

7. Record of Transactions. In compliance with 49 C.F.R. § 376.11(d)(1) (or any successor regulation), Carrier shall prepare and keep records covering each trip for which Contractor's equipment is used in Carrier's service. Those documents shall contain the name and address of the Contractor, the point-of-origin, the time and date of departure, and the point of final destination. Further, Carrier shall have to present, on the leased equipment during its operation, documents containing the above-specified information identifying the lading, and acknowledging that the transportation is performed under Carrier's authority. Those documents shall be preserved by Carrier as part of its transportation records.
8. Carrier's Responsibility to Provide Shipments. The Carrier agrees to make shipments available from time-to-time for transportation by the Contractor. The Carrier shall exercise every reasonable effort to make sufficient shipments available so that the Contractor shall be able to keep the Equipment in reasonably constant use under the terms of this Agreement, although this shall not be construed as an Agreement by the Carrier to furnish any specific number of loads, or pounds of freight for transportation by the Contractor at any particular time or place.
9. Compensation to Contractor. Compensation for the lease of the equipment and transportation services provided by Contractor shall be at the rates specified in Appendix B attached hereto and made a part hereof.
10. Compensation for Loading, Unloading, Detention and Accessorial Services. Shipper will perform loading at origin and receiver will perform unloading at destination. Carrier is responsible for the **full cost** of any loading or unloading services **incurred**. Should Contractor be requested and agree to perform the loading or unloading of a shipment, Contractor will be compensated by Carrier at the rate specified in Appendix B. Detention time will also be compensated by Carrier at the rate specified in Appendix B. Contractor shall be entitled to receive one hundred percent (100%) of the sums received by the Carrier for accessorial services provided by the Contractor, provided such sum is in an amount equal to the charges specified in Appendix B. If not, Carrier shall remit the difference to Contractor in addition to that received by it from the shipper.
11. Compensation for Empty Mileage. Empty mileage incurred by Contractor in the service of the Carrier, specifically those miles operated to make a pickup or return from a delivery, or proceeding between loaded runs, will be compensated by Carrier at the rate set forth in Appendix B. Contractor's driver will keep a record of all such miles identifying the origin and destination of the shipment, and the point to which the equipment is returned for positioning to handle additional shipments for the Carrier.
12. Fuel Surcharge. The Carrier shall pass on to the Contractor one hundred percent (100%) of any fuel surcharge imposed by the Carrier upon its transportation customer (shipper, motor carrier, broker, or freight forwarder) when such a surcharge is imposed pursuant to any law and/or any agreement between the Carrier and its transportation customer.
13. Payments to Contractor. Carrier shall pay Contractor for all services provided under this agreement within fifteen (15) calendar days after Contractor's submission of the documents required for Carrier to secure payment from Carrier's customers. Those documents are limited to logbooks required by the Department of Transportation and those documents necessary for Carrier to secure payment from its transportation customer. Payment of compensation to the Contractor shall not be contingent upon submission of a bill of lading as to which no exceptions have been taken. It is the responsibility of the Carrier to notify the Contractor at the time of dispatch and on the bill of lading that a particular shipment is to be a C.O.D. shipment. In the case of C.O.D. shipments only, the documents necessary to secure payment to the Contractor shall include the certified check or money order due to Carrier.
14. Documentation Supporting Contractor's Compensation. If the Contractor's compensation, as specified in Appendix B, is based upon a percentage of the revenue received by the Carrier, Carrier will provide Contractor, before or at the time of settlement, a copy of the applicable rated customer invoice, bills of lading, tariffs, or rate quotes from which the rates or charges shown on the Carrier's customers' invoice are computed, or a computer-generated document containing the same information. Acceptance of compensation without receipt of invoices, bills of lading, tariffs or rate quotes, will not constitute a waiver of Contractor's right to such documents under federal regulation. In the case of charges based on a contract, the Contractor shall be provided a copy of the actual documentation used in producing a rated freight bill for the Carrier's customer. When a computer-generated document is provided, Contractor shall be permitted by the Carrier to view, during normal business hours, a copy of the actual document(s) underlying the computer-generated document. If the Contractor's compensation is based upon mileage, the parties will use the mileage shown in the [(circle one or fill in blank) Rand McNally Mileage Guide, PC Miler Route _____, Household Mover's Guide, or _____], to calculate the mileage traversed between the origin and destination of the shipment. The dispatcher will notify the Contractor of the estimated mileage at time of dispatch. If the actual miles traveled by the Contractor, through no fault of the Contractor, exceed the estimated mileage by more than 3 percent, then the Contractor

Contractor's Initials:

Carrier's Initials:

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shall receive additional compensation for all miles traveled in excess of 103 percent of the mileage shown in the mileage guide at the same rate as is set forth in Appendix B hereto.

15. Inspection of Carrier's Tariffs. Pursuant to 49 C.F.R. § 376.12(g) (or any successor regulation), the Contractor is permitted to examine copies of the Carrier's [tariff or in the case of contract carriers, other documents from which rates and charges are computed, provided that where rates and charges are computed from a contract, only those portions of the contract containing the same information that would appear on a rated freight bill need be disclosed] during normal business hours at the Carrier's terminal or other place(s) of business.
16. Expenses Incurred in Operating Equipment. Except as may otherwise be provided in this agreement, Contractor shall bear the operational expenses incurred in performing the transportation services requested by Carrier under this lease agreement. Those expenses shall consist of and are limited to: fuel, fuel taxes, permits of all types, tolls, ferries, base plates and licenses, fines and penalties resulting solely from the acts or omissions of Contractor, insurance costs relating to insurance coverage required to comply with this agreement as set out in Appendix D, federal highway use tax on the equipment, federal, provincial, state or city income taxes, and any self-employment or payroll taxes; and any sales, use, excise and other taxes due and owing to ownership or operation of the equipment. Contractor shall also bear any expenses necessary to maintain the equipment in compliance with all applicable federal and state safety laws and regulations.
17. Base Plates. The Contractor may elect to purchase base plates in his or her own name directly from the State. If the Contractor elects to purchase base plates through the Carrier, the actual cost of the base plate may be deducted from the Contractor's compensation pursuant to paragraph 16 and Appendix ___ of this Agreement. If the Contractor elects to purchase base plates through the Carrier, and if, at termination of this Agreement, the Carrier is authorized to receive a refund or a credit for base plates purchased by Contractor from and issued in the name of the Carrier, or if the base plates are authorized to be sold by the Carrier to another contractor, the Carrier shall refund to Contractor a prorated share of the amount received. Such refund shall be made within fifteen (15) days of receipt of refund from the state or the proceeds of the sale of the base plate to another contractor.
18. Purchase of Items from Carrier. Contractor is not required to purchase or rent any products, equipment, or services from or through the Carrier as a condition precedent or subsequent of entering into or continuing the lease arrangement. If the Contractor is or becomes party to an equipment purchase agreement or rental contract with the Carrier, or a person or company affiliated with the Carrier, then, pursuant to that agreement or contract, Carrier is authorized to make deductions from Contractor's compensation earned under this agreement for such purchase and/or rental payments in the amounts set forth in the schedule of payments in Appendix C annexed hereto and made a part hereof. Carrier shall not charge Contractor an administrative fee for any service it performs related to Contractor's purchase or rental of any product, equipment, or service through or from the Carrier.
19. Charge Backs. Carrier may not impose charge backs against the compensation due the Contractor except for cash advances or the actual cost to the Carrier for providing the specific items identified in Appendix D annexed hereto and made a part hereof. Appendix D identifies all items for which a charge back is authorized that are not otherwise specifically provided for in this agreement and shows how the amount is computed for each item to be charged back to the Contractor. The Contractor shall be entitled to copies of those documents necessary to determine the validity of all items charged back against compensation due the Contractor.
20. Loss and Damage Claims. Carrier shall provide Contractor with a written explanation and itemization of any deductions for cargo or property damage to be taken from Contractor's compensation. Contractor's liability for loss or damage to cargo transported on behalf of Carrier is limited to \$_____ per incident where it is determined through investigation that such loss or damage is due to the act or negligence of Contractor or its employees. Contractor will be provided a reasonable opportunity to present to Carrier any documentation or other evidence demonstrating that the loss or damage was not due to Contractor's act or omission or that of its employees. Except in the case of concealed loss or damage where the consignee did not have a reasonable opportunity to inspect the goods upon delivery, the presentation of a signed, clear delivery receipt will be considered adequate to establish, without more, that Contractor was not responsible for the loss or damage. In no event will any deduction for alleged cargo loss or damage be made against the Contractor's compensation until all documentation supporting the claim has been provided by the Carrier, and Contractor has been given a reasonable opportunity to respond.
21. Fines. The Carrier shall assume the risks and costs of fines for overweight and oversize trailers when the trailers are pre-loaded, sealed, or the load is containerized, or when the trailer is otherwise out of the Contractor's control, except if the violation results from the Contractor's actions. Moreover, Carrier will take appropriate action to ensure that its customers

Contractor's Initials:

Carrier's Initials:

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observe all applicable federal and state laws pertaining to the loading of freight on the Contractor's equipment. The Carrier has this same liability for improperly permitted, over dimension, and overweight loads. The Carrier shall promptly reimburse the Contractor for any fines paid by the Contractor that are the responsibility of the Carrier hereunder.

22. Fuel Use Tax Payments. The Contractor may elect to maintain his or her own IFTA account for fuel taxes. If the Contractor so elects, Contractor will provide Carrier with a copy of all fuel tax documentation within 30 days after filing date. If Contractor elects to maintain his or her own IFTA account, Contractor will signify by initialing here _____. If Contractor does not elect to maintain his or her own IFTA account, the Carrier will assume responsibility for filing fuel use tax returns with the Base State in which Contractor's equipment is registered. Contractor shall submit timely reports on forms supplied by the Carrier and furnish documentation for all miles driven and gallons of fuel purchased on a state-by-state basis. Carrier shall provide Contractor with periodic summaries of credits and debits for fuel use taxes on a state-by-state basis. Within thirty (30) days following the close of each quarterly tax period, Carrier shall provide a report showing all credits and debits by taxing jurisdiction on account of activities of the Contractor during the reporting period. If the net of credits and debits for all taxing jurisdictions shows that Contractor has a net credit, Carrier shall pay Contractor the amount of such net credit forthwith; if the net of credits and debits for all taxing jurisdictions shows that the Contractor has a net debit, Carrier shall be entitled to deduct the amount of such net debit from the Contractor's compensation.
23. Carrier's Insurance Coverage. Carrier is legally obligated to maintain insurance for the protection of the public. Carrier will, maintain, and bear the cost of, all required insurance covering personal injury and property damage, and cargo loss and damage, as is required of a motor carrier engaged in interstate commerce by federal law and regulations. No portion of the cost of such insurance shall be passed on to Contractor directly or indirectly.
24. Insurance to be Provided by Contractor. Consistent with federal regulations, Contractor shall not be required to purchase any insurance from, or through, the Carrier and shall be free to acquire insurance from any insurer as long as it comports with that generally available at the time of contracting in terms of insurance obligation, exclusions to coverage, etc. If the Contractor purchases any insurance coverage from, or through, the Carrier, it will be enumerated in Appendix D, and the Carrier shall be authorized to charge back the cost to it for such policies in such amounts as are specified in Appendix D.
25. Insurance Documents and Information. In the event that the Contractor purchases any insurance coverage from, or through, the Carrier, the Carrier will provide the Contractor with certificate(s) of insurance for each such policy that include the name of the insurer, the policy number, the effective dates of the policy, the amounts and types of coverage, the actual cost to the Contractor for each type of coverage and the deductible amount for each type of coverage for which the Contractor may be liable. The Carrier shall also provide Contractor with a copy of each such policy. The Carrier shall also provide Contractor, upon request, copies of those documents necessary to determine the validity of any charge or deduction by Carrier for this insurance.
26. Escrow Account. Carrier shall not retain any funds belonging to Contractor or establish any escrow or reserve account for Contractor, nor shall any sums be deducted from Contractor's compensation for the purpose of establishing or maintaining a balance in an escrow account.
27. Notice. Any notice required or permitted by this agreement to the Carrier shall be deemed conclusively provided when hand delivered to Carrier at any of Carrier's terminals, or to either the Carrier or the Contractor when deposited by either Party in the United States mail with first class postage prepaid, properly addressed to the other Party as follows:

Contractor	Carrier
Name _____	Name _____
Street _____	Street _____
City _____	City _____
State _____	State _____
Zip _____	Zip _____

Should the address of either Party change; notice of the new address must be provided by first class mail within five (5) business days of that change.

Contractor's Initials:

Carrier's Initials:

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- 28. Entire Agreement - Modification. This agreement, with the attached Appendices A-D, constitutes the entire agreement and understanding between the parties and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties.
- 29. This agreement shall be governed by the provisions of Title 49, Part B, United States Code, Title 49, Part 376, Code of Federal Regulations and, to the extent consistent with federal laws and regulations, by the laws of the State of _____.
- 30. Effective Date and Duration of Agreement. This lease shall be effective as of the date and time the agreement is executed by both parties and shall continue in effect until terminated in accordance with the provisions of this agreement. It is contemplated that the term of this agreement will be for not less than forty-five (45) days from the date of execution and will automatically continue in effect until such time as terminated mutually, or by either party, as provided in this agreement. Should Contractor or Carrier breach any of the terms of this agreement, the other party will give written notice of that breach and, if not corrected within seven (7) days of the date such notice is provided, can terminate the agreement upon twenty-four (24) hours written notice to the other party. If either party desires to terminate the agreement without cause, ten (10) days' written notice must be provided to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this ____ day of _____, 20__, at ____ (am/pm) and same shall be considered binding upon both parties and shall remain in full force and effect unless and until terminated according to the terms of this agreement.

FOR CONTRACTOR:

FOR CARRIER:

Name - Title

Name – Title

Contractor's Initials:

Carrier's Initials:

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LIST OF APPENDICES

Receipts for Equipment App. A

Specification of Compensation App. B

Charge backs for Purchase and/or Rental Payments App. C

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APPENDIX A

Receipts for Equipment

(USE ADDITIONAL COPIES AS NECESSARY TO ACCOMMODATE ALL EQUIPMENT)

Carrier acknowledges receipt of the following equipment on the date and at the time stated below:

Tractor _____ VIN _____
Description (Make/Model/Year)

Trailer _____ VIN _____

Tractor _____ VIN _____
Description (Make/Model/Year)

Trailer _____ VIN _____

Tractor _____ VIN _____
Description (Make/Model/Year)

Trailer _____ VIN _____

Tractor _____ VIN _____
Description (Make/Model/Year)

Trailer _____ VIN _____

Carrier's Authorized Representative

Date Time (a.m./p.m.)

I have seen, reviewed and received a copy of this Appendix A – Receipt for Equipment.

Contractor

Date Time (a.m./p.m.)

APPENDIX B

Specification of Compensation

Choose one of the two options set out below. Mark out the option not chosen.

Percentage Basis Compensation

Contractor shall receive _____% of the revenue for each trip undertaken on Carrier's behalf, such percentage to be derived from the gross revenue contracted for between Carrier and Carrier's customer (whether shipper or receiver), regardless of any difference between that amount and the amount actually billed to or received by Carrier from Carrier's customer.

Mileage Basis Compensation

Contractor shall receive \$_____ per mile loaded for each trip undertaken on Carrier's behalf.

Unloading Services

Should Contractor be required to perform unloading services, he shall be compensated by Carrier at the rate of \$_____.

Empty Mile

Empty miles covered by this agreement shall be compensated for at the rate of \$_____ per mile.

Detention Time

Detention time will be compensated by Carrier at the rate of \$_____ per hour for each hour in excess of two (2) hours of free time **provided for loading or unloading a shipment, or waiting for the loading and unloading of a trailer.**

Carrier's Authorized Representative

Date Time (a.m./p.m.)

I have seen, reviewed, and received a copy of this Appendix B – Specification of Compensation.

Contractor

Date Time (a.m./p.m.)

APPENDIX D

Charge backs for Specified Items

List all insurance policies that Contractor is responsible to provide under the terms of the lease to which this Appendix D is attached. For all insurance coverage to be purchased from, or through, the Carrier for which deductions will be taken from Contractor's compensation, include in the itemized list the amount to be deducted and the frequency of the deduction:

Insurer Name	Type of Coverage	Coverage Dates	Policy Limits	Deductible (if any)	Premium (Monthly/Annual)
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Amount to be Deducted (if any)	Frequency of Deduction (Circle one if applicable)
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1. _____
Weekly/Bi-Monthly/Monthly

2. _____
Weekly/Bi-Monthly/Monthly

3. _____
Weekly/Bi-Monthly/Monthly

4. _____
Weekly/Bi-Monthly/Monthly

5. _____
Weekly/Bi-Monthly/Monthly

6. _____
Weekly/Bi-Monthly/Monthly

7. _____
Weekly/Bi-Monthly/Monthly

Calculation of amount to be deducted for above insurance coverages: Divide annual premium by frequency of deduction.

[For every other item for which deductions will be taken from Contractor's compensation, separately itemize each item and the amount to be deducted, with a recitation of the method of computation for the amount to be deducted, per the following example:

<u>Item</u>	<u>Amount to be deducted</u>	<u>Frequency of deduction (circle one)</u>
Fuel	Amount paid by Carrier	Weekly / Bi-Monthly / Monthly
Base Plates	Amount charged by State	Single / Weekly / Bi-Monthly / Monthly

How amount was calculated:

Fuel	Actual amount paid by Carrier including all discounts and rebates. Copies of Comdata sheets will be attached to settlement sheets when deductions appear.
Base Plates	Actual amount charged by State. Copy of Receipt from state will be attached to settlement sheet showing (first or only) deduction.

Carrier's Authorized Representative: _____
_____ (a.m./p.m.)
Date Time

I have seen, reviewed, and received a copy of this Appendix D – Chargebacks for Specified Items.

Contractor: _____
_____ (a.m./p.m.)
Date Time

APPENDIX E

OOIDA does not endorse the use of escrow accounts, however, if a Carrier requires an escrow account, the language provided below should be included in the lease agreement, and Carrier's conduct should comply therewith.

Escrow

Carrier shall maintain custody of any escrow funds in an account at a financial institution insured by the Federal Deposit Insurance Corporation. Said account shall be a separate, segregated account in the name of the Carrier as trustee or escrow agent. The account shall describe that Carrier is maintaining that account as a trustee or escrow agent and the funds in that account shall not be commingled with other funds belonging to the Carrier. Carrier shall furnish Contractor a written explanation and itemization of all deductions from Contractor's escrow funds made under this paragraph. During the term of the lease the Carrier shall provide a separate accounting monthly to the Contractor regarding the escrow fund and any deductions or additions, which have been made. At any time the Contractor may demand an accounting of any transactions involving the escrow fund.

While the escrow fund is under the control of the Carrier, the Contractor's account will be credited with interest, pursuant to 49 C.F.R. § 376.12(k)(5). Interest is to be determined using the following formula. The interest rate shall be established on the date the interest period begins and shall be at least equal to the average yield or equivalent coupon issue yields on 91-day, 13-week Treasury bills as established in the weekly auction by the U.S. Department of Treasury. For purposes of calculating the balance of the escrow fund on which interest must be paid, the carrier may deduct a sum equal to the average advance made to the Contractor during the period of time for which the interest is paid. Upon termination of this agreement, the Carrier shall only be permitted to make deductions from the escrow fund for items that are specifically provided for in this agreement. The Carrier shall return the escrow fund to the Contractor no later than forty-five (45) days following the date of termination of this lease agreement.