

Quality Carriers

Independent Contractor Agreement

Version 2.0
Revised: March 2004

This document contains a complete copy of all contractual documents to be executed by an Independent Contractor when he/she contracts with Quality Carriers.

Please be sure to sign and execute all documents that apply to the individual contract of all new and existing Independent Contractors contracting to Quality Carriers

All Documents and appendices that do not apply should be COMPLETELY removed from the Signed Agreement before being copied, faxed or otherwise reproduced or entered into permanent storage.

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Notes

- ✓ No changes can be made to the body of the Contractor Agreement
- ✓ If changes are made to any of the Appendices with respect to percentages, dollars or terms, these changes should be made to the original document, crossing out the item to be changed then writing in the agreed upon percentage, amount or term. These changes must then be initialed by both the contractor and the witness making the change
- ✓ The Escrow as well as the insurance policy is NOT negotiable.
- ✓ All Promissory notes MUST be filled out and signed before any work is performed. When completing the estimated Promissory Note, note ESTIMATE across the Promissory note. Once all invoices for any work are in hand a final Promissory note should be drawn up and executed, it is important to attach a copy of the original estimated Promissory note along with all invoices to the final Promissory note.

CONTRACTOR AGREEMENT

Quality Carriers, Inc. ("CARRIER"), a motor carrier headquartered in Tampa, FL and incorporated in the state of Illinois, operating pursuant to authority issued by state and / or federal agencies, and _____ ("CONTRACTOR, I/C"), in consideration of the covenants and agreements Contained herein, enter into this CONTRACTOR Agreement

1. PROVISION OF SERVICES AND EQUIPMENT.

During the time period set forth in Paragraph 2, CONTRACTOR shall provide CARRIER transportation related Services and the Equipment set forth below or in an appendix ("Equipment"). CONTRACTOR has the right to accept or refuse any transportation service assignments Offered by the CARRIER. CONTRACTOR represents and warrants that CONTRACTOR has title to or is authorized to contract the Equipment and services to CARRIER. It is acknowledged that this Agreement does not require the assignment of any particular load, run or trip to any described vehicle nor does this Agreement commit CARRIER to the use of any described vehicle if it does not desire or require its use. CONTRACTOR understands and agrees that I/C is responsible for I/C's load and for the route selection, loading and delivery of such load to, and unloading at, its destination within all customer requirements as provided to the CARRIER and communicated to the CONTRACTOR.

Tractor #: _____

Trailer #: _____

Year: _____

Make: _____

Serial #: _____

Purchase Amount: _____

Purchase Date: ____ / ____ / ____

CONTRACTOR shall be accountable for the delivery to CARRIER of all sums of cash, checks and merchandise, which CONTRACTOR receives pursuant to C.O.D. deliveries or otherwise, such sums to be immediately delivered to CARRIER in the form received by the CONTRACTOR. Power of Attorney will be required if the signatory to the Agreement will be anyone other than the beneficial owner of the Equipment.

2. DURATION OF AGREEMENT (49 CFR 376.12(b)).

This Agreement shall begin on the date indicated on the signature page and shall remain in effect until terminated in accordance with the provisions of Paragraph 4; provided, however, that this agreement may be terminated at anytime in accordance with the provisions of paragraph 19.

3. COMPENSATION (49 CFR 376.12(d)).

It is expressly understood and agreed that CONTRACTOR's compensation shall be as set forth in Appendix A and such compensation shall constitute the total compensation for everything furnished, provided, or performed by CONTRACTOR in connection with this Agreement, including driver's services. If CONTRACTOR's compensation is based on a percentage of Adjusted Gross Revenue for a shipment, then, for purposes of computing CONTRACTOR's compensation, Adjusted Gross Revenue means those monies received by CARRIER from the shipper or consignee for the linehaul transportation of commodities by CONTRACTOR on behalf of CARRIER less any direct or indirect cost, expense, or fees incurred by the CARRIER in transportation of said commodities.

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4. TERMINATION.

Subject to the provisions of paragraph 2, this Agreement may be terminated for any reason by giving 24 hours written 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. However, the effective date and time of the termination of this Agreement must be either prior to the CONTRACTOR picking up a load, or after the CONTRACTOR completes delivery of a load (i.e., the effective date and time of termination of this Agreement cannot be when the CONTRACTOR is under dispatch with a load).

5. USE OF EQUIPMENT.

The parties agree to be bound by all rules and regulations of the appropriate regulatory agencies applicable to operations hereunder. CARRIER agrees that only the CONTRACTOR, or its agents or employees shall operate the Equipment. CONTRACTOR agrees that said Equipment will be operated in compliance with all applicable Federal, State, and local laws and the rules and the regulations of any regulatory body having jurisdiction. CONTRACTOR shall carry a copy of this Agreement in the Equipment at all times and file with CARRIER, and will turn in to Carrier on a timely basis as defined by the CARRIER'S Standard Operating Procedures, all log sheets, physical examination certificates, accident reports, and any other required data, documents, or reports.

6. DRIVERS.

CONTRACTOR shall provide competent drivers who meet CARRIER's minimum driver qualification standards and all of the requirements of the U.S. Department of Transportation ("DOT"), including but not limited to familiarity and compliance with state and federal motor carriers safety laws and regulations.

7. PAYMENT OF OPERATIONAL EXPENSES (49 CFR 376.12(e)).

- a) Operating Expenses: CONTRACTOR shall, at its sole cost and expense, provide all the equipment ready to operate as and be fully roadworthy, including the necessary licenses, permits, cab cards, state base plates and furnish all necessary oil, fuel, tires, and other parts, supplies and equipment necessary or required for safe and efficient operation and maintenance of the Equipment including repairs for operation of such Equipment. CONTRACTOR shall pay all expenses incident to the operation of the Equipment, including, but not limited to empty mileage, lump sum expenses, highway uses taxes, weight taxes, state property or indefinite situs taxes, fuel taxes, registration fees, ferry and toll charges, and detention and accessorial charges not collected by CARRIER because of CONTRACTOR's failure to provide the required documentation
- b) Driver's Expenses: CONTRACTOR agrees to pay all expenses of I/C's drivers (including CONTRACTOR, itself), helpers, and other employees, including, but not limited to wages, workers' compensation insurance or occupational disability insurance, health, welfare and pension costs, and taxes of any kind assessed against the CONTRACTOR
- c) Expense Reimbursement: CONTRACTOR recognizes that certain of the foregoing expenses, including, but not limited to, fuel and mileage taxes, are initially assessed against CARRIER even though they are the responsibility of the CONTRACTOR. Whenever any such expenses are assessed against CARRIER, the CONTRACTOR agrees to pay CARRIER fully for these expenses with payment terms specified by CARRIER
- d) License Plates: Upon Request by CONTRACTOR, CARRIER shall obtain a Base Plate under the International Registration Plan ("IRP") in CARRIER's name for use by CONTRACTOR, the

cost of which shall be deducted from CONTRACTOR's compensation in the amount of \$100 per week until the cost of the plate is paid in full. CONTRACTOR shall remove and return such plate to CARRIER upon the termination of this agreement and, in the event the CONTRACTOR fails to or refuses to do so CARRIER shall, and is hereby authorized to, deduct the full cost of the plate from CONTRACTOR's final settlement and escrow funds. If CARRIER receives a refund or credit for an IRP plate registered in the name of CARRIER or such base plate is authorized by CONTRACTOR to be resold by CARRIER to another CONTRACTOR, and CARRIER is able to resale said base plate, CARRIER shall refund to CONTRACTOR a pro-rata share of the amount received by CARRIER. CONTRACTOR shall not be entitled to reimbursement for any unused portion of a base plate, however, unless CARRIER is able to reuse or resale the plate to another CONTRACTOR.

- e) Empty Miles: Unless otherwise required by law, or otherwise agreed between the parties, empty mileage expense shall be borne by CONTRACTOR
- f) Maintenance and Inspection: CONTRACTOR, at its sole cost and expense shall 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 its sole cost and expense, make the Equipment available for inspection by CARRIER upon reasonable request by the CARRIER. CONTRACTOR shall at its sole cost and expense, have the Equipment inspected annually, as required by 49 C.F.R 396.17, at CARRIERS maintenance facility or at another maintenance facility which CARRIER may, at its sole discretion, authorized CONTRACTOR shall, as directed by CARRIER, forward to CARRIER all inspection and maintenance records for the Equipment.
- g) Fines: CONTRACTOR or its drivers agree to pay for all fines, including but not limited to parking and traffic fines and penalties, imposed for violation of any law or regulation by the state or any locality in which CONTRACTOR operates, the DOT, or Surface Transportation Board, where such violation results, at least partially, from the omissions of CONTRACTOR.
- h) Attorney's Fees: It is further understood that, except as hereinafter set forth, in the event CARRIER pays any of the items set forth in this section, the amount thereof, and any attorneys' fees, paid by CARRIER shall be repaid to CARRIER by way of a charge-back to the CONTRACTOR against its settlement.
- i) Hold Harmless: Except to the extent the CONTRACTOR's acts or omissions are covered under the parties' respective insurance policies as set forth in Appendix B with no expense to CARRIER, CONTRACTOR agrees to defend, indemnify and hold harmless CARRIER from any direct, indirect and consequential loss, damage, fine, expense, including reasonable attorney's fees, action, claim for injury to persons, including death, and damage to property which CARRIER may incur arising out of or in connection with CONTRACTOR's obligations under this agreement or breach thereof. This provision shall remain in full force and effect both during and after the termination of this agreement.

8. CARGO CLAIMS (49 CFR 376.12(j)).

To the extent that cargo insurance provided by CARRIER covers an incident of loss or damage to cargo, CONTRACTOR shall not be liable to CARRIER for any loss, damage, delay, misdelivery, or contamination, except for the first one thousand dollars (\$1,000.00) should it be decided in the sole discretion of CARRIER, that CONTRACTOR's negligence was a significant cause. However, any loss, damage, or claim, which is caused intentionally or through the gross negligence of the CONTRACTOR, its agents or employees, shall be the complete and total responsibility of the CONTRACTOR. Before deducting any cargo claim from the CONTRACTOR's compensation, CARRIER shall provide CONTRACTOR with a written explanation and itemization for each such claim.

9. USE OF CARRIER'S TRAILER

CONTRACTOR agrees to return any trailer provided for its use by CARRIER 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. In the event the trailer is not in as good condition as it was delivered by CARRIER, CONTRACTOR hereby authorizes the CARRIER to restore the trailer to proper condition and to charge back to the CONTRACTOR the costs of such repairs or reconditioning. In the event CONTRACTOR for any reason fails to comply with this provision, or fails to return CARRIER's trailer, CONTRACTOR agrees to reimburse CARRIER for all reasonable expense and costs incurred by CARRIER in recovery of its trailer or Property from CONTRACTOR or its drivers. CONTRACTOR agrees that in the event it is necessary for CARRIER to enter upon private property or remove private property in order to recover its trailers and property, CONTRACTOR does hereby irrevocably grant CARRIER or its duly authorized agents, permission to do so and further agrees to save and hold harmless CARRIER, or its duly authorized agents, from any form of liability whatsoever in connection with such repossession. CONTRACTOR shall be liable for, and pay the first two thousand dollars (\$2,000.000) for each incident involving direct, indirect and consequential damage, including but not limited to, towing charges, replacement costs for total loss, and reasonable attorney's fees, arising out of or in connection with, CONTRACTOR's use of CARRIER's trailers, CARRIER's customer's trailers, other CARRIER's equipment, or equipment of any other carrier. Before deducting any such damage from CONTRACTOR's compensation, CARRIER shall provide CONTRACTOR with a written explanation and itemization of such damage. CONTRACTOR agrees and warrants that any trailer provided for use by CARRIER will only be used by CONTRACTOR and its drivers to transport shipments tendered to CONTRACTOR by CARRIER.

10. OTHER DAMAGES/CLAIMS (49 CFR 376.12(j)).

The CONTRACTOR shall be liable for the first two thousand dollars (\$2,000.00) of damages or losses (other than the types of damages/claims addressed in sections 8 and 9 of this Agreement) for all accidents should it be decided in the sole discretion of CARRIER that the CONTRACTOR's negligence was a significant cause of the loss or damage. However, any such loss or damage which is inflicted intentionally or through the gross negligence of the CONTRACTOR, its agents or employees, shall be the complete and total responsibility of the CONTRACTOR.

11. INSURANCE (49 CFR 376.12(j)).

The respective obligations of the parties shall be set forth in Appendix B. CARRIER shall maintain public liability, property damage, and cargo insurance in such amounts as is required by the DOT, and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to 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 CONTRACTOR under this Agreement.

12. INSPECTIONS (49 CFR 376.12(j)).

CONTRACTOR agrees that prior to the commencement of this Agreement, it will make the subject Equipment available to CARRIER at CARRIER's nearest place of business or to an CONTRACTOR designated by CARRIER to inspect the same to ensure compliance with said rules and regulations. Attached as Appendix D is a Systemic/Annual Inspection Form which shall be completed for the Equipment under this Agreement at the time such vehicle becomes subject to this Agreement, and such form shall be completed bimonthly thereafter during the term of this Agreement. In the event of a failure to comply with this Section, then and in that event this Agreement shall be null and void and CARRIER shall have no liability to CONTRACTOR. The Carrier will reimburse the CONTRACTOR for up to one (1) hour at the standard CARRIER's shop rate for the bi-monthly inspections. Any additional costs or fees charged or connected with said inspections shall be the responsibility of the CONTRACTOR.

13. TANK WASHES 49 CFR 376.12(j)).

The CONTRACTOR will not have trailers washed unless directed to do so by the CARRIER. The CONTRACTOR will wash trailers only at the facilities directed by the CARRIER. CARRIER will pay one hundred percent (100%) of any and all tankwash charges for trailers.

14. PRODUCT DISPOSAL 49 CFR 376.12(j)).

It is the CONTRACTOR's responsibility to make sure that the entire product is unloaded at the consignee's facility. Unless specifically directed otherwise by CARRIER or CARRIER's agent, CONTRACTOR agrees to pay one hundred percent (100%) of all charges assessed by any tank wash facility, as a result of disposing of product in all instances where the amount of product in the tank exceeds three (3) gallons. Where less than three (3) gallons of product is remaining in the tank trailer, any disposal cost shall be divided equally between CONTRACTOR and CARRIER at an approved third party tank wash facility and one hundred percent (100%) by CARRIER at an approved CARRIER facility.

15. ACCIDENTS AND CLAIMS.

CONTRACTOR shall immediately report any accident or potential claim to the CARRIER involving operations under this Agreement, including CONTRACTOR's written report of such accident or claim. CONTRACTOR and its 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 service preformed hereunder. CONTRACTOR shall upon CARRIER's request and at CONTRACTOR's sole expense, provide written reports or affidavits, attend hearings and trials and assist in securing evidence or obtaining the attendance of witnesses. CONTRACTOR shall provide CARRIER with any assistance as may be necessary for CARRIER or CARRIER's representatives or insurers to investigate, settle or litigate any accident, claim or potential claim by or against CARRIER. This provision shall remain in full force and effect both during and after termination of this agreement.

16. BILLS OF LADING.

It is agreed that during the terms of this Agreement while the Equipment is being operated in the service of the CARRIER hereunder, the bills of lading, waybills, freight bills, Manifests or other papers identifying the lading carried on the Equipment shall be those of the CARRIER or as authorized by the CARRIER.

- a) All bills of ladings and other Load related documents must be surrendered to the CARRIER within 24 hours of completion of the delivery. The CONTRACTOR may request and is entitled to a copy of all load related documents that the CONTRACTOR took part in.

17. CARRIER'S RESPONSIBILITIES.

- a) Operating Authority: CARRIER shall be responsible for maintaining the proper operating authority and certificates, as mandated by the Federal Motor Carrier Safety Administration, or the appropriate state regulatory bodies.
- b) Exclusive Possession and Responsibility (49 CFR 376.129c0(1)): The Equipment shall be for CARRIER's exclusive possession, control, and use for the duration of this Agreement. As such, CONTRACTOR shall not operate the Equipment for any other motor carrier or entity during the term of this Agreement without prior written consent from the CARRIER. CARRIER shall assume complete responsibility for the operation of the Equipment for the duration of this Agreement. This subparagraph is set forth solely to conform to Surface Transportation Board 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 provided by the CONTRACTOR are a CONTRACTOR or an employee of CARRIER. A CONTRACTOR relationship may exist when a carrier complies with 49 U.S.C. 14102 and attendant administrative requirements.
- c) Inspection of Equipment: Upon taking possession of the Equipment from CONTRACTOR, CARRIER shall furnish to CONTRACTOR a receipt for the Equipment, which shall constitute the receipt required by 49 C.F.R. 376.11 (b). Upon termination of this Agreement, CONTRACTOR shall execute a similar receipt for Equipment as the written receipt (Page 16 of this Agreement) for the return of the Equipment by CARRIER to CONTRACTOR; provided, however, that the Agreement and Carrier's obligations there under shall expire upon the written notice of termination regardless of whether CONTRACTOR submits the receipt required under this provision.
- d) Identification of Equipment (49 CFR 376.11(c)): CARRIER shall identify the Equipment in accordance with the requirements of the DOT, 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. 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. At its discretion, CONTRACTOR may have the identification permanently painted on the Equipment. CONTRACTOR further agrees to keep the Equipment in clean appearance and identified as described herein, at its sole cost and expense.
- e) Insurance (49 CFR 376.12(j)): Unless authorized to be self-insured, CARRIER shall maintain public liability, property damage, and cargo insurance in such amounts as are required by the

Motor Carriers Safety Administration, Department of Transportation, and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to the Motor Carrier Safety Administration's regulations under 49 U.S.C. Section 10927. CARRIER's self-insurance or possession of legally required insurance in no way restricts CARRIER's right of indemnification from CONTRACTOR under Paragraphs 7, 8, 9, 10 and other provisions of this Agreement.

18. CONTRACTOR NOT AN EMPLOYEE.

19. It is expressly understood and agreed that the CONTRACTOR and its drivers are CONTRACTOR's for the Equipment and driver services provided pursuant to this Agreement, and that 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 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, CONTRACTOR hereby assures 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 and other employees of the CONTRACTOR, provided by CONTRACTOR pursuant to this Agreement. Proof of such control and responsibility shall be submitted by 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 CONTRACTOR purchases the license; proof of income tax being currently paid; proof of payment of payroll tax for 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) on behalf of CONTRACTOR if CONTRACTOR is paid more than the statutory amount in compensation during a calendar year.

19. 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, CONTRACTOR has subjected CARRIER to liability because of CONTRACTOR's acts or omissions, CARRIER may take possession of the lading entrusted to CONTRACTOR and complete performance, assign the same Equipment or any other equipment. In such event, CONTRACTOR shall waive any recourse against CARRIER for such action and 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.

20. SETTLEMENT PERIOD 49 CFR 376.12(f).

CARRIER shall settle with CONTRACTOR with respect to service provided under this Agreement within 15 calendar days after CONTRACTOR's submission, in proper form of those documents necessary for CARRIER to secure payment, including the signed freight bill, delivery receipt or bill of lading and properly completed logs as required by the Department of Transportation. In the event CONTRACTOR's compensation is based on a percentage of revenue, then CARRIER shall provide CONTRACTOR at or before the time of settlement a copy of the applicable rated freight bill, or a computer-generated document containing the same information; provided however, that CARRIER may delete the names of shippers and consignees shown on any underlying document provided to the

CONTRACTOR. Regardless of the method of compensation, CONTRACTOR may examine CARRIER's tariffs or other contracts or documents, if any, from which charges and rates are computed; provided, however, CARRIER will disclose only that information that would appear on a rated freight bill. CARRIER shall have the right to review all of the CONTRACTOR's documents and records relating to the use of the Equipment and to the services provided under this Agreement, and CONTRACTOR agrees to provide CARRIER with access to such documents and records upon reasonable notice. With respect to final settlement upon termination of this Agreement, the failure on the part of the CONTRACTOR to remove and return to CARRIER all identification devices of CARRIER or a letter certifying their removal shall entitle CARRIER to withhold any payments owed to CONTRACTOR, including escrow funds, until such obligations are met.

21. CONTRACTOR NOT REQUIRED TO PURCHASE PRODUCTS, EQUIPMENT, OR SERVICES FROM CARRIER 49 CFR 376.12(i).

CONTRACTOR is not required to purchase or rent any products, equipment or services from CARRIER as a condition of entering into this Agreement. CONTRACTOR is free to purchase fuel solely at his discretion and at truck stops of his choice.

22. COMMUNICATION EQUIPMENT

CONTRACTOR agrees to make all necessary arrangements to obtain and install a communication system or satellite-tracking device for each power unit leased to CARRIER under this Agreement. Such communication device must be compatible with the communication/satellite tracking system utilized by CARRIER. In the event CONTRACTOR elects to purchase or rent a communication system or satellite-tracking device from CARRIER, the provisions of Appendix F shall apply.

23. ADVANCES.

CONTRACTOR may request from CARRIER, an advance on earned, but unpaid compensation. CARRIER, in its sole discretion, has the right to grant or deny said request. In the event CARRIER grants said request for an advance, CONTRACTOR agrees to reimburse or pay CARRIER any and all charges/expenses attributable to making said advance. Said payment or reimbursement shall be deducted on CONTRACTOR's next settlement

24. FUEL PURCHASES.

For the purpose of computing and paying all state fuel taxes owed for the Equipment, CARRIER shall issue CONTRACTOR a fuel card to be used for all fuel purchases. All fuel charges and state fuel taxes will be charged back to CONTRACTOR as allowed under this Agreement. In the event CONTRACTOR or its drivers fail to use Carrier's fuel card. CONTRACTOR shall be responsible for providing CARRIER with an accurate accounting of all fuel purchases and miles traveled for the purposes of computing state fuel tax liability, and CONTRACTOR shall provide CARRIER with all original fuel receipts.

The CARRIER is not required to recalculate CONTRACTOR's fuel tax payments or credits if manual fuel receipts are not received within the 30-day window provided by the CARRIER.

25. CHARGE BACK (49 CFR 376.12(h)).

CONTRACTOR AGREEMENT

CARRIER shall charge back to CONTRACTOR at the time of payment or settlement, any expenses CARRIER has initially paid that, under this Agreement, the CONTRACTOR is obligated to bear. Such expenses shall be deducted from the amount of CONTRACTOR's compensation and shall include, but not be limited to, fuel and mileage taxes, tank washes and product disposal, workman's compensation/occupational disability insurance, cargo claims, property damage, license and permit fees, and any other expenses set forth in this Agreement. CARRIER will furnish CONTRACTOR with a written explanation of how the charge back is computed and, if requested by CONTRACTOR, will make the necessary documents available to determine the validity of the charge back.

26. FINAL SETTLEMENT 49 CFR 376.12(f).

With respect to final settlement, the failure on the part of CONTRACTOR to remove all identification devices of CARRIER, and except in the case of identification painted directly on the Equipment, return them to CARRIER in any reasonable manner, shall constitute a breach of this Agreement. Such breach, as will any breach, shall entitle CARRIER to withhold any payments owed to CONTRACTOR until such obligations are met. Upon termination of this Agreement, CARRIER will, within forty-five (45) days after termination, return to CONTRACTOR, any funds being held to pay expenses incurred prior to termination; however, if CONTRACTOR is obligated to pay any sum to CARRIER under such provisions of this Agreement, CARRIER may deduct such obligations from the amounts due to CONTRACTOR.

27. ESCROW FUND.

See Appendix C.

28. LABOR DISPUTES.

CONTRACTOR hereby agrees that should it become involved in a labor dispute with its employees, he will immediately report this fact to CARRIER. If such labor dispute interferes or tends to interfere with the CONTRACTOR's operations for CARRIER, CONTRACTOR agrees to continue his operation for CARRIER utilizing other employees not involved in the labor dispute.

29. OPERATING REGULATIONS.

In conjunction with Section 5 of this Agreement, CARRIER shall publish regulations, which, pursuant to the appropriate governmental body having jurisdiction, CONTRACTOR must comply with. Said regulations are hereby incorporated into this Agreement, and the failure of the CONTRACTOR to abide by these regulations may be considered by CARRIER a breach of this Agreement. CARRIER has furnished the CONTRACTOR a copy of any amendments or additions to the regulations to the CONTRACTOR.

30. DRUG AND ALCOHOL TESTING.

CONTRACTOR and its drivers shall, AS REQUIRED BY 49 C.F.R. 382.103, comply with CARRIER's Drug and Alcohol Policy, including participation in CARRIER's random drug and alcohol testing program, and any addendums or revisions thereto.

31. SAFE OPERATIONS.

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CONTRACTOR Agrees to operate the Equipment in a safe and prudent manner at all times in accordance with the laws of the various jurisdictions in which the EQUIPMENT will be operated and pursuant to the operating authorities of CARRIER, and in accordance with all rules related to traffic safety, highway protection and road requirements. Moreover, CONTRACTOR agrees that all drivers and/or workers employed by CONTRACTOR will comply with these terms of operations, while operating the Equipment on behalf of CONTRACTOR. CONTRACTOR agrees that any driver utilized by CONTRACTOR will comply with CARRIER's policies and procedures and any subsequent revisions thereto, which will be provided by CARRIER.

32. OVERWEIGHT AND OVERDIMENSIONAL SHIPMENTS.

CONTRACTOR shall have the duty to determine that all shipments are in compliance with the size and weight laws of the states in or through which it will travel and to notify CARRIER if the vehicle is overweight or in need of permits before commencing the haul. Except when the violation results from acts or omissions of CONTRACTOR, CARRIER shall assume the risks and costs of fines for overweight and oversize trailers when such trailers are preloaded and sealed, or the load is containerized, or for improperly permitted over dimension and overweight loads, or the trailer or lading is otherwise outside of CONTRACTOR's control. CONTRACTOR shall pay, or reimburse CARRIER, for any costs or penalties due to CONTRACTOR's failure to weigh each shipment or to notify CARRIER that the vehicle is overweight or in need of permits.

33. PASSENGER AUTHORIZATION.

CONTRACTOR shall not allow any passenger to ride in the Equipment unless authorized in writing by CARRIER as required by law. Before passenger authorization will be given by CARRIER, CONTRACTOR (or its driver) must obtain a Platinum Achievement level in the CARRIERS Driver Excellence Program, and CONTRACTOR (or its driver) and the passenger requesting authorization shall submit a fully executed Passenger Authorization and Release of liability for to Carrier for prior Approval.

34. LOADING AND UNLOADING.

In the event the shipper or consignee does not assume loading and unloading responsibilities, CONTRACTOR shall be responsible for the loading or unloading of property transported on behalf of CARRIER at CONTRACTOR's expense.

35. 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 CONTRACTOR's, 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. 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.

36. NON-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 such provision or right, nor shall such failure or refusal be deemed a customary practice contrary to such provision or right.

37. SEVERABILITY.

If any Agreement or its appendices is deemed invalid for any reason whatsoever, the Agreement shall be void only as to such provision, and this Agreement shall remain otherwise binding between the parties. Any provision voided by operation of the foregoing shall be replaced with provisions, which shall be as close as the parties' original intent as permitted under applicable law.

38. DISPUTE RESOLUTION.

Any dispute arising out of or relating to this Agreement, including any allegation or breach thereof, shall be fully and finally resolved by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). A demand for arbitration shall be filed with the AAA's office located in or closest to CARRIER's principal place of business or as otherwise agreed to between the parties. The demand shall be filed no later than one (1) year after the dispute arises or the claim occurs. Failure to file the demand within the one-year period shall be deemed a full waiver of the claim. Both parties agree to be fully and finally bound by the arbitration award, and, where allowed by law, a judgment may be entered on the award in any court having jurisdiction thereof. The parties shall share the cost of arbitration equally. This Agreement shall be deemed to have been drawn in accordance with the statutes and laws of the State of Florida and, in the event of any disagreement or litigation, the laws of this state shall apply.

39. BENEFIT.

This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors.

40. ASSIGNMENT.

CARRIER shall have the right to assign this Agreement at any time without the consent of CONTRACTOR. The CONTRACTOR shall not have the right to assign this Agreement.

41. NOTICE.

All notice provisions of this Agreement shall be in writing delivered personally, by postage prepaid, first class mail, or by facsimile machine to the addresses or fax numbers shown at the end of this Agreement.

42. COMPLETE AGREEMENT AND CONSTRUCTION.

This Agreement, including any Appendices attached, constitutes the sole, entire, and existing agreement between the parties herein, and supersedes all prior agreements and undertakings, oral and written, expressed or implied, or practices, between the parties, and expresses all obligations and restrictions imposed on each of the respective parties during its terms, except those specifically modified or changed by mutual written agreement between CARRIER and CONTRACTOR. This Agreement shall be

CONTRACTOR AGREEMENT

deemed to have been drawn in accordance with the statutes and laws of the State of Florida and in the event of any disagreement or litigation, the laws of this state shall apply and suit must be brought in this state.

IN WITNESS WHEREOF, CARRIER and CONTRACTOR do hereby sign this AGREEMENT on this _____ day of _____, 20_____, the effective date of this Agreement.

CARRIER

CONTRACTOR

QUALITY CARRIERS, INC. _____

BY: _____

BY: _____

ITS: _____

BY: _____

ADDRESS: 3802 Corporex Drive
Tampa, FL 33619

ADDRESS: _____
_____, _____

FAX: (813) 744-5126

FAX: (____) _____ - _____

RECEIPT FOR POSSESSION OF CONTRACTED VEHICLE(S)

Received from _____, the vehicle or vehicles described in this Agreement.

Equipment received at _____, on _____ 20__, at _____ A.M. P.M.

BY: _____
CARRIER

RECEIPT FOR RETURN OF CONTRACTED VEHICLE(S)

Received from _____, the vehicle or vehicles described in this Agreement in good order.

Equipment received at _____, on _____ 20__, at _____ A.M. P.M.

BY: _____
CONTRACTOR

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APPENDIX A-1

**CONTRACTOR's Compensation
(Percentage of Revenue)**

1. **SHARE OF REVENUE.** Unless otherwise agreed to in writing between the parties, CARRIER shall pay CONTRACTOR based upon the following schedule:

- (a) For haulage of loads tendered by CARRIER:

Tractor Only 62 % Of Adjusted Gross Revenue ("AGR")

Tractor and Trailer _62_ % Of AGR

(b) **ADJUSTED GROSS REVENUE.** AGR shall mean all revenue received by CARRIER from the shippers, consignees, or other carriers for commodities hauled by CONTRACTOR under this Agreement, reduced by: (a) any and all expenses attributed to accessorial services paid to a third party or to CONTRACTOR by CARRIER; (b) the amount paid to any third party by CARRIER in relation to movement of the load, including without limitation, amounts paid to other CONTRACTOR's as a pro-rata payment for their participation in the movement of a load; (c) any amount paid by CARRIER to interline or augmenting carriers; (d) any warehouse or storage charges; (e) any revenue received by CARRIER as an excess value or insurance charge on high value shipments; (f) all incentives, discounts or commissions given to CARRIER's customers or other third parties; (g) amounts paid or accrued for certain specialized trailers and excessive trailer spotting situations, and (h) any portion of the rate paid by CARRIER for the cleaning of the trailer, hoses and/or pumping equipment used in the execution of the movement.

(c) **ACCESSORIAL SERVICE CHARGES.** The percentages of accessorial charges, including but not limited to, detention, tarping, scaling loading and unloading charges, shall be paid to CONTRACTOR based upon the same percentage of AGR listed above.

2. **EXPENSE ITEMS.** Expense items such as but not limited to scale tickets and tolls expenses that are incurred by CONTRACTOR and billed separately by CARRIER to a customer will be paid at a rate of 100%

3. **CHARGE BACK 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 ITEM	COST
Advances in Compensation	Actual
Fuel and Fuel Taxes	Actual
Other Operating Expenses (See Paragraph 9)	Actual
IRP Plate	Actual
Cargo Claim	Actual up to \$1,000.00
C.O.D. Charges	Actual

CHARGE BACK ITEM	COST
Fines and Penalties	Actual
Trailer Damage/Claims	Actual up to \$2,000.00
Insurance Costs	See <u>Appendix B</u>
Escrow Funds	See <u>Appendix C</u>
Communication Equipment	See <u>Appendix F</u>
Equipment Purchase/Rental	See <u>Appendix G</u>

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 of CONTRACTOR’s disagreement with such charge back within thirty (30) days of the charge back.

THIS APPENDIX A-1 is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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APPENDIX A-2

CONTRACTOR's Compensation
(Adjusted Percentage)

For Business purposes, the CARRIER reserves the right to adjust the percentage paid to the CONTRACTOR, higher or lower, on specific business or freight lanes.

**ANY ADJUSTED COMPENSATION PERCENTAGE OF THE ADJUSTED GROSS REVENUE
MUST BE COMMUNICATED TO THE CONTRACTOR BEFORE ACCEPTANCE OF ANY
WORK ASSIGNMENT.**

Upon agreeing to the adjusted pay percentage the CONTRACTOR is required to note such agreement on the CARRIER's load form in the appropriate area provided.

Failure of the CARRIER to notify the CONTRACTOR of said rate adjustments will result in payment of the default contracted linehaul percentage.

If CONTRACTOR does not agree to the amended compensation rate, it has the option of refusing the shipment or load. The parties agree that acceptance of any load by CONTRACTOR after notice of the amended compensation rate will indicate CONTRACTOR'S understanding and acceptance of the new compensation rate and written delivery receipt provided to the CONTRACTOR by CARRIER shall reflect the rate of compensation for that particular shipment, route, or customer.

THIS APPENDIX A-2 is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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APPENDIX A-3

CONTRACTOR's Compensation
(Permanent Percentage Exceptions)

For business purposes, the freight detailed in Appendix A-3 will compensate the CONTRACTOR at the percentage of Adjusted Gross Revenues (AGR) as noted by CARRIER in Appendix A-3. This Appendix serves as a record of any and all permanent exceptions to the compensated percentage of AGR as defined in Appendix A-1 of this agreement.

CARRIER reserves the right, with the consent and signature of CONTRACTOR to update Appendix A-3 at any time during the effective dates of the Contractor Agreement..

Business Description	Contract /Item Number	% of AGR
	/	
	/	
	/	
	/	

If in the event there are more permanent exceptions than room on this Appendix, additional copies of Appendix A-3 can be completed and executed by the CARRIER and CONTRACTOR

THIS APPENDIX A-3 is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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APPENDIX A-4**CONTRACTOR's Compensation**
(Mileage Based)

1. **MILEAGE BASED COMPENSATION:** Unless otherwise agreed to in writing between the parties, CARRIER shall pay CONTRACTOR based on the following amounts:

(a) **MILEAGE COMPENSATION:** CONTRACTOR shall be paid the following amounts for all dispatched miles as determined by the most recent edition of CARRIER's Mileage Guide. CONTRACTOR shall not be compensated for any out of route miles, or bobtail or deadhead miles, unless CARRIER expressly authorizes such miles.

Standard Loaded Miles: \$ _0.95____ Per practical mile

Dispatched Empty Miles: \$ _0.95____ Per practical mile

(b) **ADDITIONAL COMPENSATION.**

<u>Compensation Item</u>	<u>Compensation</u>
Detention (billable to customer)	Billable detention after first two (2) hours paid at \$25.00 an hour.
Dwell Time	\$85.00, plus an additional \$85.00 for each successive Full day (midnight to Midnight) layover
*Preload	\$75.00 per load
*Deliver By Load	\$75.00 per load
Heat in Transit	\$75.00 per load
Pumping	\$20.00 per use
Compressor	\$20.00 per use

- * In circumstances when Contractor performs the line haul portion of the order and a different unit/driver performs the Preload or Deliver By, Contractor's compensation shall be reduced by \$75.00 per Preload and/or Deliver By.

ACCESSORIAL DEFINITIONS:

- Preload: A situation where the unit/driver (other than the unit/driver performing the line haul portion of the order) loads at shipper's location and delivers the loaded trailer to an assigned location, ready for final transportation to the consignee.
- Deliver By Load: A situation where the unit/driver (other than the unit/driver performing the line haul portion of the order) takes a loaded trailer from an assigned location and makes the delivery to the consignee.
- Dwell Time: A situation where the Contractor is not moving on dispatched miles toward a new load by 11:59 P.M. of the day following the day of completion of a load. Dwell Time is not applicable to situations when the Contractor is out of hours of service.

4. **EXPENSE ITEMS.** Expense items such as but not limited to scale tickets and tolls expenses that are incurred by CONTRACTOR and billed separately by CARRIER to a customer will be paid at a rate of 100%
2. **CHARGE BACK 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 ITEM	COST
Advances in Compensation	Actual
Fuel and Fuel Taxes	Actual
Other Operating Expenses (See Paragraph 9)	Actual
IRP Plate	Actual
Cargo Claim	Actual up to \$1,000.00
C.O.D. Charges	Actual
Fines and Penalties	Actual
Trailer Damage/Claims	Actual up to \$2,000.00
Insurance Costs	See <u>Appendix B</u>
Escrow Funds	See <u>Appendix C</u>
Communication Equipment	See <u>Appendix F</u>
Equipment Purchase/Rental	See <u>Appendix G</u>

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 of CONTRACTOR's disagreement with such charge back within thirty (30) days of the charge back.

APPENDIX A-4 is agreed to by the undersigned parties as of the latest date set forth below.

CONTRACTOR AGREEMENT

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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APPENDIX A-5

CONTRACTOR ASSURANCE BONUS (CAB) PROGRAM

TERMS AND CONDITIONS OF PROGRAM:

1. This Bonus Program shall commence on the effective date of the Contractor Agreement and shall remain in effect for a period of eighteen (18) months from said date.
2. Contractor must haul all loads that are offered for dispatch provided Contractor has enough legal hours of service to accomplish the dispatch.
3. Contractor must not place its truck out of service for any five consecutive day period during any calendar quarter.
4. Contractor agrees that it will properly use Qualcomm in accordance with Carrier's policies.
5. Contractor must present all load delivery documentation for scanning/billing within forty-eight (48) hours from delivery.
6. If contractor meets all of these terms and conditions set forth in items 2 through 5 of this appendix A-1 during a calendar quarter and does not have a gross compensation of at least \$26,000.00 for said quarter, Contractor will receive a bonus equal to the difference between \$26,000.00 and Contractor's actual gross compensation during the subject calendar quarter.
7. In the event that the Contractor meets all of the terms and conditions set forth herein, except that Contractor's truck is out of service for more that a five day period in a calendar quarter, the bonus will be calculated based upon the following schedule:

Out of Service	Maximum Bonus Eligibility
1 period of 5-10 consecutive days	Difference between Gross Compensation and \$24,000
1 period of 10 to 15 consecutive days or 2 periods of 5-10 days	Difference between Gross Compensation and \$20,000
1 period of greater than 15 consecutive days or 3 periods of 5-10 days	No bonus eligibility

8. If Contractor enters this program in the middle of a quarter, the bonus eligibility will be prorated for the initial partial quarter, based on the number of weeks in the program for that quarter. If the contractor meets the requirements and is eligible for a bonus for the initial partial quarter, said bonus will be paid to Contractor after Contractor has completed his/her full calendar quarter.
9. CARRIER will pay all IRP base plate fees for 1 year from date of hire or transfer.

CONTRACTOR AGREEMENT

APPENDIX A-5 is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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Appendix B

Insurance

It shall be CARRIER's responsibility, pursuant to federal law, to provide public liability, property damage and, with regard to common carrier service, cargo loss or damage insurance while CONTRACTOR is operating the Equipment on behalf of the 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.

CONTRACTOR shall maintain, at its sole cost and expense, the following minimum insurance coverages during the term of this Agreement:

1. NON-TRUCKING LIABILITY: CONTRACTOR shall procure, carry and maintain public liability and property damage insurance which shall provide coverage to CONTRACTOR whenever the Equipment is not being operated on behalf of CARRIER in a combined single limit of not less than One Million Dollars (\$1,000,000.00) 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. CONTRACTOR shall be responsible for all deductible amounts and for any loss or damage in excess of the policy limit.

2. WORKERS' COMPENSATION/OCCUPATIONAL ACCIDENT INSURANCE: CONTRACTOR shall provide workers' compensation insurance coverage for all of its employees, agents and anyone driving the Equipment in amounts not less than Two Million Dollars (\$2,000,000.00). If CONTRACTOR is the sole owner and the sole and exclusive operator of the vehicle that is driven exclusively by CONTRACTOR under this Agreement, then CONTRACTOR may, as an alternative to obtaining workers' compensation coverage, obtain an occupational accident insurance policy that is acceptable to CARRIER at its sole discretion with limits at or above Two Million Dollars (\$2,000,000.00) for medical and Three Hundred Thousand Dollars (\$300,000.00) for Accidental Death and Dismemberment (AD&D) coverages.

For a CONTRACTOR who lives and/or is domiciled in Louisiana (LA), New Jersey (NJ), or North Carolina (NC), actual Workers' Compensation coverage is required. Additional States may be added to this listing of states in which Workers' Comp coverage is required. Should additions be required, the CARRIER will notify the CONTRACTOR in writing with a grace period of sixty (60) days in which to purchase the required worker's Compensation coverage will be granted.

3. 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 collision insurance coverage that CONTRACTOR may desire for the Equipment.

CONTRACTOR shall furnish to CARRIER written certificates obtained from CONTRACTOR's insurance carrier showing that all insurance coverages required above have been procured from an "A" rated company, are being properly maintained, and the premiums therefore are paid, specifying the name of the insurance carrier, the policy number, the expiration date, naming CARRIER as an additional named insured and further showing that written notice of cancellation or modification of the policy shall be given to CARRIER at least thirty (30) days prior to such cancellation or modification.

CONTRACTOR AGREEMENT

CONTRACTOR agrees to defend, indemnify and hold harmless CARRIER from any direct, indirect and consequential loss, damage, fine, expense, including reasonable attorney fees, actions, claim for injury to persons, including death, and damage to property which 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 harmless CARRIER from such claim.

CONTRACTOR may, at CONTRACTOR's option, authorize CARRIER to administer, on CONTRACTOR's behalf, the insurance coverages required by this Agreement, in which case CONTRACTOR will be charged back for all of CARRIER's expense and cost in obtaining and administering such coverage. In addition, if CONTRACTOR fails to provide proper evidence of the purchase or maintenance of the insurance required above, then CARRIER is authorized but not required to obtain such insurance at its expense and charge CONTRACTOR all costs incurred by CARRIER in obtaining and administering such coverage on CONTRACTOR's behalf. CONTRACTOR recognizes that CARRIER is not in the business of selling insurance, and CONTRACTOR subject to all of the terms, conditions and exclusions of the actual policy issued by the insurance underwriter selects any insurance coverage requested by CONTRACTOR from CARRIER. CARRIER shall ensure that CONTRACTOR is provided with a certificate of insurance for each insurance policy under which the CONTRACTOR selects coverage from the insurance underwriter, and CARRIER shall provide CONTRACTOR with a copy of each policy upon request by CONTRACTOR. In the event that the insurance costs or insurance provider shall change or vary after the execution of this Agreement, CARRIER shall advise CONTRACTOR of such change in writing and CONTRACTOR's failure to object or terminate the coverage being provided through CARRIER in writing to CARRIER shall constitute an express consent and authorization to CARRIER to deduct and charge back to CONTRACTOR the revised amount.

APPENDIX B is agreed to by the undersigned parties as of the latest date set forth below is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

Appendix C

Escrow

In the event that CARRIER exercises its right to establish an escrow as set forth in the Agreement, the following shall be applicable:

1. The amount of principal to be held (“escrow funds”) shall be a minimum of \$3,000.00, which amount is to be deducted from CONTRACTOR’s compensation at \$ 50.00 every week beginning on the second week of services provided by CONTRACTOR under the Agreement. If, at any time, the principal amount in escrow falls below \$3,000.00, CONTRACTOR authorizes CARRIER to deduct from CONTRACTOR’s compensation a maximum amount of \$100.00 per week until the full escrow amount is replenished.
2. If CONTRACTOR has more than one Tractor under this agreement, an escrow of \$1,000.00 for each additional tractor, which amount is to be deducted from CONTRACTOR’s compensation at \$50.00 every week beginning on the second week of services provided by CONTRACTOR under the Agreement. If, at any time, the principal amount in escrow falls below \$3,000.00 plus the additional \$1000 for each additional tractor, CONTRACTOR authorizes CARRIER to deduct from CONTRACTOR’s compensation a maximum amount of \$100.00 per week until the full escrow amount is replenished.
3. Escrow funds shall be held by the CARRIER for the purpose of insuring compliance with the provisions of the Agreement. CARRIER may utilize the escrow funds to cover any expense incurred by CARRIER, which is CONTRACTOR’s responsibility under the Agreement or any appendices thereto.
4. While escrow funds are under CARRIER’s control, CARRIER shall provide an accounting to 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. In addition, upon CONTRACTOR’s request, CARRIER shall provide CONTRACTOR with an account of any transactions involving CONTRACTOR’s escrow funds.
5. 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. For purposes of calculating the balance of the escrow fund on which interest is paid, CARRIER may deduct a sum equal to the average advance made to CONTRACTOR during the period of time for which interest is paid.
6. Escrow funds shall be repaid upon the prompt return by 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.
7. Escrow funds, less any reductions, shall be repaid to CONTRACTOR within forty-five (45) days from the date of termination of this Agreement.

CONTRACTOR AGREEMENT

APPENDIX C is agreed to by the undersigned parties as of the latest date set forth below is agreed to by the undersigned parties as of the latest date set forth below.

CARRIER:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

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APPENDIX D

VEHICLE INSPECTION FORM

This is a Federal Law, section 396.17 of the Motor Carriers Safety Regulations

Registration Vehicle Owner Name		Fleet Number	Date / /	Time :
Street		Speedometer	Hubodometer	RO
City, State, Zip ,		Certified Inspector- Name		
Motor Carrier Operator, if other than Owner		Location of Inspection		
Street		Street		
City, State, Zip ,		City, State, Zip ,		
License Plate # / State /	Vehicle ID Number	Vehicle Make	Vehicle Model	

Marks: N/A =Not Applicable S = Satisfactory D = Defective CM = Correction Made

- | | | |
|---|---|--|
| 1. Check Parking Brake

2. Check Speedometer

3. Check horn

4. Check gauges for proper operation

5. Check windshield Wipers

6. Inspect all glass

7. Check Mirrors

8. Inspect Seatbelts

9. Inspect Emergency equipment. No flares.

10. Check air loss with brakes applied

11. Check low air warning must operate 55 psi min. | 13. One Way Check Valve

14. Record brake lining depth & adjustment
<div style="margin-left: 40px;"> Lining Adjustment
 Left Steer _____
 LF Drive _____
 LR Drive _____
 Right Steer _____
 RF Drive _____
 RR Drive _____
 Brakes meet DOT criteria </div> 15. Check steering column & box for tightness, seals leaking, missing cotter pins

16. Check front end

17. Check 5 th wheel

18. Check batteries, secure cover in place. | 19. Check for excessive fuel, oil air, and exhaust leaks.

20. Inspect Air Hoses

21. Check all lights, reflectors, signals

22. Inspect trailer light cord

23. Inspect Frame

24. Check Spring, hangers, equalizers & U-bolts

25. Check wheels and seal leakage

26. Record tire tread depth (32nds)
<div style="margin-left: 40px;"> LS RS
 LFO LFI
 RFO RFI
 LRO LRI
 RRO RRI </div> 27. Safe loading equipment

28. Pump / PTO / Guard by pass |
|---|---|--|

QUALITY CARRIERS WORK PROCESSES

REPAIR SECTION

List all repairs made and all parts or equipment installed

Date	Repairs (Explain)	Replacement or Equipment Installed
/ /		
/ /		

Lubrication Record

Date	Mileage	Lube	Oil
/ /		Y N	Add Changed
Filter Changed	Transmission	Differential	Hub Steering Axle
Y N	Add Changed	Add Changed	Inspected Add

Tire Section

Date	Size	List Repairs, Replacement
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I hereby certify that I am qualified to inspect the equipment, with full knowledge of D.O.T criteria, and that on _____, I carefully inspected the equipment described above, that this is a true and correct report of the equipment of such inspection and this equipment meets D.O.T. requirements.

Facility-----
Signature of Authorized Inspector

APPENDIX E-1

AUTHORIZATION TO DISBURSE

I, _____ do hereby authorize and direct Quality Carriers, Inc. to disburse all revenues or sums of money generated by my _____ (truck description) that is driven by _____ to:

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

FEIN or Social Security Number: _____.

I further agree that I have no claim against Quality Carriers, Inc., for payment to me of any sums of money or revenues generated by the above-mentioned truck and the above-mentioned operator, and also agree to hold Quality Carriers, Inc. harmless for payment to me of any such sums of money or revenues.

WITNESS MY HAND THIS _____ DAY OF _____, 20__.

Owner's Name

STATE OF: _____

COUNTY OF: _____

This instrument was acknowledged and signed before me this _____ day of _____, 20__,

By: _____
Owner's Name

Notary Public

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APPENDIX F-1

EQUIPMENT LEASE AGREEMENT

Qualcomm

THIS EQUIPMENT LEASE AGREEMENT, dated as of _____, by and between Quality Carriers Inc., (“LESSOR”) and _____ (“CONTRACTOR”).

NOW, THEREFORE, intending to be legally bound hereby, the parties agree as follows:

1. LEASE.

LESSOR hereby leases to CONTRACTOR, and CONTRACTOR hereby leases from LESSOR, _____ System(s) for installation in the tractor(s) leased by CONTRACTOR to Carrier and identified in Schedule A hereto (each, a “Tractor”). The System is described more specifically on Schedule A to this Lease Agreement.

2. TERM.

The term of this Lease Agreement shall commence on the date hereof and continue and automatically renew for successive 30-day terms unless either CONTRACTOR shall give LESSOR at least 15 days’ written notice of its election to terminate this Agreement effective as of the end of the then current term, or LESSOR gives at least 12 months’ written notices to CONTRACTOR of its election to terminate this Agreement effective as of the end of the first 30 day term ending after the 12 month notice period; provided, however, that this Lease Agreement is subject to earlier termination immediately upon termination of the Operating Agreement.

3. INSTALLATION/REMOVAL.

- a) LESSOR shall, at its cost, install, or cause to be installed, the System in each Tractor at a date, time and place selected by LESSOR, which date shall be within 30 days of the date of the Lease Agreement. Upon notices from LESSOR of the date, time and place of installation from LESSOR, CONTRACTOR shall deliver its Tractor(s) to the designated place of installation at the designated time and date, and cooperate and assist LESSOR or its agent to install the System in each Tractor, including making such modification to each Tractor as LESSOR or its agent may reasonably request.
- b) Immediately upon termination of this Lease Agreement, CONTRACTOR shall deliver its Tractor(s) to the place designated by LESSOR for removal of the System(s) from the Tractor(s). LESSOR hereby designates CONTRACTOR’s primary terminal with Carrier as its designated place of removal (“Removal Location”), subject to LESSOR’s absolute right to change the designated removal point from time to time upon written notice to CONTRACTOR. At the Removal Location, LESSOR or its agent shall, at its cost, remove the System from each Tractor with CONTRACTOR’s full cooperation and assistance.
- c) CONTRACTOR waives and releases LESSOR and its employees and agents from and against any and all loss, damage or expense relating to or arising out of the installation or removal of the Systems, including damage to the Tractor, unless caused by the gross negligence or willful misconduct of LESSOR or its agent or otherwise covered by any warranty of a third party installer.

4. RENT.

Rent for each System shall be as set forth in Schedule B attached hereto (“Base rent”). Base Rent shall be payable, without set-off, deduction or demand, in advance on the first business day of each calendar week commencing the week of the System is installed pursuant to this Agreement; and Base Rent shall not abate during periods of repair or replacement.

5. DEDUCTION OF PAYMENTS.

CONTRACTOR agrees that, at LESSOR’s option, LESSOR may receive the Base Rent or any other amounts provided herein to be paid by CONTRACTOR by requesting Carrier to deduct CONTRACTOR’s rental and other obligations from the weekly settlements owed CONTRACTOR by Carrier under the Operating Agreement. CONTRACTOR hereby irrevocably authorizes Carrier to make such deductions for the Base Rent or any other amounts or obligations hereunder set forth in a written notice from LESSOR from any compensation otherwise due CONTRACTOR under the Operating Agreement and pay such amounts directly to LESSOR. Carrier is expressly authorized to rely on any notice from LESSOR as to the amounts owed by CONTRACTOR hereunder without any duty to confirm such amounts and despite any contrary notice from CONTRACTOR. Nothing in this paragraph shall require or accept any such deductions.

6. USE.

CONTRACTOR shall use the System only in connection with the transmitting and receiving of business messages to and from Carrier or its designated agent. CONTRACTOR shall not use the System for any non-business purpose, nor make any alterations to or otherwise abuse the System. CONTRACTOR shall assign each System to a specific vehicle. This assignment shall be recorded on Schedule A to this Sublease. CONTRACTOR shall use a System on only the vehicle specified in Schedule A, and shall not transfer the System to any other vehicle. LESSOR reserves the right to bill CONTRACTOR, and CONTRACTOR agrees to promptly pay LESSOR, transmission and other charges for any non-business use of the System. Nothing hereunder shall be construed as authorizing non-business use.

7. REPAIR AND MAINTENANCE.

In case of a defective or damaged System, LESSOR and CONTRACTOR agree as follows:

- a) CONTRACTOR shall promptly notify LESSOR of any defect or damage to the System and return it LESSOR or LESSOR’s agent.
- b) LESSOR shall, as soon as practical, provide a replacement unit and/or arrange to have necessary repairs done on the System at a location to be selected by LESSOR.
- c) CONTRACTOR shall not attempt or perform any repairs or replacement of the System, but shall promptly notify LESSOR in the event that repairs or replacement shall be necessary.
- d) LESSOR shall have no obligation to repair or replace System units which are defective or damaged due to:
 - i. Use of the System other than as expressly authorized by LESSOR;
 - ii. Improper use of the System;
 - iii. Damage to the System due to physical impact or other abuse, theft or vandalism caused by or arising out of the negligence or misconduct of CONTRACTOR or its agents;
 - iv. Unauthorized repair or maintenance;

CONTRACTOR AGREEMENT

- v. Breaking of the seal on the Outdoor unit or Communication Unit of the System, which will be automatically deemed to be unauthorized alteration or repair.
- e) Any repair or replacement of a System by LESSOR for any cause listed in Subsection (d) above, or as a result of CONTRACTOR's negligence or misconduct, shall be done by LESSOR or its agents at CONTRACTOR's sole expense.

8. WARRANTY.

LESSOR has arranged for CONTRACTOR to be able to take advantage of warranties provided by QUALCOMM. CONTRACTOR acknowledges that LESSOR did not construct, manufacture or design the System. Therefore, except as provided for in paragraph 9 above concerning repair and maintenance, LESSOR cannot provide any warranties regarding the System's fitness or performance. As such, as from LESSOR, CONTRACTOR leases the System "AS IS" and "WITH ALL FAULTS".

LESSOR EXPRESSLY DISCLAIMS, AND CONTRACTOR EXPRESSLY WAIVES LIABILITY FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND DUE TO FAILURE OF THE SYSTEM.

9. CONDITION RETURN.

As provided in Section 4(b) hereof, at the termination of this Lease, CONTRACTOR shall, at its sole cost, deliver each Tractor to the Removal Point for removal by LESSOR, or by Carrier on LESSOR's behalf, of the System. CONTRACTOR shall return the System in the same condition as received, normal wear and tear excepted.

10. HOLDOVER.

In the event CONTRACTOR fails to return the System at the termination of this Lease, CONTRACTOR shall pay a holdover rental rate of Fifty Dollars (\$50.00) per System for each day the System is not returned within three days of the request of LESSOR or its agent to return it.

11. LIQUIDATED DAMAGES.

The Parties acknowledge that, given the nature of the System unit, it is difficult to ascertain its true value. CONTRACTOR shall pay to LESSOR a sum equal to QUALCOMM's list price for each System, as set forth in Schedule B attached hereto, which is lost, damaged to an extent that the cost of repairs exceed the purchase price, stolen, or otherwise not returned to LESSOR or Carrier at the termination of this Lease Agreement

12. INSPECTION.

Upon demand, LESSOR or its agent shall be entitled to enter into or upon the Tractor to inspect the System.

13. NON-USE WHILE IN MOTION.

CONTRACTOR hereby represents and warrants to LESSOR that it will not use the System while the Tractor is in motion. If, and only if, the vehicle is being operated by a team, the non-driver may operate the System while the Tractor is in motion, provided the non-driver ensures such operations do not distract the driver. THE DRIVER IS NOT AUTHORIZED TO USE THE SYSTEM WHEN THE TRACTOR IS IN MOTION.

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14. DEFAULT.

In the event CONTRACTOR fails to make any payment when due, damages, alters or otherwise commits waste upon the System, fails to return the System upon request, or otherwise defaults under this Lease Agreement, or, in the event LESSOR, in its sole discretion, deems interest in the System to be insecure, LESSOR shall have the right to immediately take possession of the System.

CONTRACTOR shall, upon request by LESSOR, make the Tractor(s) available to LESSOR at a location to be designated by LESSOR. Upon any event of default, or determination of insecurity, LESSOR is entitled to possessions and control of the System. CONTRACTOR grants to LESSOR license to enter upon the premises of CONTRACTOR at any time to inspect the System, and, in the case of default or determination of insecurity, license to enter upon the premises or Tractor for repossession or removal of the System. It is specifically understood and agreed that reasonable expenses incurred in taking repossession and removing the System by LESSOR, including all reasonable attorney's fees, are chargeable against CONTRACTOR. CONTRACTOR hereby waives any right to or notice of default, demand, or opportunity to cure. Any waiver by LESSOR of its rights upon any default shall not act as a waiver of its rights upon any subsequent default.

15. TITLE.

The parties hereby agree that the System leased under this Lease Agreement is at all times the property of LESSOR or its LESSOR. Other than leasehold interest at a LESSOR under this Lease Agreement, CONTRACTOR shall not have, and shall not assert, any ownership interest in the System.

16. NOT AN ACCESSION.

The parties specifically agree that the System(s) are wholly independent of the Tractor(s) to which it is attached, and are not and shall not become a part of or accession to the Tractor.

17. NOTICE OF INTEREST.

CONTRACTOR shall fully cooperate with LESSOR and its LESSOR, if any, in the providing of notice to third parties of LESSOR or such other parties' interest in the System. Such notice may include, but shall not be limited to, the filing of a financing statement in accordance with the provisions of the Uniform Commercial Code.

18. INDEMNITY.

CONTRACTOR shall hold the LESSOR harmless from any loss or damage incurred by the LESSOR as a result of the negligent operation, maintenance or use of the System by CONTRACTOR.

19. GOVERNING LAW.

This section and the rights and obligations to the parties hereunder shall be construed, interpreted and determined by the laws of the Commonwealth of Florida, without regard to conflict or choice of law principles.

20. SEVERABILITY.

In the event that any of the provisions of this Lease shall be determined to be invalid, such termination shall not affect the validity of the remainder of this lease.

21. HEADINGS.

The headings used in this Lease Agreement are solely for convenience and are not intended to define or limit the scope of any provision hereof.

22. ASSIGNMENT.

LESSOR may assign its rights under this Lease Agreement. CONTRACTOR may not assign its rights without the express written consent of LESSOR.

23. MERGER CLAUSE.

The entire Lease Agreement is embodied in this writing, and the documents attached to hereto, or referenced herein. This writing and attached and referenced documents constitute the final expression of the parties' agreement, and this writing and attached and referenced documents are a complete and exhaustive statement of its terms.

APPENDIX F-1 is agreed to by the undersigned parties as of the latest date set forth below.

LESSOR
QUALITY CARRIERS, INC.:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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APPENDIX F-1

QUALCOMM EQUIPMENT LEASE AGREEMENT

SCHEDULE A

TRACTOR #	SYSTEM MCT #	TRACTOR #	SYSTEM MCT #
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

SCHEDULE B

Base Rent

\$17.77 per week, based on twelve 4-week months, plus \$225.00 de-installation charge, and which base rental may, in LESSOR's discretion, be deducted from leased operator settlements with Quality Carriers, Inc.

Liquidated Damages

Initially \$2,500.00 amortized on a straight-line basis over a 48-month useful life.

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APPENDIX F-2

QUALCOMM CONTRACTOR PURCHASE PROGRAM

I _____, Broker ID Number _____ agree to purchase one (1) complete Qualcomm Satellite System from Quality Carriers, Inc. This also includes all applicable equipment that is needed for a fully operating Qualcomm system.

Terms and Payment Options

1. **New Two Piece Unit** - Purchase price - \$2500**
 - Payment in Full
 - 1 Year (52 weekly installments) of \$48.08 per week interest free.
 - 2 Years (104 weekly installments) of \$27.16 per week*.
 - 3 Years (156 weekly installments) of \$19.16 per week*.
2. **Used Three Piece Unit** – Purchase Price - \$1000**
 - Payment in Full
 - 6 months (26 Weekly installments) of \$39.82 per week*

*Monthly installments reflect a 12% finance charge.

**Mount Bracket and installation extra.

Purchase Program Terms and Conditions

1. Contractor is responsible for all installation charges.
2. Contractor is responsible for all maintenance, repairs and damage due to negligence.
3. Contractor will be responsible for any communication overage beyond the standard monthly cost of \$50.00.
4. Contractor acknowledges that this purchase program is optional and not required by Quality Carriers, INC.

Early Termination of Purchase Program

If the Contractor lease with Quality Distribution is terminated early for any reason before the terms of the Qualcomm Independent Contractor Purchase Program are met:

1. Payment in full is due on lease termination; or
2. Contractor may return the unit and forfeit all monies paid to the date the lease is terminated.

Independent Contractor Signature

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Date

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APPENDIX F-3

EQUIPMENT LEASE AGREEMENT

Product Transfer

THIS EQUIPMENT LEASE AGREEMENT, dated as of _____, by and between Quality Carriers Inc., (“LESSOR”) and _____ (“CONTRACTOR”).

NOW, THEREFORE, intending to be legally bound hereby, the parties agree as follows:

1. LEASE.

LESSOR hereby leases to CONTRACTOR, and CONTRACTOR hereby leases from LESSOR, _____ Equipment Package(s) for installation in the tractor _____ leased by CONTRACTOR to Carrier.

2. TERM.

The term of this Lease Agreement shall commence on the date hereof and continue and automatically renew for successive 30-day terms unless either CONTRACTOR shall give LESSOR at least 15 days’ written notice of its election to terminate this Agreement effective as of the end of the then current term, or LESSOR gives at least 12 months’ written notices to CONTRACTOR of its election to terminate this Agreement effective as of the end of the first 30 day term ending after the 12 month notice period; provided, however, that this Lease Agreement is subject to earlier termination immediately upon termination of the Operating Agreement.

3. INSTALLATION/REMOVAL.

- a) LESSOR shall, at its cost, install, or cause to be installed, the Package in specified Tractor at a date, time and place selected by LESSOR, which date shall be within 30 days of the date of the Lease Agreement. Upon notices from LESSOR of the date, time and place of installation from LESSOR, CONTRACTOR shall deliver its Tractor(s) to the designated place of installation at the designated time and date, and cooperate and assist LESSOR or its agent to install the Equipment in the Tractor, including making such modification to each Tractor as LESSOR or its agent may reasonably request.
- b) Within seven (7) days upon termination of this Lease Agreement, CONTRACTOR shall deliver its CONTRACTOR(s) to the place designated by LESSOR for removal of the Equipment from the Tractor. LESSOR hereby designates CONTRACTOR’s primary terminal with Carrier as its designated place of removal (“Removal Location”), subject to LESSOR’s absolute right to change the designated removal point from time to time upon written notice to CONTRACTOR. At the Removal Location, LESSOR or its agent shall, at its cost, remove the System from each Tractor with CONTRACTOR’s full cooperation and assistance.
- c) CONTRACTOR waives and releases LESSOR and its employees and agents from and against any and all loss, damage or expense relating to or arising out of the installation or removal of the

CONTRACTOR AGREEMENT

Systems, including damage to the Tractor, unless caused by the gross negligence or willful misconduct of LESSOR or its agent or otherwise covered by any warranty of a third party installer.

4. RENT.

Rent for each System shall be as set forth in Schedule B attached hereto (“Base rent”). Base Rent shall be payable, without set-off, deduction or demand, in advance on the first business day of each calendar week commencing the week of the System is installed pursuant to this Agreement; and Base Rent shall not abate during periods of repair or replacement.

5. DEDUCTION OF PAYMENTS.

CONTRACTOR agrees that, at LESSOR’s option, LESSOR may receive the Base Rent or any other amounts provided herein to be paid by CONTRACTOR by requesting Carrier to deduct CONTRACTOR’s rental and other obligations from the weekly settlements owed CONTRACTOR by Carrier under the Operating Agreement. CONTRACTOR hereby irrevocably authorizes Carrier to make such deductions for the Base Rent or any other amounts or obligations hereunder set forth in a written notice from LESSOR from any compensation otherwise due CONTRACTOR under the Operating Agreement and pay such amounts directly to LESSOR. Carrier is expressly authorized to rely on any notice from LESSOR as to the amounts owed by CONTRACTOR hereunder without any duty to confirm such amounts and despite any contrary notice from CONTRACTOR. Nothing in this paragraph shall require or accept any such deductions.

6. LEASED EQUIPMENT

Under this lease agreement the LESSOR agrees to lease the CONTRACTOR the following equipment:

1. Chassis mounted Hose rack
2. One Roper Pump and unloading accessories
3. One Compressor and unloading accessories
4. PTO Guard
5. Installation of unload equipment, Hose Rack and PTO Guard

This lease does not include (installed at the CONTRACTORS sole expense):

1. Purchase of any require Power Take off units (PTO)
2. Heat in transit equipment and installation
3. Installation of PTO units and in transit equipment

7. USE.

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CONTRACTOR AGREEMENT

CONTRACTOR shall use the Equipment Package only in connection with the transfer of product per the CARRIER's direction. CONTRACTOR shall not use the Equipment Package for any non-business purpose, nor make any alterations to or otherwise abuse the Equipment Package. CONTRACTOR shall assign each Equipment Package to a specific vehicle. This assignment shall be recorded on Schedule A to this Sublease. CONTRACTOR shall use a System on only the vehicle specified in Schedule A, and shall not transfer the Equipment Package to any other vehicle. LESSOR reserves the right to bill CONTRACTOR, and CONTRACTOR agrees to promptly pay LESSOR, transmission and other charges for any non-business use of the Equipment Package. Nothing hereunder shall be construed as authorizing non-business use.

8. REPAIR AND MAINTENANCE.

The CONTRACTOR is responsible for all maintenance, both preventative and repair to the Leased Equipment for the duration of this lease agreement. Replacement or new purchase would be CONTRACTOR's responsibility. .

9. WARRANTY.

The LESSOR will extend any manufacturer warranties on installed equipment.

10. CONDITION RETURN.

As provided in Section 4(b) hereof, at the termination of this Lease, CONTRACTOR shall, at its sole cost, deliver each Tractor to the Removal Point for removal by LESSOR, or by Carrier on LESSOR's behalf, of the Equipment package. CONTRACTOR shall return the Equipment Package in the same condition as received, normal wear and tear excepted.

11. HOLDOVER.

Failure to return said equipment as specified will result in CARRIER charging CONTRACTOR the full cost of the equipment and installation as originally invoiced at the time of installation. If the equipment is returned as specified in this agreement, CARRIER will waive any de-installation labor costs

12. LIQUIDATED DAMAGES.

The Parties acknowledge that, given the nature of the Equipment, it is difficult to ascertain its true value. CONTRACTOR shall pay to LESSOR a sum equal to the depreciation schedule, as set forth in Schedule B attached hereto, which is lost, damaged to an extent that the cost of repairs exceed the purchase price, stolen, or otherwise not returned to LESSOR or Carrier at the termination of this Lease Agreement

13. INSPECTION.

Upon demand, LESSOR or its agent shall be entitled to enter into or upon the Tractor to inspect the Equipment.

14. DEFAULT.

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CONTRACTOR AGREEMENT

In the event CONTRACTOR fails to make any payment when due, damages, alters or otherwise commits waste upon the Equipment, fails to return the Equipment upon request, or otherwise defaults under this Lease Agreement, or, in the event LESSOR, in its sole discretion, deems interest in the Equipment to be insecure, LESSOR shall have the right to immediately take possession of the Equipment. CONTRACTOR shall, upon request by LESSOR, make the Tractor(s) available to LESSOR at a location to be designated by LESSOR. Upon any event of default, or determination of insecurity, LESSOR is entitled to possession and control of the Equipment. CONTRACTOR grants to LESSOR license to enter upon the premises of CONTRACTOR at any time to inspect the Equipment, and, in the case of default or determination of insecurity, license to enter upon the premises or Tractor for repossession or removal of the Equipment. It is specifically understood and agreed that reasonable expenses incurred in taking repossession and removing the Equipment by LESSOR, including all reasonable attorney's fees, are chargeable against CONTRACTOR. CONTRACTOR hereby waives any right to or notice of default, demand, or opportunity to cure. Any waiver by LESSOR of its rights upon any default shall not act as a waiver of its rights upon any subsequent default.

15. TITLE.

The parties hereby agree that the Equipment leased under this Lease Agreement is at all times the property of LESSOR. Other than leasehold interest at a LESSOR under this Lease Agreement, CONTRACTOR shall not have, and shall not assert, any ownership interest in the Equipment.

16. NOT AN ACCESSION.

The parties specifically agree that the Equipment are wholly independent of the Tractor(s) to which it is attached, and are not and shall not become a part of or accession to the Tractor.

17. NOTICE OF INTEREST.

CONTRACTOR shall fully cooperate with LESSOR and its LESSOR, if any, in the providing of notice to third parties of LESSOR or such other parties' interest in the Equipment. Such notice may include, but shall not be limited to, the filing of a financing statement in accordance with the provisions of the Uniform Commercial Code.

18. INDEMNITY.

CONTRACTOR shall hold the LESSOR harmless from any loss or damage incurred by the LESSOR as a result of the negligent operation, maintenance or use of the Equipment by CONTRACTOR.

19. GOVERNING LAW.

This section and the rights and obligations to the parties hereunder shall be construed, interpreted and determined by the laws of the Commonwealth of Florida, without regard to conflict or choice of law principles.

20. SEVERABILITY.

In the event that any of the provisions of this Lease shall be determined to be invalid, such termination shall not affect the validity of the remainder of this lease.

21. HEADINGS.

The headings used in this Lease Agreement are solely for convenience and are not intended to define or limit the scope of any provision hereof.

22. ASSIGNMENT.

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CONTRACTOR AGREEMENT

LESSOR may assign its rights under this Lease Agreement. CONTRACTOR may not assign its rights without the express written consent of LESSOR.

23. MERGER CLAUSE.

The entire Lease Agreement is embodied in this writing, and the documents attached to hereto, or referenced herein. This writing and attached and referenced documents constitute the final expression of the parties' agreement, and this writing and attached and referenced documents are a complete and exhaustive statement of its terms.

APPENDIX F-1 is agreed to by the undersigned parties as of the latest date set forth below.

LESSOR
QUALITY CARRIERS, INC.:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

SCHEDULE A

ASSIGNED TRACTOR #: _____

SCHEDULE B

Base Rent

\$40.00 per week, based on 52 weeks,

Depreciation Schedule

25% through the first ninety (90) days from invoiced installation date then an additional 8% for each thirty (30) day period subsequent. Scrap value of \$150 will be obtained the first day following twelve months from the invoiced installation date

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APPENDIX G-1**STANDARD PROMISSORY NOTE EQUIPMENT PURCHASE****Driver Number:** _____ **Purchase Order Number:** _____

For value received, I _____ (DEBTOR), promise to repay Quality Carriers, Inc. (CARRIER) the below sum in lawful money of the United States, with interest at ten percent (10%) per annum from date of completion of my on-boarding until paid; payable in weekly installments of up to 1/52nd of the principal plus interest up to a maximum repayment period of 52 weeks.

The first payment shall be made 2 weeks after beginning to work and continuing at like payments weekly thereafter, until the whole sum, principal and interest has been paid; if any of said installments are not so paid, the whole of said principal sum and interest shall become immediately due and collectible at the option of CARRIER.

DEBTOR agrees that said weekly payment is to be deducted from weekly settlement check by CARRIER and further agrees that should DEBTOR's business relationship with CARRIER cease for any reason, any and all sums of money that may be due CARRIER, shall become due immediately. Any money owed by CARRIER to DEBTOR shall be applied to the unpaid principal and accrued interest due and the application of such funds will NOT relieve the requirements to completely fulfill the obligation herein.

In case suit or action is instituted to collect this note or any portion thereof, DEBTOR promises to pay such additional sum, as the court may adjudge reasonable as attorney's fees in said suit or action.

Itemized Cost

Equipment Description	Cost
1. Pump (Part only)	\$ _____
2. Compressor (Part only)	\$ _____
3. PTO Guard	\$ _____
4. In-transit heat (Part only)	\$ _____
5. PTO(s) (Part only)	\$ _____
6. Hose Rack (Part only)	\$ _____
7. Fittings Kit	\$ _____
8. Labor to install the Pump/Compressor listed above	\$ _____
9. Set of hoses (2 lengths of 2" and 2 lengths of 3") Replacement cost is Debtors responsibility.	No Charge
10. Qualcomm installation (de-installation of \$250 upon termination of Lease Agreement.)	No Charge
Promissory Note Total	\$ _____

APPENDIX G-1 is agreed to by the undersigned parties as of the latest date set forth below.

CONTRACTOR AGREEMENT

LESSOR
QUALITY CARRIERS, INC.:

CONTRACTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

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APPENDIX G-2

LEASE TO OWN PROMISSORY NOTE FOR CAB DRIVER ONLY

Purchase Order Number: _____

Driver Number: _____

I _____ (DEBTOR) understand that I am entering into a Lease to Own Purchase agreement with Quality Carriers, Inc. (CARRIER).

The DEBTOR agrees to have \$100.00 a week deducted from my settlements for 52 consecutive weeks. DEBTOR understands that this money will be distributed as follows:

1. \$57.69 will be applied toward the required \$3,000.00 Security Escrow. This agreement takes precedent over the Escrow Account deductions prescribed in Appendix C of The Contractors Agreement.
2. \$42.31 will be applied toward re-payment for any equipment installed.

DEBTOR understands that if DEBTOR remains in the CAB Program for 52 consecutive weeks, all equipment itemized below will become the sole property of the DEBTOR. Additionally, \$2,200.00 (\$42.31 x 52 weeks) will be returned to the DEBTOR in the following manner:

1. Applied to outstanding debt owed to CARRIER.
2. CARRIER will place any remaining balance in DEBTOR's Escrow Account. Any funds in the DEBTOR's Escrow Account in excess of the required \$3,000.000 will be at the disposal of the DEBTOR per Appendix C of the Contractor Agreement.

In the event that DEBTOR's employment with CARRIER is terminated, voluntarily or involuntarily, or DEBTOR leaves the CAB Program prior to 52 weeks of consecutive employment, DEBTOR understands that DEBTOR will incur the entire debt itemized below, with a 10% simple interest charge. Repayment will be carried out in the following manner:

1. Upon termination from the company the full debt will be payable immediately.
2. If DEBTOR transfers out of the CAB Program to a different CARRIER terminal, DEBTOR's total remaining debt will be payable in equal monthly increments. The amount of these monthly payments will be calculated as such:
 - a. Any monies collected toward the re-payment of equipment while enrolled in the CAB Program will be applied to the total principal owed.
 - b. The balance will be divided equally by the number of weeks remaining in your original 52 weeks of employment.

Any out of warranty maintenance, repairs, or replacement of the Pump, Compressor, Hose Rack, Fittings, PTO, PTO Guard, or In-Transit Heat are the responsibility of the DEBTOR.

If in the event legal action is required to collect this debt, the debtor named above will be responsible for all costs associated to this collection process, including all legal fees and court costs.

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CONTRACTOR AGREEMENT

The standard cost breakdown of equipment is as follows:

Cost Description	Cost
Pump (Part Only)	\$1,263.00
Compressor (Part Only)	\$635.00
Hose Rack ¹ (Part Only)	\$389.90
Fitting Kit (Part Only)	\$370.80
Labor (estimated, costs may vary depending on modifications required)	\$3,000.00
Hoses (initial set of 2 lengths of 2" and 2 lengths of 3")	No Charge
Qualcomm installation ²	No Charge
(Estimate) PRINCIPAL TOTAL	\$5658.70

Notes: ¹ Initial set of hoses is supplied free. Additional hoses needed, due to damage or loss, are the responsibility of the debtor.

² Upon early termination (less than 52 weeks) from the CAB program, a charge of \$77.00/month for Qualcomm will be added to the total owed. This fee will be retroactive to the first month of your employment.

Cost Description	Cost
PTO (2 @ \$450 ea.)	\$900.00
PTO Adaptor (Part Only)	\$260.00
In Transit Heat (Part Only)	\$188.42
(Estimate) PRINCIPAL TOTAL	\$1348.42

Notes: Because these parts are specific to the power unit, they are the sole responsibility of the contractor and will be deducted at a rate no less than \$150.00 per week and no greater than \$250.00 per week.

APPENDIX G-2 is agreed to by the undersigned parties as of the latest date set forth below.

LESSOR
QUALITY CARRIERS, INC.:

DEBTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

APPENDIX G-3

STANDARD PROMISSORY NOTE TPI BLOWER PURCHASE

Driver Number: _____**Purchase Order Number:** _____

For value received, I _____ (DEBTOR), promise to repay TransPlastics, Inc. (CARRIER) the below sum in lawful money of the United States, with interest at ten percent (10%) per annum from date of completion of my on-boarding until paid; payable in \$150 minimum weekly installments up to a maximum repayment period of 26 weeks inclusive of interest.

The first payment shall be made 2 weeks after beginning to work and continuing at like payments weekly thereafter, until the whole sum, principal and interest has been paid; if any of said installments are not so paid, the whole of said principal sum and interest shall become immediately due and collectible at the option of CARRIER.

DEBTOR agrees that said weekly payment is to be deducted from weekly settlement check by CARRIER and further agrees that should DEBTOR's business relationship with CARRIER cease for any reason, any and all sums of money that may be due CARRIER, shall become due immediately. Any money owed by CARRIER to DEBTOR shall be applied to the unpaid principal and accrued interest due and the application of such funds will NOT relieve the requirements to completely fulfill the obligation herein.

In case suit or action is instituted to collect this note or any portion thereof, DEBTOR promises to pay such additional sum, as the court may adjudge reasonable as attorney's fees in said suit or action.

Itemized Cost

Equipment Description	Cost
1. Cost of Drive Shaft (part only) (can range \$290-\$490)	\$ _____
2. Cost of the PTO (part only) (can range \$390-\$420)	\$ _____
3. Cost of Labor and Installation	\$ _____
4. _____	\$ _____
5. _____	\$ _____
6. _____	\$ _____
Promissory Note Total	\$ _____

Notes:

- a) Base Plate cost varies as year progresses. Full 12-month term cost is \$1360.00 as of 4/2003.
- b) It is understood this cost could be more or less based on the labor involved and modifications required.

CONTRACTOR AGREEMENT

If the CONTRACTOR's lease is terminated for any reason within the first two (2) years of term or CONTRACTOR's association with TransPlastics, Inc ceases, CONTRACTOR will return the equipment covered in this Agreement in good working condition to the CARRIER. CONTRACTOR further understands that should the equipment CONTRACTOR returns is not in good working order, CONTRACTOR will be charged to restore the equipment to working order.

Failure to return the equipment in proper working order within seven (7) days of lease cancellation will result in a charge of twenty-five (\$25.00) per day for every day beyond 7 days that the equipment has not been returned. Failure to return the equipment as prescribed above will result in a charge for the original cost of the equipment against any of my remaining settlements.

Contractor commits to keep the equipment in good working order and pay for any and all necessary repairs.

After two consecutive (2) years of this lease agreement, ownership of all covered equipment will be transferred to the CONTRACTOR.

APPENDIX G-3 is agreed to by the undersigned parties as of the latest date set forth below.

LESSOR
TRANSPLASTICS, INC.:

DEBTOR:

By: _____

By: _____

Printed Name

Printed Name

Dated: / /

Dated: / /

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