i. Worker Compensation Insurance covering him/herself and, where applicable, Contractor's driver;
- ii. A substitute Truckers Occupational Accident Insurance policy ("Substitute Policy") that stipulates that if any Governing Body, whether Federal or State, rules that Contractor or Contractor's driver is entitled to Workers Compensation, the substitute policy will provide Workers Compensation benefits.
- iii. A Substitute Policy Provided by Carrier, the cost of which includes the price of the applicable insurance plus an administrative fee to Carrier.

In the event Contractor chooses an option other than 2(a)(1)(iii) above, the terms and limits of the insurance policy purchased by Contractor must be equal to or greater than the Substitute Policy made available by Carrier.

In the event Contractor purchases its own Workers Compensation Insurance or Substitute Policy, Contractor will furnish to the Carrier an appropriate Certificate of Insurance showing insurance coverage to comply with this Section. The Carrier shall be named an additional named insured on any Substitute Policy obtained by Contractor and shall be given thirty (30) days' notice from Contractor's Insurance Provider prior to any changes or cancellations.

2(b). Other Insurance. In addition to the insurance coverages required under this Agreement, it is Contractor's responsibility to procure, carry and maintain any fire, theft, uninsured and/or underinsured motorist, and physical damage (collision), or other insurance coverage that Contractor may desire for the Equipment or for Contractor's health care or other needs. As provided in this Agreement, Contractor holds Carrier and its affiliates, subsidiaries, officers, agents, and employees harmless with respect to loss of or damage to Contractor's Equipment, trailer, or other property, and Carrier has no responsibility to procure, carry, or maintain any insurance covering loss of or damage to Contractor's Equipment, trailer, or other property. Contractor acknowledges that Carrier may, and Contractor hereby authorizes Carrier to, waive and reject no-fault, uninsured, and underinsured motorist coverage from Carrier's insurance policies to the extent allowed under Pennsylvania law (or such other state law where the Equipment is principally garaged), and Contractor shall cooperate in the completion of all necessary documentation for such waiver, election, rejection or reduction.

3. **Non-Trucking / Bobtail Liability Limiter Program.** Contractor shall procure, carry, and maintain public liability and property damage insurance which shall provide coverage to Contractor whenever the Equipment (as well as any Carrier Trailer) is not being operated on behalf of Carrier in a combined single limit of not less than One Million Dollars (\$1,000,000) for injury or death to any person or for damages to property in any one occurrence. Such coverage shall be no less comprehensive than the coverage Carrier will facilitate on Contractor's behalf if Contractor has previously elected, by so initialing in the right-hand column below, to participate in the Non-Trucking Liability Limiter Program. In addition, such coverage shall be primary and non-



contributory to any other insurance that may be available from Carrier. Contractor shall be responsible for all deductible amounts and for any loss or damage in excess of the policy limit.

Alternatively, Contractor may choose to enroll in Carrier's Non-Trucking Liability Limiter Program. Should Contractor elect to enroll in the Non-Trucking Liability Limiter Program, Contractor's liability amount shall be limited to one-thousand Dollars (\$1,000.00) of the total amount that CARRIER paid or otherwise incurred per occurrence. The cost of participation in Carrier's Non-Trucking Liability Limiter Program includes the price of the applicable insurance coverage plus an administrative fee.

4. **Contractor's Liability If Required Coverages Are Not Maintained.** In addition to Contractor's hold harmless/indemnity obligations to Carrier under the Agreement, Contractor agrees to defend, indemnify, and hold Carrier harmless from any direct, indirect, or consequential loss, damage, fine, expense, including reasonable attorney fees, actions, claim for injury to persons, including death, and damage to property that Carrier may incur arising out of or in connection with Contractor's failure to maintain the insurance coverages required by this Agreement. In addition, Contractor, on behalf of its insurer, expressly waives all subrogation rights against Carrier, and, in the event of a subrogation action brought by Contractor's insurer, Contractor agrees to defend, indemnify, and hold Carrier harmless from such claim.

5. **Availability And Cost Of Insurance Facilitated By Carrier.** Contractor may, if it so chooses by initialing one or more boxes in the right-hand column of the attached "CERTIFICATE OF INSURANCE," authorize Carrier to facilitate, on Contractor's behalf, the insurance coverages required or made optional by this Agreement. In any such case, the cost to Contractor includes the price of the applicable insurance coverage plus an administrative fee. Should Contractor choose to purchase insurance through Carrier, Carrier shall deduct, from Contractor settlement compensation, amounts reflecting all of Carrier's expense and cost in obtaining and administering such coverage. Contractor recognizes that Carrier is not in the business of selling insurance, and any insurance coverage requested by Contractor from Carrier is subject to all of the terms, conditions, and exclusions of the actual policy issued by the insurance underwriter. Carrier shall ensure that Contractor is provided with a certificate of insurance for each insurance policy under which the Contractor has authorized Carrier to facilitate insurance coverage from the insurance underwriter, and Carrier shall provide Contractor with a copy of each policy upon request.

6. **Changes In Cost Or Other Material Details Of Coverages.** If Carrier is facilitating any insurance coverages for Contractor pursuant to Section 4 of this Exhibit and the cost to Contractor for, or other material details of, a coverage changes from the information listed in the attached "CERTIFICATE OF INSURANCE", Contractor will be so notified and be afforded an opportunity to discontinue purchasing the affected insurance through Carrier. Contractor's failure to notify Carrier of his/her decision to discontinue purchasing the affected insurance through Carrier consistent with the terms set forth in Carrier's notice to Contractor of the change shall constitute Contractor's express consent and authorization to Carrier to implement the change and modify accordingly the deductions from Contractor's settlement compensation. Carrier shall thereupon provide Contractor with a revised Certificate of Insurance, required by Section 5 of this Exhibit reflecting the change and, upon request, a copy of the corresponding insurance policy.

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____



CERTIFICATE OF INSURANCE

Contractor hereby requests Carrier, through its insurer, to facilitate on Contractor's behalf (if they are available) the insurance coverages Contractor has selected by placing Contractor's initials in the right-hand column below:

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<p>1. <u>Occupational Accident Insurance:</u></p> <p><i>Current Cost to Contractor: \$35.00 per settlement</i></p> <p><i>See policy for coverage details</i></p>	<p>_____ YES</p> <p>_____ NO</p>
<p>2. <u>Physical Damage Insurance on Equipment:</u></p> <p><i>Amount of Coverage and Current Cost to Contractor: please see physical damage insurance program enrollment form</i></p>	<p>_____ YES</p> <p>_____ NO</p>

ELECTION TO PARTICIPATE IN LIABILITY LIMITER PROGRAM

Contractor hereby elects to enroll or reject the Non-Trucking Liability Limiter Program administered by Carrier in accordance with the placement of Contractor's initials in the right hand column below:

		CONTRACTOR INITIALS_
Non-Trucking Liability / Bobtail - Section 3 above	\$8.00 per week plus \$1,000.00 per occurrence	<p>_____ YES</p> <p>_____ NO</p>

THIS EXHIBIT is agreed to by the undersigned parties as of the latest date set forth below.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____

EXHIBIT F



REQUEST FOR VOLUNTARY RECURRING WEEKLY DEDUCTION FOR NON INTEREST BEARING MAINTENANCE ACCOUNT

Contractor may elect to deposit money into a non-interest bearing maintenance account as provided by section 17. The decision of whether to deposit money into the Maintenance Account made available by Carrier is completely voluntary.

OPTION 1: Contractor chooses not to deposit any money into a maintenance account;

OR

OPTION 2: Contractor chooses to deposit money into a maintenance account in accordance with the following terms and conditions.

Amount Of \$ to be taken Each Week (1)
Must be \$50.00 to \$200.00, must be in
Increments of \$10.00

\$.00

Stop the Deductions When Total
Account Balance Reaches (2) (3)

\$.00

- (1) If the amount written in is not in equal \$10.00 increment, Carrier may round up to next highest \$10.00 increment not to exceed \$200 per week.
(2) Deductions will stop when the account balance equals the amount stated OR the first time the regularly scheduled weekly deduction amount causes the balance to first exceed the amount stated.
(3) Any time the account balance falls below the designated maximum balance (e.g. after a withdrawal is made), the COMPANY is authorized to resume weekly deductions at the weekly rate designated above.
(4) Monies owed to the COMPANY can be deducted against the account funds in the event of termination.

I am requesting that the COMPANY make weekly maintenance account deductions from my settlement and hold the funds in a non interest bearing (interest rate 0.00%) account until such time that I request the funds be disbursed to me. I understand that disbursements (1) will be made to me ONLY after I submit a request for disbursement, (2) will be made in the next company issued settlement check during normal business hours unless otherwise discussed with the settlement department.

Contractor Signature

Contractor Print Name

Date