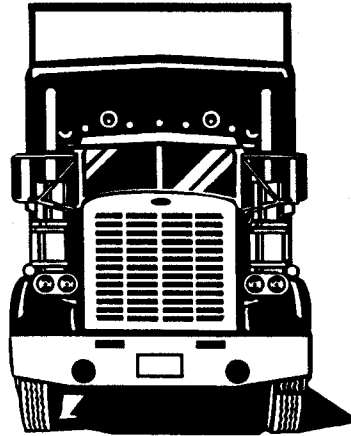


AMERICA 1 LOGISTICS, LLC

**THE FOLLOWING
PAGES ARE FOR
TRUCK OWNERS
ONLY**



**TO BE COMPLETED
AND RETURNED WITH
DRIVER APPLICATION**

EQUIPMENT QUALIFICATION PACKAGE -- 21 PAGES FOLLOW

REQUEST FOR PHYSICAL DAMAGE and/or BOBTAIL INSURANCE

(PLEASE PRINT CLEARLY)

THIS FORM MUST BE COMPLETED IN FULL

ADD

DELETE/CANCEL

CHANGE

TYPE OF INSURANCE REQUESTED (check all that apply)

BOBTAIL

PHYSICAL DAMAGE

BOBTAIL IS MANDATORY

PHYSICAL DAMAGE IS OPTIONAL*

(or provide proof of personal coverage)

EFFECTIVE DATE: _____

DATE REQUESTED: _____

COMPANY REQUESTING COVERAGE: **FREEDOM 1** AGENCY: _____

PERSON REQUESTING COVERAGE: _____ SAFETY / QUALIFICATIONS

PHONE: _____ FAX No: _____

THIS FORM MUST BE COMPLETED IN FULL

NAME OF OWNER/OPERATOR: _____

NAME OF DRIVER (if different): _____

ADDRESS: _____

CITY: _____

STATE, ZIP: _____

CELL PHONE NUMBER: _____

TRACTOR UNIT # _____

TRAILER UNIT # _____

MAKE _____

MAKE _____

YEAR _____

YEAR _____

MODEL _____

MODEL _____

SERIAL # _____

SERIAL# _____

STATED VALUE* _____

STATED VALUE* _____

- Valuation, at time of loss, is based on Stated Value or Actual Cash Value (ACV), whichever is less. Weekly rates are based upon 4% of equipment valuation divided by 52 weeks. Note: \$1,000.00 deductible applies to all claims.

TRACTOR LIEN HOLDER: _____

TRAILER LIEN HOLDER: _____

NAME _____

NAME _____

ADDRESS _____

ADDRESS _____

CITY _____

CITY _____

STATE/ZIP _____

STATE/ZIP _____

IF NO LIENHOLDER, A COPY OF THE VEHICLE TITLE MUST ACCOMPANY REQUEST.

Physical Damage @ \$ _____ per week Drivers Signature _____ Date _____

Bobtail Coverage @ \$8.00 per week Drivers Signature _____ Date _____
(non-trucking)

EQUIPMENT QUALIFICATION

PLATE REQUEST FORM

Owner Name _____ Driver Name _____
Address _____ City/State/Zip _____
Federal ID # _____ OR SSN# _____
Carrier _____ Terminal _____ Agent _____

Tractor Unit# _____	Trailer Unit # _____
Year _____ Make _____	Year _____ Make _____
VIN # _____	VIN # _____
Purchase Cost _____	Purchase Cost _____
Date of Purchase _____	Date of Purchase _____
Length _____	Length _____
Empty Wt _____	Empty Wt _____
Cabover Conventional Day Cab	Cabover Conventional Day Cab
Are Plates Needed? YES * _____ NO _____	Are Plates Needed? YES _____ NO _____
Plate # _____ State _____	Plate # _____ State _____

PERMIT DEPT.

Fuel Decal Check Off List

IN UCRA	\$ 0.00	_____
Kentucky	\$ 0.00	_____
New Mexico	\$ 6.00	_____
New York	\$ 28.50	_____
Oregon	\$ 7.50	_____ (can also purchase at port of entry)

Total cost of fuel decals \$ _____

Carrier Fleet IRP Plates are for ALL 48 States Only

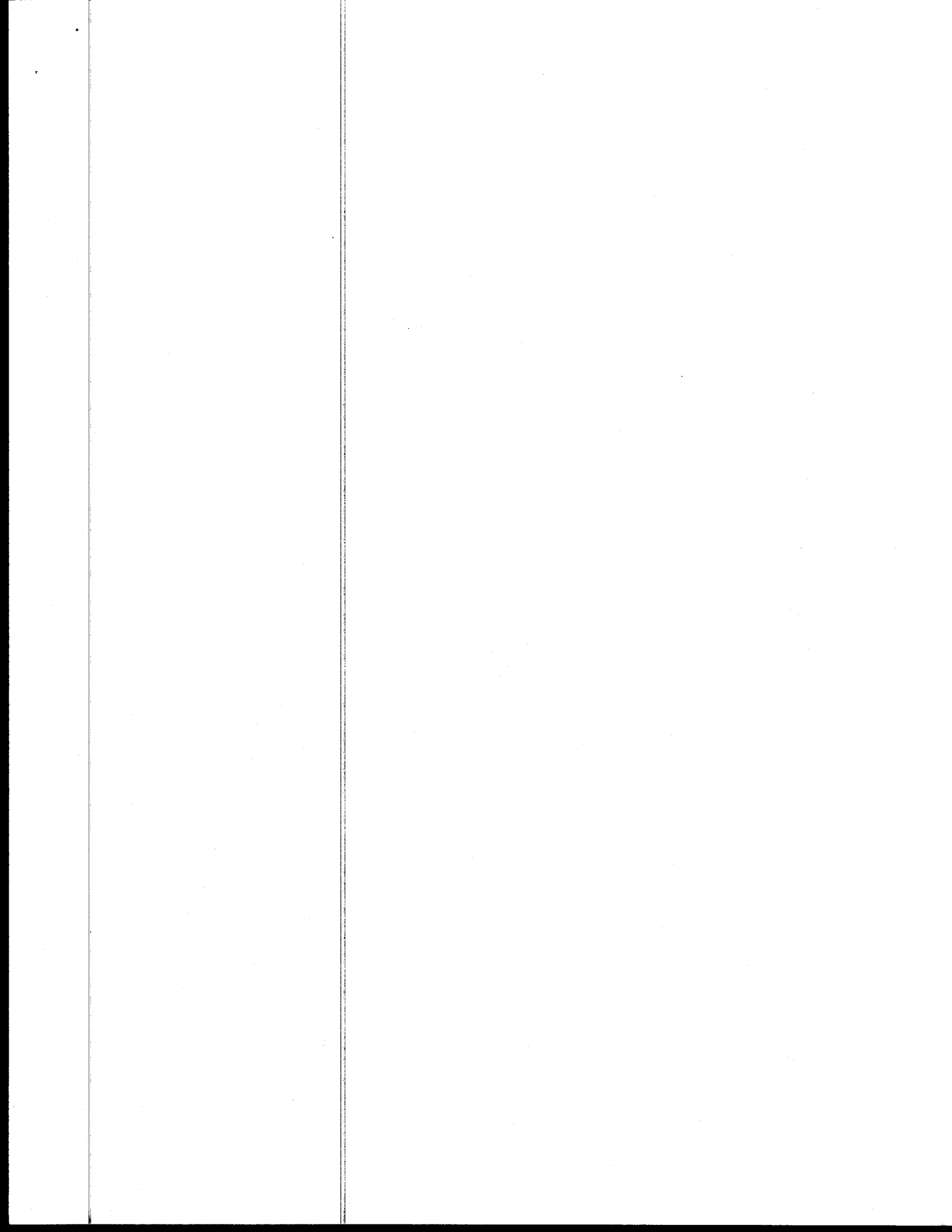
If you want FREEDOM 1 to purchase your tractor or trailer plate, please check off

____ YES, I want to purchase my tractor/trailer plates through FREEDOM 1
(please submit current Schedule of 2290 and previous plate registration)

____ NO, I will purchase my own plates

Signature of Owner/Operator: _____

EQUIPMENT QUALIFICATION



**INDEPENDENT CONTRACTOR AGREEMENT
FOR OWNER OPERATORS**

AMERICA 1 LOGISTICS, LLC ("CARRIER"), a motor carrier operating pursuant to authority issued by state and/or federal agencies, and _____, an owner operator ("INDEPENDENT CONTRACTOR"), in consideration of the covenants and agreements contained herein, enter into this Independent Contractor Agreement ("Agreement").

1. **PROVISION OF SERVICES AND EQUIPMENT.** During the time period set forth in Paragraph 2, INDEPENDENT CONTRACTOR shall provide CARRIER transportation related services and the Equipment set forth below or in an appendix ("Equipment"). INDEPENDENT CONTRACTOR represents and warrants that INDEPENDENT CONTRACTOR has title to or is authorized to contract the Equipment and services to CARRIER.

<u>Truck/Van Number</u>	<u>Year</u>	<u>Make</u>	<u>Serial Number</u>
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2. **DURATION OF AGREEMENT (49 CFR 376.12(b)).** Subject to the provisions of paragraph 5, this Agreement shall begin on the date indicated on the signature page and shall remain in effect for a period of not less than 30 days from that date, but then may be terminated in accordance with the provisions of paragraph 4; provided, however, that this Agreement may be terminated at any time in accordance with the provisions of paragraph 8.
3. **COMPENSATION (49 CFR 376.12(d)).** Subject to the provisions of paragraph 14, it is expressly understood and agreed that INDEPENDENT CONTRACTOR'S compensation shall be as set forth in Appendix A and such compensation shall constitute the total compensation for everything furnished, provided, or done by INDEPENDENT CONTRACTOR in connection with this Agreement, including driver's services. All mileage computations shall be based on PC Miler Version 16 mileage guide. If INDEPENDENT CONTRACTOR'S compensation is based on a percentage of revenue for a shipment, then, in such instances Carrier shall provide to Independent Contractor, before or at the time of settlement, a copy of the rated freight bill or a computer generated document containing 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 the related freight bill. When a computer generated document is provided, INDEPENDENT CONTRACTOR may view, during normal business hours, a copy of any actual document underlying the computer generated document.
4. **TERMINATION.** Subject to the provisions of paragraph 2, this Agreement may be terminated for any reason by giving thirty (30) days notice to that effect to the other party either personally, by mail, or by fax machine at the address or fax number shown at the end of this Agreement.
5. **INDEPENDENT CONTRACTOR'S RESPONSIBILITIES.** Contractor shall, during the term hereof, make available the Equipment to the Carrier for dispatch and shall exercise all diligent efforts to conduct his or her operation to the satisfaction of Carrier. The Contractor shall determine the means and method of the

performance of all transportation services undertaken by the Contractor under the terms of this Agreement. Carrier shall be concerned solely with the results of service provided. The Contractor has and shall retain all responsibility for:

- (a) **Compliance with Pertinent Laws and Regulations.** The Contractor shall satisfy all pertinent Federal and State regulatory requirements, subject at all times to verification of the Carrier in the following respects:
- i. INDEPENDENT CONTRACTOR shall, if applicable, provide competent drivers who meet all of the requirements of the U.S. Department of Transportation, including but not limited to, familiarity and compliance with state and federal motor carrier safety laws and regulations.
 - ii. INDEPENDENT CONTRACTOR shall carry a copy of this Agreement in the Equipment at all times and file with CARRIER, on a timely basis, all log sheets, bills of lading or other shipping receipts, physical examination certificates, accident reports, and any other DOT required data, documents, or reports.
 - iii. INDEPENDENT CONTRACTOR agrees that all bills of lading, waybills, freight bills, manifests, or other papers identifying the property carried on the Equipment during the period it is contracted shall be those of CARRIER, or as authorized by CARRIER, and shall indicate that the property transported is under the responsibility of CARRIER or a carrier subcontracted by CARRIER.
 - iv. INDEPENDENT CONTRACTOR further agrees not to receive any credit extension in CARRIER'S name or in any way to use CARRIER'S name to obtain credit, unless INDEPENDENT CONTRACTOR first receives CARRIER'S written consent to do so.
 - v. INDEPENDENT CONTRACTOR shall maintain the Equipment in a state of repair required by all applicable regulations;
 - vi. INDEPENDENT CONTRACTOR shall operate the equipment in accordance with all applicable regulations, including signage, if any.
- (b) **Security of Equipment.** INDEPENDENT CONTRACTOR agrees that he/she, or INDEPENDENT CONTRACTOR'S driver/s will not drop equipment dispatched to INDEPENDENT CONTRACTOR for delivery to CARRIER'S customers in any unsecured location, to include but not limited to, truck stops, truck repair facilities, INDEPENDENT CONTRACTOR'S or driver's home or any location that does not provide physical security and a receipt process acknowledging a chain of custody for said equipment. INDEPENDENT CONTRACTOR further agrees that he/she will obtain written permission from CARRIER to drop and/or stage equipment in any location other than the terminal from which the INDEPENDENT CONTRACTOR'S equipment is domiciled and dispatched from. In the event a claim arises from INDEPENDENT CONTRACTOR or INDEPENDENT CONTRACTOR'S driver dropping equipment in an unauthorized location, INDEPENDENT CONTRACTOR shall be responsible for the full amount of the claim to include but not limited to Liability cost for damage or loss of CARRIER'S trailer, if any, and loss of customer's goods.
- (c) **Operational Expenses (49 CFR 376.12(e)).**
- i. INDEPENDENT CONTRACTOR shall, at its sole cost and expense, provide all the Equipment ready to operate and fully roadworthy, including the necessary licenses, permits, cab cards, vehicle

identification stamps, and state base plates, and shall furnish all necessary oil, fuel, tires, and other parts, supplies and equipment necessary or required for the safe and efficient operation and maintenance of the Equipment, including repairs for the operation of such Equipment. INDEPENDENT CONTRACTOR agrees to provide CARRIER an annual inspection report of the condition of the equipment in accordance with the Federal Motor Carrier Safety Administration standards and shall pay all other expenses incident to such operation, including, but not limited to, highway use taxes, weight taxes, state property or indefinite state taxes, fuel taxes, license, permit and registration fees, ferry and toll charges, and detention and accessorial charges not collected by CARRIER because of INDEPENDENT CONTRACTOR'S failure to provide the required documentation.

- ii. Reserved.
- iii. Unless otherwise required by law, or agreement of the parties, empty mileage expense shall be borne by INDEPENDENT CONTRACTOR.
- iv. INDEPENDENT CONTRACTOR shall be responsible for maintaining, and shall maintain the Equipment in safe condition and in complete compliance with all laws and regulations of the states in which INDEPENDENT CONTRACTOR operates, the Department of Transportation, and the Federal Highway Administration.
- v. INDEPENDENT CONTRACTOR agrees to pay all fines imposed for violation of any law or regulation by the state in which INDEPENDENT CONTRACTOR operates, the Department of Transportation, or the Federal Highway Administration, where such violation results, at least partially, from the acts or omissions of INDEPENDENT CONTRACTOR, whether such fines are assessed against INDEPENDENT CONTRACTOR or CARRIER.
- vi. INDEPENDENT CONTRACTOR shall pay for and defend, indemnify and hold CARRIER harmless for any loss, damage, fines, expense (including reasonable attorney's fees), actions and claims arising out of, or in connection with, the cleaning up of any accident or any spills involving the Equipment or the INDEPENDENT CONTRACTOR'S services, to the extent such claims result from the negligence of INDEPENDENT CONTRACTOR, subject to terms and condition set forth in Appendix A.
- vii. INDEPENDENT CONTRACTOR shall be responsible for:
 - Hiring, setting the wages, hours and working conditions and adjusting the grievances of, supervising, training, disciplining, and firing all drivers, driver's helpers and other workers necessary for the performance of the INDEPENDENT CONTRACTOR'S obligations under the terms of this Agreement, which drivers, driver's helpers and other workers are and shall remain the employees of the INDEPENDENT CONTRACTOR.
 - Selecting, purchasing, financing, and maintaining the Equipment.
 - Selecting all routes.
 - Any and all of INDEPENDENT CONTRACTOR'S business performed other than under this Agreement. Contractor is free to accept or reject assignments from CARRIER.
- viii. INDEPENDENT CONTRACTOR shall retain exclusive direction and control over the method and

means of service and shall exercise all diligent efforts to conduct its operations under this Agreement to assure CARRIER and customer satisfaction.

- ix. Except when the violation results from the acts or omissions of the INDEPENDENT CONTRACTOR, CARRIER shall assume the risks and costs of fines for overweight and oversize trailers when the trailers are preloaded, sealed, or the load is containerized, or when the trailer or lading is otherwise outside of the INDEPENDENT CONTRACTOR'S control, and for improperly permitted, over-dimension and overweight loads and shall reimburse INDEPENDENT CONTRACTOR for any fines paid by INDEPENDENT CONTRACTOR.
- (d) **Cargo Claims (49 CFR 376.12(i))**. INDEPENDENT CONTRACTOR shall immediately report all cargo claims, including all shortages, overages or other exceptions to the cargo, to CARRIER. INDEPENDENT CONTRACTOR shall be liable for each cargo claim, including but not limited to, delay, shortage, mis-delivery, and any damage claim relating to lost, damaged or contaminated loads, arising out of, or in connection with INDEPENDENT CONTRACTOR'S services, up to the amount and in the manner set forth in Appendix A.
- (e) **Liability Claims**. **INDEPENDENT CONTRACTOR -SHALL BE LIABLE TO CARRIER FOR PERSONAL INJURIES AND PROPERTY DAMAGED CAUSED BY ANY ACT OR OMISSION OF CONTRACTOR, SUBJECT TO LIMITS STATED IN APPENDIX A HERETO.**
- (f) **Trailer Damage Claims**. INDEPENDENT CONTRACTOR shall be liable to CARRIER for any and all damage to trailer equipment provided to INDEPENDENT CONTRACTOR by CARRIER, subject to limits stated in Appendix A hereto.
- (g) **Insurance (49 CFR 376.12(i))**. CARRIER shall have no insurance responsibilities or obligations pertaining to INDEPENDENT CONTRACTOR other than those expressly stated in this Agreement or mandated by law. No insurance coverage shall be implied or assumed unless specifically stated in this Agreement. INDEPENDENT CONTRACTOR hereby agrees not to file or assert any claim for any insurance coverage or benefits other than those specifically set forth herein. Any statement, offer or representation regarding insurance coverage provided for INDEPENDENT CONTRACTOR, whether oral or written, made by any employee or representative of CARRIER which is inconsistent with or contradictory to the terms of this Agreement shall be ineffective and INDEPENDENT CONTRACTOR shall not interpret any such statement, offer or representation to mean that CARRIER is acting as the insurance provider for INDEPENDENT CONTRACTOR or that INDEPENDENT CONTRACTOR is entitled to any insurance benefits other than those specifically set forth herein.

INDEPENDENT CONTRACTOR shall be covered under CARRIER'S public liability, property damage and cargo loss or damage insurance coverage while providing services under this Agreement. INDEPENDENT CONTRACTOR shall maintain, at its sole cost and expense, the following minimum insurance coverage during the term of this Agreement:

Non-Trucking Use Insurance. INDEPENDENT CONTRACTOR shall procure, carry and maintain public liability and property damage insurance, which shall provide coverage to INDEPENDENT CONTRACTOR whenever the Equipment 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 primary to any other

insurance that may be available from CARRIER, and INDEPENDENT CONTRACTOR shall be responsible for any loss or damage in excess of the policy limit.

INDEPENDENT CONTRACTOR agrees to provide and pay for non-trucking insurance and provide CARRIER with a certificate of insurance. At CONTRACTOR'S REQUEST, CARRIER may offer non-trucking insurance to INDEPENDENT CONTRACTOR at a cost to CONTRACTOR stated in Appendix A hereto.

INDEPENDENT CONTRACTOR shall furnish to CARRIER written certificates obtained from INDEPENDENT CONTRACTOR'S insurance provider showing that all insurance coverage required above has been procured from an "A" rated company, is being properly maintained, and the premiums therefore are paid, specifying the name of the insurance provider, the policy numbers, the expiration dates, naming CARRIER as an additional insured and further showing that written notice of cancellation or modification of the policies shall be given to CARRIER at least thirty (30) days prior to such cancellation or modification.

In addition to the insurance coverage required under this Agreement, it is INDEPENDENT CONTRACTOR'S responsibility to procure, carry and maintain any fire, theft, uninsured and/or underinsured motorist and collision insurance coverage that INDEPENDENT CONTRACTOR may desire for the Equipment. INDEPENDENT CONTRACTOR hereby (1) acknowledges that CARRIER may provide to CONTRACTOR uninsured motorist or, underinsured motorist coverage at CARRIER'S sole expense;

INDEPENDENT CONTRACTOR shall further provide Occupational Accident insurance extending coverage to Contractor and any employee engaged by Contractor in limits required by Contractor's domicile state, providing CARRIER with a certificate evidencing such coverage in place with a 30 cancellation notice to be furnished to CARRIER. In the event INDEPENDENT CONTRACTOR fails to furnish such certificate, and upon CONTRACTOR'S request, CARRIER shall provide such coverage to CONTRACTOR at a cost to CONTRACTOR set forth in Appendix A hereto.

INDEPENDENT CONTRACTOR may, at INDEPENDENT CONTRACTOR'S option, authorize CARRIER to obtain and administer, on INDEPENDENT CONTRACTOR'S behalf, the insurance coverage required by this Agreement, in which case INDEPENDENT CONTRACTOR will be charged back for all of CARRIER'S expense and cost in obtaining coverage from an appropriate insurance provider and administering such coverage. If insurance coverage is requested to be placed with an insurance provider by CARRIER, INDEPENDENT CONTRACTOR shall pay the first month's costs of all requested coverage upon execution of the Agreement. INDEPENDENT CONTRACTOR recognizes that CARRIER is not in the business of selling insurance, and any insurance coverage requested by INDEPENDENT CONTRACTOR from CARRIER will be placed with an insurance provider and is subject to all of the terms, conditions and exclusions of the actual policy issued by the insurance underwriter. CARRIER shall provide INDEPENDENT CONTRACTOR with a certificate of insurance for each insurance policy under which the INDEPENDENT CONTRACTOR requests coverage. A copy of the actual policy is also available from CARRIER upon written request by the INDEPENDENT CONTRACTOR.

- (h) **Accident Reports.** INDEPENDENT CONTRACTOR shall immediately report any accident involving operations under this Agreement to CARRIER, including INDEPENDENT CONTRACTOR'S written report of such accident. In the event INDEPENDENT CONTRACTOR fails to notify CARRIER of the accident within a reasonable amount of time of the accident's

occurrence, INDEPENDENT CONTRACTOR may be disqualified. INDEPENDENT CONTRACTOR shall be liable for any and all damages resulting from that failure to notify, including but not limited to consequential damages, fines, claims by third parties and reasonable attorney fees.

(i) **SOCIAL SECURITY TAXES/ UNEMPLOYMENT COMPENSATION – INDEPENDENT CONTRACTOR :**

- i. Knows and acknowledges that he/she assumes responsibility for payment of estimated Social Security taxes and State and Federal income taxes;
- ii. Knows and acknowledges that the Employment Security tax INDEPENDENT CONTRACTOR pays is higher than the Social Security tax he/she would pay if he or she were an employee; and
- iii. Knows and acknowledges that the work is not covered by the Unemployment Compensation Laws of Georgia.

6. **CARRIER'S RESPONSIBILITIES.**

- (a) **Exclusive Possession and Responsibility (49 CFR 376.12(c)).** For liability purposes, CARRIER shall assume complete responsibility for the operation of the Equipment while under lease to Carrier. This subparagraph is set forth solely to conform to federal leasing regulations and shall not be used for any other purposes, including any attempt to classify INDEPENDENT CONTRACTOR as an employee of CARRIER.
- (b) **Inspection of Equipment** CARRIER certifies that, before taking possession of the Equipment, the Equipment was inspected by one of its responsible and competent employees or agents.
- (c) **Identification of Equipment (49 CFR 376.11(c)).** CARRIER shall identify the Equipment in accordance with the requirements of the Federal Highway Administration, Department of Transportation, and appropriate state regulatory agencies. CARRIER shall have the right to place and maintain on the Equipment CARRIER'S name and any lettering, advertisement, slogans or designs as CARRIER may choose. INDEPENDENT CONTRACTOR shall remove such identification at the termination of this Agreement or while operating such Equipment for any purpose other than conducting CARRIER'S business. INDEPENDENT CONTRACTOR further agrees to keep the Equipment in clean appearance and identified as described herein, at its sole cost and expense.
- (d) **Insurance.** Unless authorized to be self-insured, CARRIER shall maintain public liability, property damage, and cargo insurance in such amounts as are required by the Federal Highway Administration, Department of Transportation, and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to the Federal Highway Administration's regulations under 49 U.S.C. § 13906. CARRIER'S self-insurance or possession of legally required insurance in no way restricts CARRIER'S right of indemnification from INDEPENDENT CONTRACTOR.
- (e) **Equipment Lease.** In the event INDEPENDENT CONTRACTOR requests CARRIER to deduct any equipment-related payments from settlements, such deductions will be identified in Appendix A.

7. **INDEPENDENT CONTRACTOR NOT EMPLOYEE OF CARRIER.** It is expressly understood and agreed that INDEPENDENT CONTRACTOR is an independent contractor for the Equipment and driver services provided pursuant to this Agreement, and that INDEPENDENT CONTRACTOR agrees 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 INDEPENDENT CONTRACTOR, or its employees, any union, the public, or state or federal agencies, arising out of the operation of the Equipment pursuant to this Agreement. In this regard, INDEPENDENT CONTRACTOR hereby assumes full control and responsibility for all hours scheduled and worked, wages, salaries, workers' compensation and unemployment insurance, state and federal taxes, fringe benefits, and all other costs relating to the use of drivers, if any, and other services provided by INDEPENDENT CONTRACTOR pursuant to this Agreement. Proof of such control and responsibility shall be submitted by INDEPENDENT CONTRACTOR to CARRIER as required by CARRIER and may include, but not be limited to, proof of highway use tax being currently paid when the INDEPENDENT CONTRACTOR purchases the license and proof of income tax being currently paid. INDEPENDENT CONTRACTOR shall provide proof of payment of payroll tax for INDEPENDENT CONTRACTOR'S drivers and a certificate of insurance containing a 30-day notice of change and/or cancellation clause. As required by law, CARRIER agrees to file information tax returns (Form 1099) for INDEPENDENT CONTRACTOR if INDEPENDENT CONTRACTOR is paid more than the statutory amount in compensation during a calendar year. CARRIER does not retain control as to the means, manner or method in which INDEPENDENT CONTRACTOR performs the services provided under this Agreement. Nothing in this Agreement shall be deemed to create the relationship of partnership, joint venture or that of an employer and employee. It is further understood by the parties that INDEPENDENT CONTRACTOR is responsible for all local, state and federal taxes applicable to his compensation hereunder and that of any employees or contractors of INDEPENDENT CONTRACTOR (if any), and that the CARRIER is not responsible for any employment, Social Security or related taxes or contributions relating to INDEPENDENT CONTRACTOR'S services or compensation under this Agreement. INDEPENDENT CONTRACTOR, for INDEPENDENT CONTRACTOR and any employees of INDEPENDENT CONTRACTOR, hereby specifically waives any claim of rights or benefits, whether present or future, relating to any fringe benefits, employee programs or plans, retirement plans, workers' compensation, unemployment compensation or other benefits that may be normally afforded to employees of the CARRIER.
8. **BREACH.** Notwithstanding anything to the contrary in this Agreement, this Agreement may be terminated, at any time, by either party in the event of a breach by the other of any term or obligation contained in this Agreement. In the event of a breach and when practicable, written notice shall be served upon the breaching party, notifying such party of the breach and the termination of the Agreement and reason(s) therefore. If, in CARRIER'S judgment, INDEPENDENT CONTRACTOR has subjected CARRIER to liability because of INDEPENDENT CONTRACTOR'S acts or omissions, CARRIER may take possession of the lading entrusted to INDEPENDENT CONTRACTOR and complete performance, using the same Equipment or any other equipment. In such event, INDEPENDENT CONTRACTOR shall waive any recourse against CARRIER for such action and INDEPENDENT CONTRACTOR shall reimburse CARRIER for all direct or indirect costs, expenses, or damages including reasonable attorney's fees incurred by CARRIER as a result of CARRIER'S taking possession of the lading and completing performance.
9. **SETTLEMENT PERIOD (49 CFR 376.12(f)).** CARRIER shall settle with INDEPENDENT CONTRACTOR with respect to services provided under this Agreement within fifteen (15) days after INDEPENDENT CONTRACTOR'S submission, in proper form, of those documents necessary for CARRIER to secure payment, including source documents evidencing proof of delivery as necessary to secure payment and properly completed logs as required by the Department of Transportation. CARRIER

shall have the right to review all of INDEPENDENT CONTRACTOR'S documents and records relating to the use of the Equipment and to the services provided under this Agreement, and INDEPENDENT CONTRACTOR agrees to provide CARRIER with access to such documents and records upon reasonable notice. The CARRIER may require the submission of additional documents by the INDEPENDENT CONTRACTOR but not as a prerequisite to payment. Payment to the INDEPENDENT CONTRACTOR shall not be made contingent upon submission of a bill of lading to which no exceptions have been taken.

10. **INDEPENDENT CONTRACTOR NOT REQUIRED TO PURCHASE PRODUCTS, EQUIPMENT, OR SERVICES FROM CARRIER (49 CFR 376.12(i)).** INDEPENDENT CONTRACTOR is not required to purchase or rent any products, equipment or services from CARRIER as a condition of entering into this Agreement.
11. **CHARGE BACK (49 CFR 376.12(h)).** CARRIER shall charge back to INDEPENDENT CONTRACTOR at the time of payment or settlement, any expenses CARRIER has borne that, under this Agreement, INDEPENDENT CONTRACTOR is obligated to bear. Such expenses shall be deducted from the amount of INDEPENDENT CONTRACTOR'S compensation and shall include, but not be limited to, those expenses set forth in this Agreement and on Appendix A as well as C.O.D. and freight collect remittances due CARRIER, cargo claims, property damage, , towing charges, insurance deductibles, reasonable attorney's fees incurred in reducing potential liabilities arising out of, or in connection with, INDEPENDENT CONTRACTOR'S actions or failure to act under the terms of this Agreement, and all state tax licenses, permits, and stamps..
12. **FINAL SETTLEMENT (49 CFR 376.12(f)).** Upon termination of the lease agreement as a condition precedent to final settlement, the INDEPENDENT CONTRACTOR shall remove all identification devices of the CARRIER, if any, and, except in the case of identification painted directly on equipment, return them to the CARRIER. If the identification devices has been lost or stolen, a letter certifying its removal will satisfy this requirement. Until this requirement is complied with, the CARRIER may withhold final payment and, in addition to any other right, remedy or claim CARRIER may have, INDEPENDENT CONTRACTOR shall pay CARRIER through deduction from final settlement the sum of \$250.00 for INDEPENDENT CONTRACTOR'S failure to remove and/or return such identification.
13. **ESCROW FUNDS (49 CFR 376.12(k)).** In the event that CARRIER exercises its right to establish an escrow as set forth in Paragraph 13 of this Agreement, the following shall be applicable:
 - a. The amount of principal to be held in escrow ("escrow funds") shall not exceed \$1,000.00. CARRIER will withhold from any fees owing to INDEPENDENT CONTRACTOR the sum of fifty dollars (\$50.00) per week per truck for a security deposit, until such deposit reaches one thousand dollars (\$1,000.00) per truck. INDEPENDENT CONTRACTOR authorizes CARRIER to make such deductions and to resume such deductions in the event the escrow funds balance decreases below the stipulated amount.
 - b. Escrow funds shall be held by the CARRIER for the purpose of ensuring compliance with the provisions of the Agreement and may be applied to the applicable Paragraphs in the Agreement.
 - c. While escrow funds are under CARRIER'S control, CARRIER shall provide an accounting to INDEPENDENT CONTRACTOR of all transactions involving such funds by clearly indicating on individual settlement sheets the amount and description of any deduction or addition made to the escrow fund. CARRIER shall provide signed receipts to INDEPENDENT CONTRACTOR for any deposits to such fund.

- d. Upon INDEPENDENT CONTRACTOR'S request, CARRIER shall provide INDEPENDENT CONTRACTOR with an accounting of any transactions involving INDEPENDENT CONTRACTOR'S escrow funds.
- e. CARRIER shall pay interest on the escrow funds. The amount of interest shall be established on the date the interest period begins and shall be equal to the average yield of 91-day, 13-week treasury bills, as established in the weekly auction by the Department of Treasury. Interest will be calculated and paid if the full amount of the escrow balance is attained and the INDEPENDENT CONTRACTOR does not make use of fuel and/or cash advance.
- f. Escrow funds shall be repaid upon the prompt return by INDEPENDENT CONTRACTOR of all signs, licenses, permits, notices, tax cards, operating authority, and other paperwork and property belonging to the CARRIER. The amount of escrow funds may be reduced to reflect expenses incurred by CARRIER with respect to any efforts undertaken by CARRIER to seek return of such items. Any such reductions shall be accounted for in the final accounting period provided by CARRIER.
- g. Escrow funds, less any reductions, shall be repaid within forty-five (45) days from the date of termination of this Agreement.

14. **LUMPING AND DETENTION (49 CFR 376.12(e))**. Whenever a shipper or a consignee requires that INDEPENDENT CONTRACTOR be assisted in the loading or unloading of property transported on behalf of CARRIER, INDEPENDENT CONTRACTOR shall be responsible for such expenses it incurs from such shipper or consignee associated with the assistance provided. INDEPENDENT CONTRACTOR shall be responsible for the loading or unloading of such property at INDEPENDENT CONTRACTOR'S expense. Such lumper charges and detention charges that are collected by CARRIER shall be directly paid to INDEPENDENT CONTRACTOR in accordance with its compensation percentages. CARRIER is entitled to all other accessorial charges.

15. **COVENANT NOT TO SOLICIT**. INDEPENDENT CONTRACTOR, in consideration of CARRIER entering into this Agreement with INDEPENDENT CONTRACTOR, hereby consents and agrees, during the term of this Agreement and for a period of one (1) year after termination of this Agreement, not to solicit, directly or indirectly, either individually or as an employee, officer, director, shareholder, owner, partner or consultant, any customer of CARRIER with whom INDEPENDENT CONTRACTOR had substantial business contact for the purpose of transporting freight of such customers in competition with the services of the CARRIER. In addition, during the term of this Agreement and for a period of one (1) year after termination of this Agreement, INDEPENDENT CONTRACTOR agrees not to solicit, employ or entice any employees of CARRIER or independent contractors under contract to CARRIER from their relationship with CARRIER and agrees not to solicit, employ or entice such employees or independent contractors to accept any position with INDEPENDENT CONTRACTOR or with any entity in which INDEPENDENT CONTRACTOR is an employee, officer, director, shareholder, owner, partner or consultant. The parties hereto agree that INDEPENDENT CONTRACTOR shall pay CARRIER, as liquidated damages and not as a penalty, an amount equal to thirty-five percent (35%) of the gross revenue of any and all business obtained by INDEPENDENT CONTRACTOR by virtue of INDEPENDENT CONTRACTOR'S breach of this covenant not to solicit for a period of one (1) year thereafter as just and reasonable compensation to CARRIER, and the parties further agree that INDEPENDENT CONTRACTOR shall pay CARRIER all costs of collecting these liquidated damages, including reasonable attorney's fees. Nothing here contained shall preclude CARRIER from proceeding against INDEPENDENT CONTRACTOR for such other relief as deemed appropriate, including injunctive relief and appropriate court costs and reasonable attorneys' fees. If requested, INDEPENDENT CONTRACTOR shall provide CARRIER, within ten (10) days of such request,