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**UNITED STATES DISTRICT COURT**

**NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

BNVS TRANSPORT LLC and MEIN &  
MEEN TRUCKING, INC., individually  
and on behalf of all others similarly  
situated,

Plaintiffs,

v.

C&K TRUCKING, LLC,

Defendant.

**CASE NO. 1:20-CV-04305**

**FIRST AMENDED CLASS ACTION  
COMPLAINT;**

**(1) TRUTH IN LEASING ACT**

**(2) COMMON LAW**

**JURY TRIAL DEMANDED**

Plaintiffs, BNVS Transport LLC and Mein & Meen Trucking, Inc., by and through their undersigned attorneys, hereby bring this Class Action Complaint against Defendant C&K Trucking, LLC (“C&K Trucking”) and allege as follows:

### **NATURE OF THE CASE**

1. Plaintiffs bring this case as a class action under the Truth in Leasing Act (“TILA”), 49 U.S.C. § 14704(a)(2) and Illinois common law of contract and fraud. The TILA is a federal law that protects small “owner-operators,” including Plaintiffs, against being misled and defrauded by larger trucking companies, such as Defendant C&K Trucking. Throughout the relevant time period covered by this action, Defendant C&K Trucking has engaged in an ongoing and repeated practice of violating the TILA in its dealings with Plaintiffs and the Class of owner-operators described below.

2. Defendant C&K Trucking is in the business of providing “intermodal drayage” services to shippers across the United States. Intermodal drayage refers to the use of trucks to move freight from one mode of transportation to another (e.g., from a cargo ship to a train). To provide these services to its clients (the “Shippers”), Defendant enters into standardized agreements with hundreds of much smaller owner-operators, including named Plaintiffs BNVS Transport, LLC and Mein & Meen Trucking, Inc.

3. For the most part, these owner-operators are modest “mom and pop” companies or individuals. Those that are companies are in reality no different from owner-operators who contract with C&K under their individual names. That is, the company owner-operators often consist of just one or two individuals who, despite a formal business name and structure, do all the work themselves and have very little bargaining power when compared to a large carrier, such as Defendant. For example, BNVS Transport, LLC is a small business consisting of only two individuals, Valinda Stephens and Bernard Shurn. Similarly, Mein & Meen Trucking, Inc. is a small business consisting of only one individual, Damien Muhammad.

4. Under Defendant’s standardized agreements, the owner-operators must provide a truck to lease to Defendant. The owner-operators themselves often do not have sufficient funds to own the truck outright, and thus rely on financing and/or have older trucks that incur substantial maintenance and repair costs. Defendant does not pay for any of these maintenance or repair costs,

but does obtain legal possession and control over the trucks by leasing them from the owner-operators. Once the trucks are leased, Defendant continues to contract with the same owner-operators to use the now-leased trucks to provide the drayage services to the shippers.

5. While the individual owner-operators or their proprietors (in the case of “mom and pop” companies), such as Ms. Stephens, Mr. Shurn, and Mr. Muhammad, are the individuals personally driving the trucks and doing the work, they do not have any contractual relationship with the Shippers, who remain the clients of Defendant. Instead, the owner-operators depend on Defendant for their compensation.

6. Defendant’s standardized contracts with the owner operators require it to pay the owner-operators a certain amount for hauling loads tendered by Defendant, less certain “withholdings.” However, Defendant has a pattern and practice of paying the owner operators substantially less than the amount to which it agreed. Defendant also calculates the owner operators’ pay in an opaque, confusing, arbitrary, and contradictory fashion, without providing the owner-operators visibility into the way the calculations are being performed, or sufficient information to verify or challenge the calculations. This results in the owner-operators constantly being short-changed on their pay.

7. BNVS Transport LLC signed contracts with C&K Trucking on or about May 28, 2019 and January 10, 2020. Mein & Meen Trucking, Inc., signed a contract with C&K Trucking on or about October 2, 2019. All three contracts are nearly identical. True and correct copies of the contracts are attached hereto as Exhibits 1, 2, and 3.

8. Defendant has a pattern of paying the owner-operators lower rates than it represents it will pay them. For example, Defendant represented, via its contracts, that it would pay the Plaintiffs a certain rate for their work, then failed to honor that rate. As another example, Defendant, through its dispatchers, quoted certain rates to Plaintiffs before they accepted loads. After Plaintiffs completed the assignment, Defendant then frequently paid Plaintiffs a different, lower rate than the rate it had previously quoted. On at least one occasion, Ms. Stephens contacted Defendant regarding the rate of pay and received three different answers from various personnel,

including Defendant's dispatchers, regarding the pay rate for the load. This experience is typical not just for Plaintiffs, but for other Class members as well.

9. Defendant also fails to make clear how much it will pay owners, in violation of its contracts and the regulations. C&K fails to itemize and explain how it computes "charge-backs," or deductions, despite its legal obligation to do so under TILA and its contracts, and despite the owner-operators' requests that it do so. (E.g., Exs. 1, 2 and 3, ¶ 12, Appx. C; 49 C.F.R. § 376.12(g) and (h)). Consequently, C&K significantly underpays owner-operators. C&K also refuses to provide owner-operators documentation necessary to understand charge-backs and settlement statements, such as freight bills, in violation of its contracts and the regulations. Similarly, Defendant fails to provide proper accounting for owner-operators' escrow accounts, in violation of its standardized contracts and the regulations. (E.g., Exs. 1, 2, and 3, ¶ 17, Appx. C; 49 C.F.R. § 376.12(k)).

10. C&K Trucking's dishonest, unlawful conduct results in owner-operators receiving far less compensation than it owes them. In Plaintiffs' situation, for example, C&K Trucking underpaid them to the tune of tens of thousands of dollars, if not more.

11. Defendant is an "authorized carrier" under the TILA. Plaintiffs are "owners" (a phrase used interchangeably herein with the term "owner-operator") under the TILA. The TILA provides strict disclosure requirements and other protections to allow owner-operators to understand how their payments and withholdings are calculated, and to prevent the kind of chronic underpayments and false calculations made by Defendant here. 49 C.F.R. § 376.12.

12. Authorized carriers like Defendant are required to "adhere[] to and perform" the TILA requirements. *Id.* TILA creates a right of action for owners working for authorized carriers who violate the requirements. 49 U.S.C. § 14704(a)(2).

13. Defendant has failed to comply with its contracts and TILA regulations, exploiting owner-operators and unlawfully underpaying them. Plaintiffs bring this action on behalf of themselves and other owner-operators to redress the wrongs Defendant has caused through these actions.



### **JURISDICTION AND VENUE**

14. The Court has jurisdiction over Plaintiffs' TILA claims under 28 U.S.C. § 1331.

15. This Court has supplemental jurisdiction over Plaintiffs' common law claims because they are so related to this action that they form part of the same case or controversy under Article III of the United States Constitution.

16. This Court has general jurisdiction over Defendant C&K Trucking because it resides in this District. This Court has specific jurisdiction over Defendant because it took many of the actions described herein in this District or directed those actions specifically at this District.

17. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b), inasmuch as Defendants have offices, conduct business and can be found in the District, and the causes of action set forth herein have arisen and occurred in part in the District. For example, Plaintiffs regularly worked for Defendants in this District. Venue is further proper under 29 U.S.C. § 1132(e)(2) because Defendants have substantial business contacts within the state of Illinois and in this District.

### **THE PARTIES**

18. Plaintiffs and the proposed Class members as set forth below are current or former owner-operators across the United States who contracted with C&K Trucking to lease vehicles and provide services for C&K Trucking's clients throughout the country at any time beginning four years before the filing of this Complaint.

19. Plaintiff BNVS Transport LLC ("BNVS") is an Illinois entity. Plaintiff BNVS contracted to provide services to C&K Trucking, including in this Judicial District, and operated out of a terminal located in this Judicial District. Plaintiff BNVS has provided services to Defendant, throughout Illinois, since approximately June 2019. BNVS has functioned as an owner-operator, consisting of Valinda Stephens and Bernard Shurn; it is a "mom and pop" operation with only the two of them. Ms. Stephens estimates that C&K Trucking has underpaid BNVS by at least \$30,000, if not more. Ms. Stephens and Mr. Shurn were originally named as

plaintiffs, but have been voluntarily dismissed without prejudice to substitute in BNVS as the named party.

20. Plaintiff Mein & Meen Trucking, Inc. (“Mein & Meen”) is an Illinois entity. Plaintiff Mein & Meen contracted to provide services to C&K Trucking twice: first, from approximately February or March 2018 through August 2019, and second from approximately October 2019 through February 2020. Plaintiff Mein & Meen consists of just one individual, Damien Muhammad, who operated alone for the vast majority of his time providing services for C&K Trucking through Mein & Meen, with the exception of a short stint in which one other person worked with him. Mr. Muhammad estimates that C&K Trucking owes Mein & Meen at least \$10,000, if not more. Mr. Muhammad was originally named as a plaintiff, but has been voluntarily dismissed without prejudice to substitute in Mein & Meen as the named party.

21. Defendant C&K Trucking is and at all relevant times has been engaged in the business of providing “intermodal drayage” services throughout the United States. Defendant has at least one facility in this judicial district. Defendant C&K Trucking is headquartered in Chicago Ridge, IL.

### **FACTUAL ALLEGATIONS**

#### **A. C&K Trucking’s Network of Owner-Operators**

22. C&K Trucking operates a transportation system through which it uses trucks to effect the transfer of freight from one mode of transportation to another for its clients (“Shippers.”)

23. Defendant carries out its operations by contracting with hundreds of owner-operators, such as Plaintiffs. Under these written contracts, Defendant leases the owner-operators’ trucks, with the owner-operators also providing drivers (usually themselves or their proprietors, who run corporate entities alone or with only one or two other individuals), to transport the freight. (Exhibits 1, 2, and 3).

#### **B. C&K Trucking’s Owner-Operator Contracts**

24. Defendant’s standardized contracts with the owner-operators require Defendant to

pay the owner-operators a certain amount for hauling loads tendered by Defendant. For example, under C&K Trucking's owner-operator contracts with Plaintiffs, it must pay owner-operators a specific percentage of C&K's "Adjusted Gross Revenue," or AGR, as defined in the contracts, and a specific percentage of fuel surcharges, if any are received from Shippers, for hauling loads. (Ex. 1, 2 and 3, ¶ 14, Appx. B). So-called "accessorial charges," which include detention, i.e. delays while waiting to load or unload, tarping, and loading and unloading charges, are to be paid to owner-operators based upon the same percentage of AGR. (Id., Appx. B, ¶ 1(c)). Per the contracts, these rates of pay may only be changed by agreement in writing between C&K Trucking and the owner-operators. (Id.)

25. C&K Trucking's owner-operator contracts with Plaintiffs contain lists of items that it will "charge back," or deduct, from owner-operators' pay if it pays those costs up front. Among other items, C&K Trucking includes in this list a vague, catch-all category of "operating expenses not otherwise listed." (Ex. 1-3, Appx. C at p. 15).

26. C&K Trucking's owner-operator contracts with Plaintiffs require owner-operators to deposit with it specific amounts of money to be placed in an escrow account. (Ex. 1, 2 and 3, ¶ 17). The contracts provide that C&K "may deduct monies from this account to apply to any sums, which CONTRACTOR may owe to CARRIER pursuant to the terms of this Agreement." (Id.) . The contracts require C&K Trucking to, *inter alia*, pay interest to owner-operators on the money and provide a "written itemization or explanation" of any deductions *before* making them, on a monthly basis or as part of owner-operators' "settlement statements" (pay statements). (Id.)

27. TILA requires Defendant to pay owner-operators within 15 days of C&K's receipt of certain shipping documents from the owner-operators. (49 C.F.R. § 376.12(f)). Under TILA regulations, C&K must provide settlement sheets or statements which explain the pay and any charge-backs/ deductions it has made. (E.g., 49 C.F.R. § 376.12(h)).

28. C&K Trucking's standardized contracts require it to pay owner-operators either weekly or within 15 days of receiving certain documents from owner-operators. (Ex. 1, 2 and 3, ¶ 15). Under its standardized contracts, C&K Trucking must provide "settlement statements,"

which explain the pay and any charge-backs/deductions it has made. (Id.)

**C. C&K Trucking's Route and Pay Policies**

29. C&K Trucking splits payment for owner-operators' services into two categories: (1) "regional runs" and (2) "cross-town runs," based on mileage.

30. Before beginning a run, an owner-operator contacts C&K Trucking to ask which loads are available and their applicable pay rates. C&K Trucking is then supposed to inform the owner-operator of the rate either the day of or the day before the assignment.

31. C&K Trucking's policy at first regarding regional run rates was to tell the rates to owner-operators verbally. In or about July 2019, C&K Trucking began sending rates to owner-operators by text message. Despite these policies, in reality, C&K Trucking representatives generally refuse to give rates for regional runs and, even when they do, C&K Trucking will not honor those rates.

32. C&K Trucking representatives typically tell drivers that they do not know the rates for their cross-town runs. C&K Trucking representatives thus effectively refuse to provide rates at all for cross-town runs. C&K Trucking further sometimes pays owner-operators for a fuel surcharge, but does not other times.

33. If an owner-operator discovers that any extra work must be done during an assignment, he or she lets C&K Trucking know by text or phone call. At that point, C&K Trucking is supposed to confirm how much additional pay the owner-operator will receive for the additional work. However, C&K Trucking frequently refuses to confirm additional pay amounts and brushes owner-operators off. C&K Trucking also sometimes pays owner-operators the local rate for regional runs. C&K's practice of paying local rates for regional runs is intentional. For example, C&K representatives have stated to Ms. Stephens, BNVS' proprietor, that C&K will only pay regional rates for regional runs with customers who bring C&K less business; and that for frequent customers, C&K will not pay the regional rate even where it is required to do so. C&K thus intentionally profits at the owner-operators' expense.

34. After an owner-operator runs a load, he or she must fill out a "Driver Worksheet"

by hand. He or she then emails or hand delivers the worksheet to C&K Trucking's billing office.

35. On payday, owner-operators receive a "settlement statement" from C&K Trucking. If an owner-operator believes that pay is missing from his or her settlement statement, C&K Trucking requires him or her to fill out a separate worksheet to identify and itemize the missing pay. Owner-operators then hand deliver or email the separate worksheet to the billing office. C&K Trucking's practice is to effectively ignore valid disputes, either providing owner-operators some, but not all of the additional money owed, or nothing at all.

36. The named plaintiffs' experiences bring these common policies to life, as discussed below:

37. **Plaintiff BNVS**: Plaintiff BNVS contracted with C&K Trucking to provide services to its clients in approximately May 2019. BNVS is operated by two individuals, Ms. Stephens and Mr. Shurn. No other individuals work with them.

38. Ms. Stephens frequently found that BNVS' pay did not match up with quoted rates (when she was able to obtain quotes up front, which did not always happen). Ms. Stephens also did not receive itemizations or documentation explaining charge-backs, with rare exceptions. Even when it came to those rare exceptions, the itemizations often would add up to less than was deducted from BNVS' pay. When Ms. Stephens contacted management about pay issues, they typically ignored emails, told her they would get back to her, claimed ignorance as to the issues she raised, addressed only one question within an email while ignoring the rest, or acted as though they were instructing someone to send her additional pay owed, without following through. On the rare occasions management addressed specific charge-back issues in response to Ms. Stephens' questions, their answers as to what would be charged back, and by how much, were opaque, contradictory, and misleading.

39. Defendant has not provided an accounting of or documentation regarding BNVS' escrow account, in violation of its contract with BNVS and TILA regulations. Defendant also frequently took longer than fifteen days to pay BNVS for loads, in violation of its contract with BNVS and TILA regulations.

40. On several occasions, Defendant quoted Ms. Stephens multiple (sometimes conflicting) rates for a load, then paid less. Ms. Stephens also found that Defendant's agents typically refused to quote any rates at all for cross-town runs. If Ms. Stephens requested a rate for a cross-town run, Defendant's agents usually said they would get back to her but would then give the run to someone else. Ms. Stephens began doing regional runs because of these issues and because Defendant represented it would pay higher rates for regional runs. After Ms. Stephens switched to regional runs, however, Defendant continued to fail to consistently provide rates up front. Even when Defendant did so, it frequently paid Ms. Stephens what turned out to be local rates or otherwise underpaid her.

41. Defendant also attempted to unilaterally change the rates for certain customers without informing Ms. Stephens. For example, with a customer called Saia, Ms. Stephens discovered in approximately January 2020 that Defendant was paying less than the usual rate. Ms. Stephens contacted Defendant about this pay discrepancy, at which point Defendant persuaded Ms. Stephens by phone and Google Text to do the Saia run by promising to pay the higher rate on a previous settlement statement. However, after Ms. Stephens did the run, Defendant did not follow through on the agreement and underpaid. Ms. Stephens disputed the underpayment all the way up Defendant's chain of command. Defendant explicitly told Ms. Stephens, including in writing through its Vice President, that it would not honor its agreement with her. As another example, Ms. Stephens was quoted a rate of \$615.00 for a customer called Berco via Google Text and email. However, Defendant lowered the Berco rate without Ms. Stephens' knowledge or permission, sometimes underpaying Ms. Stephens by two hundred dollars or more. These are just a couple examples of how Defendant has attempted to unilaterally change the rates without informing Plaintiffs. Additionally, the amount by which Defendant has underpaid BNVS in general has worsened over time.

42. Ms. Stephens and Mr. Shurn also found that, on occasion, Defendant was dishonest as to documentation requirements for receiving pay. In one instance, Defendant's agents instructed Mr. Shurn, as a prerequisite to receiving pay, to give them only one document, and leave the rest

in the trailer. Mr. Shurn complied. Afterwards, Defendant's agents refused to pay BNVS, stating they refused to do so because Mr. Shurn did not directly provide them with the documentation he had placed in the trailer on their instruction. Ms. Stephens and Mr. Shurn disputed Defendant's failure to pay. It took Defendant approximately two months to pay anything for the load. Even then, Defendant paid less than the rate it had quoted.

43. **Plaintiff Mein & Meen**: Mr. Muhammad, who owns Mein & Meen and operates alone, found that even when Defendant's agents quoted him rates before he ran loads (which obligation Defendant all too often ignored), Defendant typically failed to honor those rates, sometimes underpaying by hundreds of dollars. Mr. Muhammad did not receive proper itemizations, explanations, or documentation regarding charge-backs, making it difficult, if not impossible, for him to dispute underpayments. Defendant refused to provide Mr. Muhammad with requested documentation, such as freight bills, when he asked to see such documentation. On occasion, Defendant refused to pay him at all, stating that even though he had provided the necessary documentation, they would include the pay in the next check. Sometimes Defendant followed through on including payment in the next check, and sometimes did not. Defendant has consistently failed to provide proper accounting or documentation regarding Mein & Meen's escrow account, in violation of its contract with Mein & Meen and TILA regulations.

#### **CLASS ACTION ALLEGATIONS**

44. Plaintiffs bring Causes of Action One through Four as a class action on behalf of themselves and all others similarly situated pursuant to Federal Rule of Civil Procedure 23(a), and 23(b)(2) and/or (b)(3).

45. Plaintiffs seek to represent the following class (referred to herein as the "TILA Class"):

"All current or former owner-operators across the United States who contracted with C&K Trucking to lease vehicles and provide services for C&K Trucking's clients at any time beginning four years before the filing of this Complaint."

46. Plaintiffs seek to represent the following subclass within the broader Class defined

above (“Illinois Subclass”):

- i. All current or former owner-operators who contracted with C&K Trucking to lease vehicles and provide services for C&K Trucking’s clients at any time beginning ten years before the filing of this Complaint, and who presented themselves for work in Illinois.

**D. Ascertainability**

47. The proposed Class is ascertainable because it comprises a discrete, well defined and objectively identifiable group – all current or former owner-operators across the United States who contracted with C&K Trucking to lease vehicles and provide services for C&K Trucking’s clients at any time beginning four years before the filing of this Complaint. The Class members have been assigned truck numbers and are easily identifiable from Defendants’ business records. The Illinois Subclass is similarly discrete, well-defined, and objectively identifiable.

**E. Numerosity**

48. Defendants have contracted with several hundred owner-operators or more to provide intermodal drayage services nationwide within the four years preceding the filing of this Complaint. Class members are therefore far too numerous to be individually joined in this lawsuit.

**F. Existence and Predominance of Common Questions of Law and/or Fact**

49. Common questions of law and/or fact exist as to the members of the Class and, in addition, common questions of law and/or fact predominate over questions affecting only individual members of the Class. The common questions include the following:

- i. Whether C&K Trucking’s standardized contract with owner-operators violates TILA regulations;
- ii. Whether C&K Trucking’s conduct and policies have resulted in violations of TILA regulations;
- iii. Whether C&K Trucking has not adhered to and performed 49 C.F.R. § 376.12’s requirements;
- iv. Whether C&K Trucking’s standardized contracts fail to clearly disclose the actual calculation methods used to determine the amount to be paid to operator-owners;



- v. Whether C&K Trucking fails to comply with its obligation to make clear how much it would pay owner-operators for their services;
- vi. Whether C&K Trucking fails to provide the documentation required under 49 C.F.R. § 376.12 and other applicable regulations, such that owner-operators can determine how rates and charges were computed;
- vii. Whether C&K Trucking's standard contract fails to clearly specify which items may be charged back;
- viii. Whether C&K Trucking's standard contract fails to clearly specify how charge-backs will be calculated;
- ix. Whether C&K Trucking fails to afford owner-operators copies of those documents necessary to determine the validity of charge-backs;
- x. Whether C&K Trucking's standardized contracts fail to properly specify the amounts which will be charged back to an owner-operator for insurance;
- xi. Whether C&K Trucking fails to make clear to owner-operators how much it would charge back for insurance;
- xii. Whether C&K Trucking fails to administer owner-operators' escrow funds as required by 49 C.F.R. § 376.12 and other applicable regulations;
- xiii. Whether C&K Trucking makes payment to owner-operators contingent on documents it is prohibited from demanding as a precondition for payment;
- xiv. Whether C&K Trucking fails to provide sufficient explanation of payments and charge-backs in its settlement statements;
- xv. Whether C&K Trucking fails to provide settlement statements in a timely manner;
- xvi. Whether C&K Trucking has engaged in a pattern and practice of failing to pay owner-operators the amounts to which they are entitled under their contracts and applicable law;
- xvii. Whether C&K Trucking has engaged in a pattern and practice of charging back more from the owner-operators than it is legally and contractually entitled to;

- xviii. Whether C&K Trucking fails to notify owner-operators of changes in existing deduction items;
- xix. Whether C&K fails to properly account for its handling of owner-operators' escrow accounts;
- xx. The injunctive and/or monetary relief to which Plaintiffs and the Class may be entitled because of the violations alleged herein;  
Additionally, as to the Illinois Subclass:
  - xxi. Whether C&K Trucking's policies and practices result in false statements of material fact to owner-operators regarding, *inter alia*, their pay rates, charge-backs, the method of calculating pay, and the pay to which they were entitled;
  - xxii. Whether C&K Trucking is knows or believes that its policies and practices result in false statements of material fact, or made statements of material with culpable ignorance of their truth or falsity, to owner-operators regarding, *inter alia*, their pay rates, charge-backs, the method of calculating pay, and the pay to which they were entitled;
  - xxiii. Whether C&K Trucking intended its false statements regarding, *inter alia*, their pay rates, charge-backs, the method of calculating pay, and the pay to which they were entitled to induce owner-operators to contract with it, and to continue providing services to its clients;
  - xxiv. Whether owner-operators relied upon C&K Trucking's false statements in choosing to contract with C&K Trucking and provide ongoing services to its clients;
  - xxv. The injunctive and/or monetary relief to which Plaintiffs and the Subclass may be entitled because of the violations alleged herein;

**G. Typicality**

50. Plaintiffs' claims are typical of the claims of the Class. Defendant's common course of conduct of violating TILA regulations and its contracts, thereby underpaying owner-

operators, caused Plaintiffs and the proposed Class to sustain the same or similar injuries and damages. Plaintiffs' claims are thereby representative of and co-extensive with the claims of the proposed Class.

**H. Adequacy**

51. Plaintiffs are adequate representatives of the Class because they are members of the Class and their interests do not conflict with the interests of the members of the Class they seek to represent. Plaintiffs have retained counsel competent and experienced in complex class action litigation, and Plaintiffs intend to prosecute this action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of members of the Class.

**I. Predominance**

52. Questions of law and/or fact regarding Defendant's policies and practices and whether they comply with TILA regulations and/or its standardized contracts, predominate over any questions affecting individual class members. Similarly, questions of law and/or fact regarding Defendant's deliberate misrepresentations regarding pay predominate over any questions affecting individual class members.

**J. Superiority**

53. The class action is superior to other available means for the fair and efficient adjudication of this dispute. The injury suffered by each member of the Class, while meaningful on an individual basis, is not of such magnitude as to make the prosecution of individual actions against Defendants economically feasible. Furthermore, individualized litigation increases the delay and expense to all parties and the court system presented by the legal and factual issues of the case. In contrast, the class action device presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court, and avoids the problem of inconsistent judgments.

**K. Injunctive and Declaratory Relief**

54. Injunctive and corresponding declaratory relief for the Class as a whole is appropriate under Federal Rule of Civil Procedure 23(b)(2), as Defendants' standardized contracts

apply generally to the class, as do Defendants' policy, pattern, and/or practice of refusing to comply with TILA regulations, such that final injunctive relief or corresponding declaratory relief is appropriate respecting the class as a whole.

## **CAUSES OF ACTION**

### **FIRST CAUSE OF ACTION**

#### **Truth in Leasing Act** **49 U.S.C. § 14704(a)(2)**

55. Plaintiffs reallege and incorporate by reference the above paragraphs as though fully set forth below.

56. 49 U.S.C. § 14704(a)(2) creates a right of action for damages arising from an authorized carrier's violation of Truth in Leasing Act ("TILA") regulations.

57. Plaintiffs and the Class are "owners" who leased their vehicles to C&K Trucking, an "authorized carrier," for use in C&K Trucking's business, with Plaintiffs also providing the drivers. Plaintiffs are not "agents" of C&K Trucking. Plaintiffs' leases and contracts with C&K Trucking are subject to TILA.

58. C&K Trucking's policies and practices resulted in violations of TILA regulations and its contracts/leases with Plaintiffs and the Class, which resulted in the underpayment of Plaintiffs and the Class.

59. As a direct and proximate result of these violations, Defendant has damaged Plaintiffs and the Class in amounts to be determined according to proof at trial.

60. Pursuant to 49 U.S.C. § 14704(a)(1), Plaintiffs, on behalf of themselves and the other aggrieved owner-operators, are entitled to injunctive relief.

61. Pursuant to 49 U.S.C. § 14704(e), Plaintiffs, on behalf of themselves and the other aggrieved owner-operators, are entitled to an award of reasonable attorneys' fees.

### **SECOND CAUSE OF ACTION**

#### **Breach of Contract** **Common Law**

62. Plaintiffs reallege and incorporate by reference the above paragraphs as though

fully set forth below.

63. Plaintiffs and the Class are “owners” who have entered valid, binding and enforceable contracts with C&K Trucking to lease their vehicles to it for use in its business. *See* Exhibits 1, 2, and 3.

64. Plaintiffs and the Class have been entitled to certain rates and payments under their contracts with C&K Trucking.

65. Plaintiffs substantially performed all of the material terms of their contracts with C&K Trucking.

66. C&K Trucking breached its contracts with Plaintiffs and the Class, including as follows:

- i. C&K Trucking has failed to honor the rates and payments to which Plaintiffs and the Class were lawfully entitled;
- ii. C&K Trucking attempted to unilaterally changed rates and payments, without following the procedure its contracts require and without Plaintiffs’ or the Class’ permission;
- iii. C&K Trucking breached its contracts with Plaintiffs as set forth in paragraphs 6, 9, 24-26, 28, and 38-40 above.

67. As a proximate result of these contract breaches, Defendant has damaged Plaintiffs and the Class in amounts to be determined according to proof at trial.

### **THIRD CAUSE OF ACTION**

#### **Fraud** **Common Law**

68. Plaintiffs reallege and incorporate by reference the above paragraphs as though fully set forth below.

69. C&K Trucking made false statements of material fact to Plaintiffs and the Class regarding its payment and rate structure, and how much it would pay them for their services, including but not limited to:

- i. Quoting specific rates for loads, then paying less;
- ii. Promising a certain pay structure in its standardized contracts, then failing to honor that structure;
- iii. Attempting to unilaterally lowering the price for loads without informing owner-operators ahead of time/without their consent;
- iv. Agreeing to honor specific rates for specific loads in response to pay disputes, then failing to honor such agreements;
- v. Misrepresenting in writing that Defendant was instructing its agents to pay additional monies owed, without actually doing so;
- vi. Promising higher rates for regional, as opposed to cross-town loads, but then underpaying and/or paying lower, cross-town rates;
- vii. Misleading owner-operators as to charge-back policies;
- viii. Misrepresenting that pay would be provided within a certain time frame, then failing to provide some or all of it; and
- ix. Misleading owner-operators and drivers as to the documentation necessary to receive pay and/or the manner in which such documentation must be provided, then refusing to pay some or all of the monies owed in violation of its representations and agreements.

70. Defendant has made false statements and misrepresentations to Plaintiffs and the Class on an ongoing, regular basis. Illustrative examples are provided with specificity above.

71. C&K Trucking knew or believed its statements of material facts to Plaintiffs and the Class were false or made statements of material facts to Plaintiffs and the Class with culpable ignorance of their truth or falsity because, *inter alia*:

- i. Defendant's agents were aware of the pay rates that Defendant's standardized contracts provide for, yet regularly refused to honor them. For BNVS Transport LLC, for example, this occurred more than half the time from June 2019 through about April 2020. For Mein & Meen Trucking, Inc., as another example, that

- occurred approximately two or three times per month between March 2018 and August 2019, and between October 2019 and February 2020;
- ii. Defendant's agents were aware of pay rates promised to owner-operators, often in writing through text or e-mail, but then refused to honor those rates. For BNVS Transport LLC, for example, this occurred about 80% of the time. BNVS Transport LLC encountered this problem monthly from June 2019 through about April 2020. Mein & Meen Trucking, Inc., also encountered this issue between March 2018 and August 2019, and between October 2019 and February 2020;
  - iii. Defendant's agents regularly provided contradictory and misleading statements in response to pay disputes, or ignored disputes altogether. For BNVS Transport LLC, for example, Defendant's agents provided contradictory and misleading statements in response to pay disputes about 70% of the time, and ignored disputes altogether about 30% of the time. BNVS Transport LLC encountered these issues monthly from June 2019 through about April 2020. For Mein & Meen Trucking, Inc., as another example, these issues occurred regularly on an ongoing basis between March 2018 and August 2019, and between October 2019 and February 2020;
  - iv. Defendant's agents regularly provided contradictory, misleading information regarding pay rates for specific customers' loads, charge backs, and other items. For BNVS Transport LLC, for example, this occurred with virtually every load from June 2019 through about April 2020. For Mein & Meen Trucking, Inc., as another example, this occurred at least four to five times per month between March 2018 and August 2019, and between October 2019 and February 2020;
  - v. Defendant's agents admitted to attempting to unilaterally change contract terms regarding pay without owner-operators' consent or knowledge, in violation of their contracts, and ignored questions about why they were doing so. For BNVS Transport LLC, for example, this occurred for virtually every pay statement from June 2019 through about April 2020. For Mein & Meen Trucking, Inc., as another

example, this occurred weekly between March 2018 and August 2019, and between October 2019 and February 2020. Many of these admissions occurred in writing and can be reconstructed from Defendant's records; and

- vi. Defendant's agents admitted to paying owner-operators lower, local rates for regional runs for frequent customers. For example, in about October 2019 two of Defendant's agents, Keith White and Maggie Murphy, made this representation in a conversation with Ms. Stephens and Mr. Shurn;
- vii. Defendant's agents frequently charge owner-operators for damaging tires that their trucks are physically incapable of damaging; these tires are damaged by "spotter trucks" driven by employees in rail yards. Defendant's agents will send owner-operators to retrieve the tires, then charge them for the damage because it is easier to withhold money from owner-operators by simply taking it directly out of their settlements than it is to negotiate with the rail yards, whose employees are actually responsible for the damage. Mein & Meen Trucking, Inc., for example, encountered this issue at least twice a week between March 2018 and April 2019, and between October 2019 and February 2020.
- viii. Defendant's agents also charge owner-operators for damage arising from faulty repairs done in rail yards by rail yard employees; BNVS Transport LLC, for example, encountered this issue on various occasions;
- ix. Defendants' agents regularly refuse to provide documentation, such as freight bills, to owner-operators who dispute pay issues. For BNVS Transport LLC, for example, Defendant's agents refused to provide freight bills every time BNVS Transport LLC requested them between June 2019 and about April 2020. Mr. Muhammad, on behalf of Mein & Meen Trucking, requested freight bills approximately four times per week between March 2018 and August 2019, and between October 2019 and February 2020; Defendant refused all but one of those requests; and



- x. Many owner-operators have repeatedly complained to Defendant's agents of pay discrepancies and have brought unlawful practices to their attention, yet Defendant fails to change its practices. Ms. Stephens, for example, brought these issues to Defendant's attention by email weekly on behalf of BNVS Transport LLC; she estimates having sent about 200 emails between June 2019 about April 2020. Mr. Muhammad, as another example, brought these issues up weekly between March 2018 and August 2019, and between October 2019 and February 2020. Mr. Muhammad also frequently witnessed other drivers disputing unlawful pay practices when he went to Defendant's office to complain.

72. C&K Trucking intended that Plaintiffs and the Class would rely on such statements in choosing to contract initially, and continue to do business with, C&K Trucking, as evidenced by, *inter alia*:

- i. its agents' deliberate decision in early 2020 to induce Ms. Stephens to do a run for its client, Saia, by agreeing to honor the previous rate before she did the run, then refusing to honor that agreement afterwards;
- ii. its decision to regularly fail to honor rates when it did provide rates ahead of time, and to underpay owner-operators;
- iii. its deliberate decision to promise a specific pay structure in its standardized contracts, and subsequent, constant failure to follow through; and
- iv. its deliberate decision to obscure the methods of calculating charge-backs, both in its standardized contracts and in addressing pay disputes, thereby misleading and confusing owner-operators, and underpaying them;
- v. its deliberate decision to charge the lower local rate for regional runs arranged by frequent customers, to increase its own profits at owner-operators' expense, as admitted, for example, by Keith White and Maggie Murphy, to Ms. Stephens and Mr. Shurn in or about October 2019;
- vi. its deliberate decision to charge owner-operators for expenses and/or damages that

could not be attributable to them, such as the tires and damages arising from faulty repairs referenced above.

73. Plaintiffs and the Class relied upon C&K Trucking's false statements in making business decisions, as evidenced by, *inter alia*,

- i. Choosing to do a run for a specific client based on Defendant's representation that it would honor the previous, higher rate, only to find that Defendant refused to follow through;
- ii. Choosing to accept certain loads based on quoted rates, only to discover that Defendant paid less than the rate quoted; and
- iii. Choosing to contract with C&K Trucking in the first place based on its representations as to its rate and pay structure.

74. As a proximate result of this conduct, Defendant has damaged Plaintiffs and the Class in amounts to be determined according to proof at trial, by underpaying them and fraudulently inducing them to contract with and continue to do business with C&K Trucking.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs, on behalf of themselves and the proposed Class they seek to represent in this action, request the following relief:

- a. That the Court determine that this action may be maintained as a class action under Federal Rules of Civil Procedure, Rule 23;
- b. For an order appointing Plaintiffs as representatives of the Class;
- c. For an order appointing Plaintiffs' attorneys as Class Counsel;
- d. That the Court find that Defendant has been in violation of TILA by violating its regulations, and of the Common Law by engaging in breach of contract and fraudulent misrepresentation;
- e. For an order that requires C&K Trucking to pay Plaintiffs and the Class all damages to which they are entitled as a direct and proximate result of Defendants'

violations of TILA, as well as its breaches of contract and fraudulent misrepresentation;

- f. That the Court enjoin Defendant from further violations of TILA pursuant to Federal Rule of Civil Procedure 23(b)(2), 49 U.S.C. § 14704(a)(1), and other applicable law;
- g. Prejudgment interest under *Gorstein Enter. v. Quality Care-USA, Inc.*, 874 F.2d 431, 436 (7th Cir. 1989), its progeny, and other applicable law, holding prejudgment interest is presumptively available to victims of Federal law violations;
- h. That Plaintiff and the Class be awarded reasonable attorneys' fees pursuant to 49 U.S.C. § 14704(e), and/or other applicable law;
- i. That Plaintiff and the Class be awarded costs pursuant to Federal Rule of Procedure 54, and/or other applicable law
- j. Any and all other applicable statutory penalties, as provided by law; and
- k. For such other and further relief as this Court deems just and proper.

**JURY DEMAND**

Plaintiffs demand a trial by jury on all issues so triable as a matter of right.

Respectfully submitted,

DATED: October 5, 2020

**VUCKO LAW LLP**

By: /s/ Stacey Vucko  
Stacey Vucko  
Attorneys for Plaintiffs

**SCHNEIDER WALLACE COTTRELL  
KONECKY LLP**

By: /s/ James Bloom  
James Bloom  
Attorneys for Plaintiffs

**CERTIFICATE OF SERVICE**

I hereby certify that on October 5, 2020, I electronically filed the foregoing document with the Clerk of the Court using the Court's CM/ECF system, which will send a notice of electronic filing to all CM/ECF participants.

Dated: October 5, 2020

/s/ Sarah McCracken  
Sarah McCracken, appearing *pro hac*  
*vice*  
SCHNEIDER WALLACE  
COTTRELL KONECKY LLP

# **EXHIBIT 1**

TERMINAL: Chicago  
UNIT: 1560

## **INDEPENDENT CONTRACTOR AGREEMENT**

THIS AGREEMENT made this 28 of May 2019, by and between  
BNVS Transport LLC  
("CONTRACTOR") and C & K Trucking LLC, an Illinois limited liability company,  
located at 6205 West 101 St., Chicago Ridge, IL 60415 ("CARRIER").

WHEREAS, CONTRACTOR is the lawful owner of motor vehicle equipment  
suitable for the transportation of property, which equipment is more particularly  
described in Appendix "A"; and

WHEREAS, CARRIER is an authorized carrier of property in interstate  
commerce by virtue of operating authority issued by the Federal Motor Carrier Safety  
Administration ("FMCSA");

NOW THEREFORE, in consideration of the mutual covenants and undertakings  
described herein, IT IS HEREBY AGREED:

### **1. DURATION OF AGREEMENT**

The term of this Agreement shall be for a period of one (1) year from the date  
hereof, and shall automatically renew for an additional one-year term at each anniversary  
date thereafter, but not to exceed a total of three (3) years unless sooner canceled.

### **2. PERFORMANCE**

During the term of this Agreement, CONTRACTOR shall provide CARRIER  
transportation related services and the use of the Equipment set forth below or in an  
appendix (the "Equipment"). CONTRACTOR represents and warrants that  
CONTRACTOR has title to or is authorized to contract the Equipment and services to  
CARRIER. Upon taking possession of the Equipment from CONTRACTOR, CARRIER  
shall furnish to CONTRACTOR a receipt for 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 for  
the return of the Equipment by CARRIER to CONTRACTOR; provided, however, that  
the Agreement and CARRIER's obligations thereunder shall expire upon the written  
notice of termination regardless of whether CONTRACTOR submits the receipt required  
under this provision.

### **3. EXCLUSIVE POSSESSION AND RESPONSIBILITY**

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 CARRIER. CARRIER shall assume complete



responsibility for the operation of the Equipment for the duration of this Agreement. This paragraph is set forth solely to conform with FMCSA regulations and shall not be used for any other purposes, including any attempt to classify CONTRACTOR as an employee of CARRIER. Nothing in the provisions required by 49 C.F.R. § 376.12(c)(1) is intended to affect whether CONTRACTOR or its drivers are an independent contractor or an employee of CARRIER. An independent contractor relationship may exist when a carrier complies with 49 U.S.C. § 14102 and attendant administrative requirements.

**4. COMPLIANCE WITH PERTINENT LAWS AND REGULATIONS BY CONTRACTOR**

(a) **Drivers.** CONTRACTOR shall provide competent drivers who meet the minimum driver qualification standards of CARRIER and its liability insurer 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 carrier safety laws and regulations. The parties agree that CARRIER shall have the right to disqualify any driver provided by CONTRACTOR in the event that the driver is found to be unsafe, unqualified pursuant to federal or state law, in violation of CARRIER's minimum qualification standards, or in violation of any policies of CARRIER's customers or insurer. Upon a driver's disqualification by CARRIER, CONTRACTOR shall be obligated to furnish another competent, reliable and qualified driver that meets the minimum qualification standards established by CARRIER.

(b) **Paperwork Requirements.** CONTRACTOR shall submit to CARRIER, on a timely basis, all driver logs and supporting documents (including original toll receipts for CARRIER's reproduction), physical examination certificates, accident reports, and any other required data, documents or reports. As required by 49 C.F.R. § 376.12(l), CARRIER will keep the original of this Agreement with a copy to be maintained by CONTRACTOR, and a second copy to be carried in the Equipment during the term of this Agreement.

(c) **Shipping Documents.** CONTRACTOR agrees that all bills of lading, waybills, freight bills, manifests, or other papers identifying the property carried on the Equipment shall be those of CARRIER, or as authorized by CARRIER, and shall indicate that the property transported is under the responsibility of CARRIER or a carrier with which the Equipment has been subcontracted.

(d) **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.

(e) **Safe Operations.** 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 the terms of this Agreement, including the



requirement of safe 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.

**5. AVAILABILITY AND SCHEDULING**

In accordance with section 212.1 of the Illinois Unemployment Insurance Act, CONTRACTOR is not required by CARRIER to perform services or be available to perform services at specific times or according to a schedule or for a number of hours specified by CARRIER. However, pickups or delivery times specified by a shipper, receiver, broker, or other party that owns or controls a shipment shall not be deemed "specified" by CARRIER, and, upon acceptance of any shipment, CONTRACTOR agrees to comply with the pickup and delivery times specified by such third parties.

**6. OPERATIONAL EXPENSES**

CARRIER specifically agrees that it is the CONTRACTOR's responsibility to:

- (a) Maintain the Equipment in good working order, including the purchase of all fuel, parts, tires, and lubricants at CONTRACTOR's expense;
- (b) Operate the Equipment in accordance with all applicable state and federal rules and regulations, including obtaining all licenses, paying registration fee's, toll charges, decals, use permits, axle weight, gasoline, diesel, or other types of taxes, fees or extraction's required of or on the Equipment or the use thereof;
- (c) CONTRACTOR or its drivers agree to pay 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 and the FMCSA, where such violation results, at least partially, from the acts or omissions of CONTRACTOR or its drivers;
- (d) To pay for the cost of fuel and fuel taxes or reimburse CARRIER for the cost of any fuel or fuel taxes incurred while using the Equipment that is the subject of this Agreement; and
- (e) CONTRACTOR shall have the duty to determine that all shipments are in compliance with the size and weight laws of the states in which or through which the Equipment will travel and to notify CARRIER if the vehicle is overweight, oversized or in need of permits before commencing the haul. Except when the violation results from the acts or omissions of CONTRACTOR, CARRIER 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 oversized 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, oversized or in need of permits.

7. **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.

8. **INSURANCE COVERAGE**

The respective obligations of the parties shall be as set forth in Appendix C. CARRIER shall maintain public liability, property damage and cargo insurance in such amounts as are required by the DOT and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to 49 U.S.C. § 13906. CARRIER's possession of legally required insurance shall in no way restrict CARRIER's right of indemnification from CONTRACTOR as provided under this Agreement.

9. **CLAIMS**

If any of the Equipment is involved in any accident, lost, stolen, or willfully or accidentally destroyed, in whole, or part, CONTRACTOR will notify CARRIER immediately by telephone call and by letter and use all reasonable efforts at CONTRACTOR's own expense to recover the property. CONTRACTOR shall provide to CARRIER all relevant information regarding the accident or loss including, but not limited to, the date, time, place, circumstances, the names and addresses of the persons injured, the owners of the property damaged, names and addresses of witnesses, within twenty-four (24) hours after such accident or loss. CONTRACTOR, and its agents and employees, shall cooperate and take part in, as necessary, the investigation and defense of any claim in a suit and in the preparation of all reports and forms to regulatory authorities and insurance companies, and shall do nothing to invalidate or impair any applicable insurance coverage.

10. **INDEMNITY**

CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, including attorneys fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, economic loss, caused by or arising out of the ownership, maintenance, use, loading, operation of the Equipment, whether it be caused by the negligence of the CARRIER, or its agents or employers, or whether it may be caused by the negligence of the CONTRACTOR or its agents, servants, or employees, or otherwise.

- (a) With respect to claims of personal injury (including death) or damage to the property of third-parties, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total



amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.

- (b) With respect to claims of cargo loss, damage, or delay, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
- (c) With respect to claims of loss or damage to CARRIER's trailer or other CARRIER property, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of One Thousand dollars (\$ 1,000.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
- (d) CONTRACTOR's maximum liability under Subparagraphs (a), (b), and (c) above in the aggregate will not exceed \$5,000 for any single incident; provided, however, that this liability limitation will not apply if the incident is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional act of CONTRACTOR or its drivers.
- (e) The parties agree that CARRIER does not condone or authorize passengers that have not been pre-approved and qualified by CARRIER to ride in the Equipment. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, occurring or incurred, as the result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the presence of unauthorized persons in, or about the Equipment.

#### **11. TRAILER INTERCHANGE**

CONTRACTOR agrees to return any trailer provided for its use by CARRIER or CARRIER's customers 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 or CARRIER's customers 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 or CARRIER's customers, CONTRACTOR



hereby authorizes CARRIER or CARRIER's customers to restore the trailer to proper condition and to charge back to CONTRACTOR the costs of such repairs or reconditioning. In the event CONTRACTOR for any reason fails to comply with these provisions, CONTRACTOR agrees to reimburse CARRIER or CARRIER's customers for all reasonable expense and costs, including attorney fees, incurred by CARRIER or CARRIER's customers in recovery of its trailer or property from CONTRACTOR or its drivers. CONTRACTOR agrees that in the event it is necessary for CARRIER or CARRIER's customers to enter upon private property or remove private property in order to recover its trailer and property, CONTRACTOR does hereby irrevocably grant CARRIER or CARRIER's customers or its duly authorized agents, permission to do so and further agrees to indemnify and hold harmless CARRIER, and its duly authorized agents, from any form of liability whatsoever in connection with such repossession. CONTRACTOR shall be liable for, and pay, the entire amount for each incident involving direct, indirect and consequential damage, including but not limited to, towing charges, replacement costs for a total loss, arising out of, or in connection with, CONTRACTOR's use of CARRIER's trailers, CARRIER's customer's trailers, other CARRIER 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 or CARRIER's customers will only be used by CONTRACTOR and its drivers to transport shipments tendered to CONTRACTOR by CARRIER.

## 12. CHARGE BACK ITEMS

In the event CARRIER is called upon to pay any of the CONTRACTOR's costs of operation, or in the event CONTRACTOR secures advances from CARRIER, or in the event of any costs, damages, claims or losses described in this Agreement and, in particular, Appendix C, CARRIER is hereby authorized to deduct the same out of any monies due or becoming due to CONTRACTOR (Insurance claims will be deducted in an amount up to the deductible amount charged by the relevant insurance company). Items initially paid for by the CARRIER, but ultimately deducted from the CONTRACTOR's settlement include, but are not limited to, charges for permits, trailer rental, cargo damage, damage to containers and property damage. CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deduction for cargo or property damage before the deduction is made.

If the CARRIER is authorized to receive a refund or a credit for base plates purchased by the CONTRACTOR from, and issued in the name of the CARRIER, or if the base plates are authorized to be sold by the CARRIER or to another CONTRACTOR, the CARRIER shall refund to the initial CONTRACTOR on whose behalf the base plate was first obtained a prorated share of the amount received.

The CONTRACTOR is not required to purchase or rent any products, equipment or services from the CARRIER as a condition to this Agreement. The CARRIER may from time to time make such services available to the CONTRACTOR at his election which may be charged back to the CONTRACTOR, in addition to the items herein above described, and deducted from its settlement.



13. SECURITY

CONTRACTOR's Equipment is hereby pledged and conveyed by the CONTRACTOR to the CARRIER to secure any indebtedness or liability arising under this Agreement and the CARRIER is vested with and shall have a lien upon such Equipment for such security.

14. COMPENSATION

It is expressly understood and agreed that CONTRACTOR's compensation shall be as set forth in Appendix B, and such compensation shall constitute the total compensation for everything furnished, provided, or done by CONTRACTOR in connection with this Agreement, including driver's services. All mileage computations shall be based on the most recent edition of CARRIER's Mileage Guide. Although CARRIER shall use reasonable efforts to make shipments available to CONTRACTOR for transportation during the term of this Agreement, CONTRACTOR acknowledges and agrees that CARRIER does not guarantee any specific number of shipments or amount of revenue to CONTRACTOR during the term of this Agreement.

15. SETTLEMENT

CARRIER shall settle with CONTRACTOR on a weekly basis, or within 15 days of receipt by CARRIER of those documents necessary for CARRIER to secure payment from its customers, including the signed freight bill, delivery receipt or bill of lading, and properly completed logs as required by the DOT. CARRIER shall have the right to charge back and deduct from CONTRACTOR's settlement compensation for any billing errors and any billed amount not collectible due to customer rejected documents submitted by CONTRACTOR. Where required by applicable law and if paid a percentage of revenue, CONTRACTOR shall be provided with a copy of the rated freight bill (or a computer-generated summary) before or at the time of settlement. Detention time shall be payable to the CONTRACTOR only if and when documentation of such detention payments are received by the CARRIER. Settlement amounts shall be subject to those charge backs, indemnities, and reimbursement of advances as previously described.

CONTRACTOR may examine, during normal business hours, at CARRIER's principle place of business, and with ten (10) days prior notice, CARRIER's tariffs, or other contracts or documents, if any, from which charges and rates are computed; provided, however, only that information that would appear on a rated freight bill will be disclosed by CARRIER. CARRIER shall have the right to review all of CONTRACTOR's documents and records relating to the use of the Equipment and the services provided under this Agreement, and CONTRACTOR agrees to provide CARRIER with access to such documents and records upon reasonable notice.

16. IDENTIFICATION

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. CONTRACTOR further agrees to keep the Equipment in clean appearance and identified as described herein, at its sole cost and expense. CARRIER agrees that CONTRACTOR may display CONTRACTOR's name and address on the Equipment where required by applicable state law.

Initial: VB

Upon termination of the Agreement, CONTRACTOR shall remove all identification of the CARRIER and shall return such identification to CARRIER immediately upon termination of this agreement. CARRIER shall have the right to withhold final settlement from CONTRACTOR until such identification has been returned to CARRIER or a letter certifying the removal of such identification has been received by CARRIER.

Initial: VB

At any time during the Agreement period, if CONTRACTOR, its agents or employees use the Equipment for their personal use or any use or activity that CARRIER did not specifically request or desire, before such use or activity, CONTRACTOR shall immediately remove or cover-up all identification of the CARRIER. If CONTRACTOR, or its agents or employees, fails to comply with this paragraph, this Agreement shall terminate, until and if CARRIER specifically enters into a written agreement with CONTRACTOR to reinstate the Agreement. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents and employees, from any and all liability, claims, costs, deductibles and expenses, including attorney fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the above described use, whether it be caused by negligence of the CARRIER, CARRIER's agents or employers, or whether it may be caused by the negligence of the CONTRACTOR's agents, servants or employees, or otherwise.

It is to expressly agreed and understood, that if this Agreement is found to have terminated due to the CONTRACTOR's failure to remove or cover the CARRIER's identification, as described above, the indemnification obligations described in this Paragraph 16 and elsewhere in this Agreement, shall remain in full force and effect.

Initial: VB

#### 17. ESCROW

CONTRACTOR shall deposit with CARRIER and maintain as an escrow deposit the sum of one thousand five hundred dollars (\$1,500.00) for each unit in order to insure faithful performance under this Agreement and to insure the payment of all sums owed by CARRIER to CONTRACTOR. In the event that the CONTRACTOR does not make such a deposit to the CARRIER upon execution of this Agreement, then CARRIER shall have the right to withhold Fifty Dollars (\$50.00) per week from CONTRACTOR's trip settlements until such fund has been accumulated.

Initial: VB

CARRIER shall pay interest to CONTRACTOR on the Deposit on at least a quarterly basis ("interest period") beginning with receipt of the first CONTRACTOR contribution of principal. The interest rate shall be established on the date the interest period begins and shall be equal to the average yield of 91-day, 13-week U.S. Treasury



bills, as established in the weekly auction by the Department of Treasury. For purposes of calculating the balance of the Deposit on which interest is paid, CARRIER may deduct a sum equal to the average advance (including all charge-backs and other deductions) made to CONTRACTOR during the period of time for which interest is paid.

CARRIER may deduct monies from this account to apply to any sums, which CONTRACTOR may owe to CARRIER pursuant to the terms of this Agreement ("Deposit Items"). CARRIER shall not make any deductions from CONTRACTOR's account without having first given CONTRACTOR a written itemization and explanation for any such deduction. Such written itemization and explanation may be given on or as part of CONTRACTOR's trip settlement (s). CARRIER shall furnish CONTRACTOR with a quarterly accounting for all account funds, as well as furnish such an accounting at any other time upon CONTRACTOR's demand.

To have any remaining balance of the Deposit returned following termination of the Agreement, CONTRACTOR must first comply with all of the specific obligations set forth in the Agreement, and make payments to CARRIER for all Deposit Items. At the time of the return of any remaining balance of the Deposit, CARRIER may deduct monies for all Deposit Items. Such deductions shall be limited to amounts CARRIER actually spends, incurs, or owes to a third party, or that CONTRACTOR owes to CARRIER or a third party under a purchase or rental contract, before termination of this Agreement or, with respect to any CONTRACTOR obligation triggered by termination, including any expenses (including reasonable attorneys' fees) incurred by CARRIER in seeking the return of its identification devices and other property, all amounts CARRIER actually spends, incurs, or owes to a third party upon termination or within forty-five (45) days thereafter. CARRIER shall not make deductions from the Deposit for items for which, by the end of forty-five (45) days after termination, neither CONTRACTOR nor CARRIER has yet made an expenditure or incurred a quantified, legally binding obligation to pay. CARRIER shall provide a final accounting to CONTRACTOR of all such final deductions made from the Deposit within forty-five (45) days from the date of termination of the Agreement.

#### **18. TERMINATION**

It is understood and agreed that this Agreement is to remain in full force and effect for the period of time specified in paragraph 1, unless for breach of one or more of the covenants set forth herein or by mutual consent this agreement is terminated. In the event either party commits a material breach of any terms of this Agreement, the other party shall have the right to terminate this Agreement immediately and hold the party committing the breach liable for damages, including all costs and attorneys fees. Finally, either party may terminate this Agreement at any time and for any reason upon three (3) days prior written notice to the other party.

Termination of this Agreement shall not have the effect of discharging the pledge and lien held by CARRIER, provided for above. CONTRACTOR shall return all identification or equipment provided by CARRIER, submit all trip records and necessary documents and shall execute a receipt acknowledging the return of the Equipment before the Deposit will be returned and final settlement will be paid by CARRIER. CARRIER shall deduct all final contractual entitlements upon receipt of the above and return the



balance of the Deposit within forty-five (45) days from the date of termination.

**19. SUBLEASING/TRIP LEASING/ETC.**

A. Consistent with its independent contractor status, CONTRACTOR, upon the prior written consent of CARRIER, is free to, and may lease or trip lease to other carriers at such time as the Equipment is not being utilized by CARRIER. CARRIER may, at its sole discretion, withhold prior written consent for any trip lease in the event that the other carrier, in CARRIER's sole discretion, does not have satisfactory authority, insurance or DOT safety rating. If CONTRACTOR enters into a sublease, CONTRACTOR agrees to assume all responsibility and hold CARRIER harmless from any claim by CONTRACTOR; its agents, subcontractors and employees during such sublease.

B. At those times when CONTRACTOR is not operating under CARRIER's operating authority or otherwise operating in CARRIER's service pursuant to this Agreement or is hauling for someone else, CONTRACTOR agrees to cover or remove any signs and/or identification on Equipment containing CARRIER's name and or motor carrier identification numbers.

**20. MISCELLANEOUS**

- (a) This Agreement shall be interpreted and governed by the laws of the State of Illinois, including its choice of law rules. Moreover, CARRIER and CONTRACTOR hereby consent to the jurisdiction of the state and federal courts of Illinois.
- (b) The parties intend to create by this Agreement the relationship of motor carrier and independent contractor and not that of employer-employee. Neither the CONTRACTOR nor its employees are to be considered employees of the CARRIER at any time, under any circumstances for any purposes.
- (c) Neither party is the agent of the other and neither party shall have the right to bind the other by contract or otherwise except as herein specifically provided.
- (d) This Agreement may not be assigned by the CONTRACTOR without the written consent of the CARRIER. Such consent shall not be unreasonably withheld.
- (e) The CONTRACTOR and the CARRIER specifically agree that this Agreement shall be binding upon the CONTRACTOR, his heirs, successors, agents, guardians, personal representatives, and upon the CARRIER, its agents, successors, and assigns.
- (f) 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.



- (g) Should any section, sentence, clause, or phrase of this Agreement be held to be illegal, such determination shall not affect the validity or binding effect of the remaining portions of this Agreement.
- (h) This Agreement, including Appendix A, incorporated herein by reference, constitutes the entire agreement and understanding of the parties and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties.

**[NOTE IF MULTIPLE VEHICLES ADD ADDITIONAL SHEETS LABELED A1, A2, ETC.]**

APPENDIX A

AGREEMENT # #1560

BNVS Transport LLC  
(Owner)

682-802-3083  
(Phone Number)

83-4295063  
(FEIN # OR SS #)

2012  
(YR)

Freightliner  
(MAKE)

1FUJGEDR9CLBW0723  
(VIN. #)

576075  
(LIC. PLATE #)

            
(STATE)

            
(EXPIRES)

BLUE/WHITE  
[VEH. COLOR]

576075  
(ODOMETER READING AT INCEPTION OF AGREEMENT)

RECEIPT

CARRIER hereby acknowledges receipt of the above-described equipment

On this 28 day of May, 2019

CONTRACTOR, hereby acknowledges return of the above-described equipment

On this            day of           , 20    .

CARRIER:

C & K TRUCKING, LLC.  
6205 W. 101<sup>st</sup> STREET  
CHICAGO RIDGE, IL 60415

By: Michelle Hernandez

MICHELLE HERNANDEZ

Printed Name

Dated: 05/28/19

CONTRACTOR:

BNVS Transport LLC

By: Valinda Stephens

VALINDA STEPHENS

Printed Name

Dated: 05/28/19

Appendix B

**CONTRACTOR's Compensation**

Chicago

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:

70% of Adjusted Gross Revenue ("AGR")

70% of Fuel Surcharge, if any is received from Customer

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 contractors and property brokers (including affiliated brokers of CARRIER) as a pro-rata payment for their participation in the movement of a load; (c) any amount paid by CARRIER to interline or augment 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) any amount paid by CARRIER for specialized permits required for shipments handled by CONTRACTOR which are billed and collected from the customer; (g) all incentives, discounts or commissions given to CARRIER's customers or other third parties; and (h) amounts paid or accrued for certain specialized trailers and excessive trailer spotting situations.

c) Accessorial Service Charges. The percentages of accessorial charges, including but not limited to, detention, tarping, loading and unloading charges, shall be paid to CONTRACTOR based upon the same percentage of AGR listed above.

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

**CARRIER:**

**C & K TRUCKING, LLC.**

**6205 W. 101<sup>st</sup> STREET**

**CHICAGO RIDGE, IL 60415**

By: 

MICHELLE HERNANDEZ

Printed Name

Dated: 05/28/19

**CONTRACTOR:**

BNVS Transport LLC

By: 

VALINDA STEPHENS

Printed Name

Dated: 05/28/19



Appendix C**LIST OF CHARGE-BACKS AND OTHER DEDUCTIONS**

1. CONTRACTOR hereby authorizes CARRIER to deduct the items in the table below from CONTRACTOR's Settlement Compensation, or other amounts CARRIER owes CONTRACTOR. Where no dollar figure is listed in the table below, the deductions will vary in amount and will be computed as indicated in the column headed "Amount, or Method of Computation, of Deduction."

<b>CHARGE-BACK OR OTHER DEDUCTION ITEM</b>	<b>AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION</b>
Advances of CONTRACTOR's not-yet-paid compensation and fuel card charges.	Advance via CARRIER Fuel Card or ComCheck. Amount of CONTRACTOR's not-yet-paid compensation that, on CONTRACTOR's initiative and with CARRIER's consent, CARRIER advanced through CONTRACTOR's CARRIER Fuel Card or ComCheck to spend on fuel, cash, or other purchases, plus any per-transaction fees charged by the Fuel Card or ComCheck issuer.
Claims for damages, losses, court costs, fines, penalties, attorneys' fees, and other expenses (together "Damages") CARRIER incurs arising out of CONTRACTOR's operations under this Agreement, pursuant to Section 10 ("Indemnification"), subject to maximums established by Section 10 of this Agreement.	Amount CARRIER paid or otherwise incurred, subject to indemnity limits set forth in Section 10.
Comcheck and/or Comdata Charges	Amount CARRIER paid or otherwise incurred on behalf of CONTRACTOR.
Drug and alcohol testing, to the extent this Agreement requires CONTRACTOR to bear the expense.	Amount CARRIER paid outside vendor.
Demurrage, Per Diem and Reservation Charges	Amount CARRIER paid or otherwise incurred due to CONTRACTOR's failure to timely return equipment or deliver loads.
Escrow Deposit contributions by CONTRACTOR.	See Section 17.
Fines, penalties, and related court costs, attorneys' fees, and other legal expenses.	Amount CARRIER paid or otherwise incurred in connection with fines or penalties that this Agreement makes CONTRACTOR responsible for.
Freight charges not fully collected or remitted by CONTRACTOR to CARRIER as required by this	See Section 15 of this Agreement.

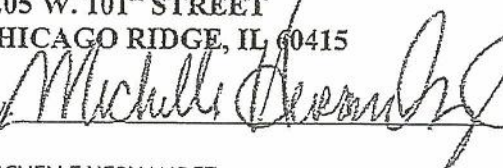

<b>CHARGE-BACK OR OTHER DEDUCTION ITEM</b>	<b>AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION</b>
Agreement.	
<b>Garnishment orders</b> (including but not limited to child-support orders) by courts and tax liens against CONTRACTOR compensation.	Amount CARRIER paid in compliance with any lawfully-issued order or lien, a copy of which CARRIER shall supply to CONTRACTOR at or before the first deduction relating to it. If, at the time the garnishment order or lien is received by CARRIER, CONTRACTOR is in service and under shipment pursuant to this Agreement, CARRIER may elect, but is not obligated, to advance such portion and enter it as a debit to Settlement Compensation.
<b>Automatic Toll Charges</b>	Actual costs incurred by CARRIER for CONTRACTOR's tolls and use of automated toll transponders.
<b>DOT Inspections of Equipment</b>	Amount CARRIER paid vendor of inspections services or, if inspection is performed at a CARRIER facility, the cost CARRIER paid for parts and labor, with no markup. CARRIER requires two (2) DOT inspections each year at a CARRIER approved facility. The first inspection will be paid by CARRIER, while the second inspection will be charged back to CONTRACTOR.
<b>Maintenance, repairs, tires, parts, oil and other fluids</b> that CONTRACTOR elects to purchase from CARRIER.	For tires and parts, amount CARRIER paid third-party vendor, plus markups resulting in prices (which shall be provided to CONTRACTOR upon request at the time CONTRACTOR purchases or places order for items) competitive with other vendors in the relevant market(s). For labor in connection with maintenance and repairs, CARRIER's hourly labor rate as posted at the facility performing the work and competitive with other vendors in the relevant market(s).
<b>Medical examinations and DOT recertifications.</b>	Amount CARRIER paid third-party vendor.
<b>Operating expenses not otherwise listed</b> in this table for which CONTRACTOR is responsible under this Agreement including but not limited to towing charges and parking fees.	Amount CARRIER paid or otherwise incurred. For use of CARRIER Fuel Card or Preauthorized Checks to pay for fuel, maintenance, repairs, tires, or other related items, see line items for <b>Advances</b> above.
<b>Phone Expenses</b>	All costs and usage fees related to the purchase and/or use of a cell phone or other mobile communication provided by CARRIER.
<b>Property Damage to Trailers, Containers, or Chassis.</b>	Damage charges assessed to CARRIER by third parties while such property is under the control of CONTRACTOR.



2. **INFORMATION REGARDING DEDUCTIONS.** CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deductions for cargo or property damage before making them. With respect to all charge-backs and deductions, CARRIER shall make available to CONTRACTOR, upon request, copies of those documents that are necessary to determine the validity of the charge-back or deduction.

3. **CHANGES IN EXISTING DEDUCTION ITEMS.** If an item in any of the above columns will be changing, CONTRACTOR shall be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until thirty (30) calendar days after such notice or such later time as is set forth in the notice. CONTRACTOR's failure, by the end of thirty calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's Settlement Compensation, beginning immediately after the thirty-day period. Such modified amounts shall replace and supersede those shown in the table in Section 2 above. If CONTRACTOR fails to notify CARRIER of CONTRACTOR's objection within the thirty-day period – or if CONTRACTOR notifies CARRIER of CONTRACTOR's objection within the thirty-day period and the parties are then unable to resolve the matter, the parties shall each have the right to terminate this Agreement immediately thereafter. Once the change becomes effective, CONTRACTOR still retains the right to terminate this Agreement in accordance with the procedures set forth in this Agreement (although CONTRACTOR shall remain subject to the change until the effective date and time of its termination).

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

<p><b>CARRIER:</b>  <b>C &amp; K TRUCKING, LLC.</b>  <b>6205 W. 101<sup>st</sup> STREET</b>  <b>CHICAGO RIDGE, IL 60415</b></p> <p>By </p> <p><u>MICHELLE HERNANDEZ</u>  Printed Name</p> <p>Dated: <u>05/28/19</u></p>	<p><b>CONTRACTOR:</b>  BNVS Transport LLC</p> <p>By </p> <p><u>VALINDA STEPHENS</u>  Printed Name</p> <p>Dated: <u>05/28/19</u></p>
--	---

## Appendix D

### **INSURANCE AND ALLOCATION OF LIABILITY**

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

2. **CONTRACTOR'S INSURANCE OBLIGATIONS.** CONTRACTOR shall maintain, at its sole cost and expense, the following minimum insurance coverages during this Agreement:

(a) **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 \$1,000,000 for injury or death to any person or for damages to property in any one occurrence. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. In addition, 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.

(b) **WORKERS' COMPENSATION/OCCUPATIONAL ACCIDENT INSURANCE.** CONTRACTOR shall provide workers' compensation insurance coverage for CONTRACTOR (if a natural person), all of its employees and agents, anyone driving the Equipment, and any other persons required to be covered under the worker's compensation law of any state that is reasonably likely to have jurisdiction over CONTRACTOR's business operations and in amounts not less than the statutory limits required by such applicable state law. The worker's compensation insurance policy shall provide principal coverage in Illinois as well as the state in which the work is principally localized, and shall provide "other states coverage" that excludes only North Dakota, Ohio, Washington, West Virginia, and Wyoming. As evidence of such coverage, CONTRACTOR shall provide CARRIER with a copy of the insurance policy declarations page for CARRIER's verification before operating the Equipment under this Agreement. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. If (a) CONTRACTOR is the sole owner and the sole and exclusive operator of the Equipment or the driver is otherwise



eligible for course under CARRIER's facilitated program and (b) the state in which the work is principally localized is not Colorado, Nevada, New Jersey, New York, or North Carolina, then CONTRACTOR may, as an alternative to obtaining workers' compensation coverage, obtain occupational accident insurance policy that includes either an endorsement or a separate policy provision whereby the insurer provides, or agrees to provide, workers' compensation coverage that becomes effective for a claim by CONTRACTOR alleging employee status. Such occupational accident insurance coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix.

(c) **OTHER INSURANCE.** In addition to the insurance coverages required under this Agreement, it is CONTRACTOR'S responsibility to procure, carry and maintain any fire, theft, uninsured and/or underinsured motorist, and physical damage (collision), or other insurance coverage that CONTRACTOR may desire for the Equipment or for CONTRACTOR's health care or other needs. As provided in this Agreement, CONTRACTOR holds CARRIER harmless with respect to loss of or damage to CONTRACTOR's Equipment, trailer, or other property, and CARRIER has no responsibility to procure, carry, or maintain any insurance covering loss of or damage to CONTRACTOR's Equipment, trailer, or other property. CONTRACTOR acknowledges that CARRIER may, and CONTRACTOR hereby authorizes CARRIER to, waive and reject no-fault, uninsured, and underinsured motorist coverage from CARRIER's insurance policies to the extent allowed under Illinois law (or such other state law where the Equipment is principally garaged), and CONTRACTOR shall cooperate in the completion of all necessary documentation for such waiver, election, or rejection.

3. **REQUIREMENTS APPLICABLE TO ALL OF CONTRACTOR'S INSURANCE COVERAGES.** CONTRACTOR shall procure insurance policies providing the above-described coverages solely from insurance carriers that are A.M. Best "A"-rated, and CONTRACTOR shall not operate the Equipment under this Agreement unless and until CARRIER has determined that the policies are acceptable (CARRIER's approval shall not be unreasonably withheld). CONTRACTOR shall furnish to CARRIER written certificates obtained from CONTRACTOR'S insurance carriers showing that all insurance coverages required above have been procured from A.M. Best "A" rated insurance carriers, that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, and the expiration date; list CARRIER as an additional insured with primary coverage; and show 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.

4. **CONTRACTOR'S LIABILITY IF REQUIRED COVERAGES ARE NOT MAINTAINED.** In addition to CONTRACTOR's hold harmless/indemnity obligations to CARRIER under the Agreement, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from any direct, indirect, or consequential loss,



damage, fine, expense, including reasonable attorney fees, actions, claim for injury to persons, including death, and damage to property that CARRIER may incur arising out of or in connection with CONTRACTOR'S failure to maintain the insurance coverages required by this Agreement. In addition, CONTRACTOR, on behalf of its insurer, expressly waives all subrogation rights against CARRIER, and, in the event of a subrogation action brought by CONTRACTOR's insurer, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from such claim.

**5. AVAILABILITY OF INSURANCE FACILITATED BY CARRIER.**

CONTRACTOR may, if it so chooses by initialing one or more boxes in the right-hand column of the attached "CERTIFICATE OF INSURANCE," authorize CARRIER to facilitate, on CONTRACTOR'S behalf, the insurance coverages required or made optional by this Agreement. In any such case, CARRIER shall deduct, from CONTRACTOR's settlement compensation, amounts reflecting 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 CONTRACTOR's expense and deduct, from CONTRACTOR's settlement compensation, amounts reflecting all of CARRIER's expense in obtaining and administering such coverage. CONTRACTOR recognizes that CARRIER is not in the business of selling insurance, and any insurance coverage requested by CONTRACTOR from CARRIER is subject to all of the terms, conditions, and exclusions of the actual policy issued by the insurance underwriter. CARRIER shall ensure that CONTRACTOR is provided with a certificate of insurance (as required by 49 C.F.R. § 376.12(j)(2)) for each insurance policy under which the CONTRACTOR has authorized CARRIER to facilitate insurance coverage from the insurance underwriter (each such certificate to include the name of the insurer, the policy number, the effective dates of the policy, the amounts and types of coverage, the cost to CONTRACTOR for each type of coverage, and the deductible amount for each type of coverage for which CONTRACTOR may be liable), and CARRIER shall provide CONTRACTOR with a copy of each policy upon request.

**6. CHANGES IN COST OR OTHER DETAILS OF COVERAGES.**

If CARRIER is facilitating any insurance coverages for CONTRACTOR pursuant to Section 5 of this Appendix and the cost to CONTRACTOR for, or other details of, a coverage changes from the information listed in the attached "CERTIFICATE OF INSURANCE", CONTRACTOR will be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until ten (10) calendar days after such notice or such later time as is set forth in the notice. CONTRACTOR's failure, by the end of ten (10) calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's settlement compensation, beginning immediately after the 10-day period. Such modified amounts shall replace and supersede those shown in the Certificate of Insurance and CARRIER shall not have an obligation to also provide a revised Certificate of Insurance. If CONTRACTOR fails to notify CARRIER of any objection within the 10-day period -- or if CONTRACTOR notifies CARRIER of its objection within the 10-day period and CONTRACTOR and CARRIER is then unable to resolve

the matter to the parties mutual satisfaction -- CONTRACTOR and CARRIER shall each have the right to terminate this Agreement effective immediately upon the change becoming effective (although CONTRACTOR shall remain subject to the change until CONTRACTOR's termination's effective date and time).

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

CARRIER:  
C & K TRUCKING, LLC.  
6205 W. 101<sup>ST</sup> STREET  
CHICAGO RIDGE, IL 60415

By: 

MICHELLE HERNANDEZ  
Printed Name

Dated: 05/28/19

CONTRACTOR:

BNVS Transport LLC

By: 

VALINDA STEPHENS  
Printed Name

Dated: 05/28/19



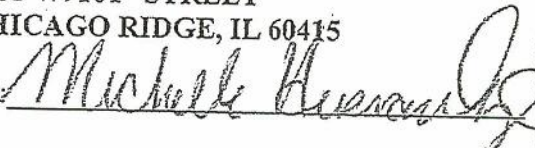

**CERTIFICATE OF INSURANCE**

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

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<p>1. <b><u>Non-Trucking Liability Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$1,000,000 combined single limit</p> <p>Current Cost to CONTRACTOR: \$ _____ per unit of Equipment per month</p> <p>Deductible for Which CONTRACTOR Is Liable: \$ _____ per occurrence</p>	<p><input checked="" type="checkbox"/> YES</p> <p><input type="checkbox"/> NO</p>
<p>2. <b><u>Occupational Accident Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$ _____ per _____</p> <p>Current Cost to CONTRACTOR: \$ _____ per week.</p> <p>Deductible for Which CONTRACTOR Is Liable: \$ _____ per _____</p>	<p><input checked="" type="checkbox"/> YES</p> <p><input type="checkbox"/> NO</p>

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<b>3. <u>Physical Damage Insurance on Tractor:</u></b>  Name of Insurer: _____  Policy No: _____  Effective Date(s) of Coverage: _____  Amount of Coverage: Insured value, as specified by CONTRACTOR, of \$ _____  Current Cost to CONTRACTOR: \$ _____ per month (based on model year of unit of Equipment covered)  Deductible for Which CONTRACTOR Is Liable: \$ _____ per occurrence	<input checked="" type="checkbox"/> YES  <input type="checkbox"/> NO

THIS APPENDIX (Certificate of Insurance) is agreed to by the undersigned parties as of the latest date set forth below.

<b>CARRIER:</b> C & K TRUCKING, LLC. 6205 W. 101 <sup>st</sup> STREET CHICAGO RIDGE, IL 60415  By: <u></u>  MICHELLE HERNANDEZ Printed Name  Dated: <u>05/28/19</u>	<b>CONTRACTOR:</b> BNVS Transport LLC  By: <u></u>  VALINDA STEPHENS Printed Name  Dated: <u>05/28/19</u>
--	---

# **EXHIBIT 2**

TERMINAL: chicago  
UNIT: 1699

## **INDEPENDENT CONTRACTOR AGREEMENT**

THIS AGREEMENT made this 10 of January 2020, by and between  
BNVS Transport LLC  
("CONTRACTOR") and C & K Trucking LLC, an Illinois limited liability company,  
located at 6205 West 101 St., Chicago Ridge, IL 60415 ("CARRIER").

WHEREAS, CONTRACTOR is the lawful owner of motor vehicle equipment  
suitable for the transportation of property, which equipment is more particularly  
described in Appendix "A"; and

WHEREAS, CARRIER is an authorized carrier of property in interstate  
commerce by virtue of operating authority issued by the Federal Motor Carrier Safety  
Administration ("FMCSA");

NOW THEREFORE, in consideration of the mutual covenants and undertakings  
described herein, IT IS HEREBY AGREED:

### **1. DURATION OF AGREEMENT**

The term of this Agreement shall be for a period of one (1) year from the date  
hereof, and shall automatically renew for an additional one-year term at each anniversary  
date thereafter, but not to exceed a total of three (3) years unless sooner canceled.

### **2. PERFORMANCE**

During the term of this Agreement, CONTRACTOR shall provide CARRIER  
transportation related services and the use of the Equipment set forth below or in an  
appendix (the "Equipment"). CONTRACTOR represents and warrants that  
CONTRACTOR has title to or is authorized to contract the Equipment and services to  
CARRIER. Upon taking possession of the Equipment from CONTRACTOR, CARRIER  
shall furnish to CONTRACTOR a receipt for 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 for  
the return of the Equipment by CARRIER to CONTRACTOR; provided, however, that  
the Agreement and CARRIER's obligations thereunder shall expire upon the written  
notice of termination regardless of whether CONTRACTOR submits the receipt required  
under this provision.

### **3. EXCLUSIVE POSSESSION AND RESPONSIBILITY**

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 CARRIER. CARRIER shall assume complete



responsibility for the operation of the Equipment for the duration of this Agreement. This paragraph is set forth solely to conform with FMCSA regulations and shall not be used for any other purposes, including any attempt to classify CONTRACTOR as an employee of CARRIER. Nothing in the provisions required by 49 C.F.R. § 376.12(c)(1) is intended to affect whether CONTRACTOR or its drivers are an independent contractor or an employee of CARRIER. An independent contractor relationship may exist when a carrier complies with 49 U.S.C. § 14102 and attendant administrative requirements.

**4. COMPLIANCE WITH PERTINENT LAWS AND REGULATIONS BY CONTRACTOR**

- (a) **Drivers.** CONTRACTOR shall provide competent drivers who meet the minimum driver qualification standards of CARRIER and its liability insurer 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 carrier safety laws and regulations. The parties agree that CARRIER shall have the right to disqualify any driver provided by CONTRACTOR in the event that the driver is found to be unsafe, unqualified pursuant to federal or state law, in violation of CARRIER's minimum qualification standards, or in violation of any policies of CARRIER's customers or insurer. Upon a driver's disqualification by CARRIER, CONTRACTOR shall be obligated to furnish another competent, reliable and qualified driver that meets the minimum qualification standards established by CARRIER.
- (b) **Paperwork Requirements.** CONTRACTOR shall submit to CARRIER, on a timely basis, all driver logs and supporting documents (including original toll receipts for CARRIER's reproduction), physical examination certificates, accident reports, and any other required data, documents or reports. As required by 49 C.F.R. § 376.12(l), CARRIER will keep the original of this Agreement with a copy to be maintained by CONTRACTOR, and a second copy to be carried in the Equipment during the term of this Agreement.
- (c) **Shipping Documents.** CONTRACTOR agrees that all bills of lading, waybills, freight bills, manifests, or other papers identifying the property carried on the Equipment shall be those of CARRIER, or as authorized by CARRIER, and shall indicate that the property transported is under the responsibility of CARRIER or a carrier with which the Equipment has been subcontracted.
- (d) **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.
- (e) **Safe Operations.** 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 the terms of this Agreement, including the



requirement of safe 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.

5. **AVAILABILITY AND SCHEDULING**

In accordance with section 212.1 of the Illinois Unemployment Insurance Act, CONTRACTOR is not required by CARRIER to perform services or be available to perform services at specific times or according to a schedule or for a number of hours specified by CARRIER. However, pickups or delivery times specified by a shipper, receiver, broker, or other party that owns or controls a shipment shall not be deemed "specified" by CARRIER, and, upon acceptance of any shipment, CONTRACTOR agrees to comply with the pickup and delivery times specified by such third parties.

6. **OPERATIONAL EXPENSES**

CARRIER specifically agrees that it is the CONTRACTOR's responsibility to:

- (a) Maintain the Equipment in good working order, including the purchase of all fuel, parts, tires, and lubricants at CONTRACTOR's expense;
- (b) Operate the Equipment in accordance with all applicable state and federal rules and regulations, including obtaining all licenses, paying registration fee's, toll charges, decals, use permits, axle weight, gasoline, diesel, or other types of taxes, fees or extraction's required of or on the Equipment or the use thereof;
- (c) CONTRACTOR or its drivers agree to pay 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 and the FMCSA, where such violation results, at least partially, from the acts or omissions of CONTRACTOR or its drivers;
- (d) To pay for the cost of fuel and fuel taxes or reimburse CARRIER for the cost of any fuel or fuel taxes incurred while using the Equipment that is the subject of this Agreement; and
- (e) CONTRACTOR shall have the duty to determine that all shipments are in compliance with the size and weight laws of the states in which or through which the Equipment will travel and to notify CARRIER if the vehicle is overweight, oversized or in need of permits before commencing the haul. Except when the violation results from the acts or omissions of CONTRACTOR, CARRIER 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 oversized 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, oversized or in need of permits.

7. **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.

8. **INSURANCE COVERAGE**

The respective obligations of the parties shall be as set forth in Appendix C. CARRIER shall maintain public liability, property damage and cargo insurance in such amounts as are required by the DOT and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to 49 U.S.C. § 13906. CARRIER's possession of legally required insurance shall in no way restrict CARRIER's right of indemnification from CONTRACTOR as provided under this Agreement.

9. **CLAIMS**

If any of the Equipment is involved in any accident, lost, stolen, or willfully or accidentally destroyed, in whole, or part, CONTRACTOR will notify CARRIER immediately by telephone call and by letter and use all reasonable efforts at CONTRACTOR's own expense to recover the property. CONTRACTOR shall provide to CARRIER all relevant information regarding the accident or loss including, but not limited to, the date, time, place, circumstances, the names and addresses of the persons injured, the owners of the property damaged, names and addresses of witnesses, within twenty-four (24) hours after such accident or loss. CONTRACTOR, and its agents and employees, shall cooperate and take part in, as necessary, the investigation and defense of any claim in a suit and in the preparation of all reports and forms to regulatory authorities and insurance companies, and shall do nothing to invalidate or impair any applicable insurance coverage.

10. **INDEMNITY**

CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, including attorneys fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, economic loss, caused by or arising out of the ownership, maintenance, use, loading, operation of the Equipment, whether it be caused by the negligence of the CARRIER, or its agents or employers, or whether it may be caused by the negligence of the CONTRACTOR or its agents, servants, or employees, or otherwise.

- (a) With respect to claims of personal injury (including death) or damage to the property of third-parties, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total

- amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
- (b) With respect to claims of cargo loss, damage, or delay, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
  - (c) With respect to claims of loss or damage to CARRIER's trailer or other CARRIER property, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of One Thousand dollars (\$ 1,000.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
  - (d) CONTRACTOR's maximum liability under Subparagraphs (a), (b), and (c) above in the aggregate will not exceed \$5,000 for any single incident; provided, however, that this liability limitation will not apply if the incident is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional act of CONTRACTOR or its drivers.
  - (e) The parties agree that CARRIER does not condone or authorize passengers that have not been pre-approved and qualified by CARRIER to ride in the Equipment. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, occurring or incurred, as the result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the presence of unauthorized persons in, or about the Equipment.

**11. TRAILER INTERCHANGE**

CONTRACTOR agrees to return any trailer provided for its use by CARRIER or CARRIER's customers 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 or CARRIER's customers 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 or CARRIER's customers, CONTRACTOR



hereby authorizes CARRIER or CARRIER's customers to restore the trailer to proper condition and to charge back to CONTRACTOR the costs of such repairs or reconditioning. In the event CONTRACTOR for any reason fails to comply with these provisions, CONTRACTOR agrees to reimburse CARRIER or CARRIER's customers for all reasonable expense and costs, including attorney fees, incurred by CARRIER or CARRIER's customers in recovery of its trailer or property from CONTRACTOR or its drivers. CONTRACTOR agrees that in the event it is necessary for CARRIER or CARRIER's customers to enter upon private property or remove private property in order to recover its trailer and property, CONTRACTOR does hereby irrevocably grant CARRIER or CARRIER's customers or its duly authorized agents, permission to do so and further agrees to indemnify and hold harmless CARRIER, and its duly authorized agents, from any form of liability whatsoever in connection with such repossession. CONTRACTOR shall be liable for, and pay, the entire amount for each incident involving direct, indirect and consequential damage, including but not limited to, towing charges, replacement costs for a total loss, arising out of, or in connection with, CONTRACTOR's use of CARRIER's trailers, CARRIER's customer's trailers, other CARRIER 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 or CARRIER's customers will only be used by CONTRACTOR and its drivers to transport shipments tendered to CONTRACTOR by CARRIER.

## 12. CHARGE BACK ITEMS

In the event CARRIER is called upon to pay any of the CONTRACTOR's costs of operation, or in the event CONTRACTOR secures advances from CARRIER, or in the event of any costs, damages, claims or losses described in this Agreement and, in particular, Appendix C, CARRIER is hereby authorized to deduct the same out of any monies due or becoming due to CONTRACTOR (Insurance claims will be deducted in an amount up to the deductible amount charged by the relevant insurance company). Items initially paid for by the CARRIER, but ultimately deducted from the CONTRACTOR's settlement include, but are not limited to, charges for permits, trailer rental, cargo damage, damage to containers and property damage. CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deduction for cargo or property damage before the deduction is made.

If the CARRIER is authorized to receive a refund or a credit for base plates purchased by the CONTRACTOR from, and issued in the name of the CARRIER, or if the base plates are authorized to be sold by the CARRIER or to another CONTRACTOR, the CARRIER shall refund to the initial CONTRACTOR on whose behalf the base plate was first obtained a prorated share of the amount received.

The CONTRACTOR is not required to purchase or rent any products, equipment or services from the CARRIER as a condition to this Agreement. The CARRIER may from time to time make such services available to the CONTRACTOR at his election which may be charged back to the CONTRACTOR, in addition to the items herein above described, and deducted from its settlement.



13. SECURITY

CONTRACTOR's Equipment is hereby pledged and conveyed by the CONTRACTOR to the CARRIER to secure any indebtedness or liability arising under this Agreement and the CARRIER is vested with and shall have a lien upon such Equipment for such security.

14. COMPENSATION

It is expressly understood and agreed that CONTRACTOR's compensation shall be as set forth in Appendix B, and such compensation shall constitute the total compensation for everything furnished, provided, or done by CONTRACTOR in connection with this Agreement, including driver's services. All mileage computations shall be based on the most recent edition of CARRIER's Mileage Guide. Although CARRIER shall use reasonable efforts to make shipments available to CONTRACTOR for transportation during the term of this Agreement, CONTRACTOR acknowledges and agrees that CARRIER does not guarantee any specific number of shipments or amount of revenue to CONTRACTOR during the term of this Agreement.

15. SETTLEMENT

CARRIER shall settle with CONTRACTOR on a weekly basis, or within 15 days of receipt by CARRIER of those documents necessary for CARRIER to secure payment from its customers, including the signed freight bill, delivery receipt or bill of lading, and properly completed logs as required by the DOT. CARRIER shall have the right to charge back and deduct from CONTRACTOR's settlement compensation for any billing errors and any billed amount not collectible due to customer rejected documents submitted by CONTRACTOR. Where required by applicable law and if paid a percentage of revenue, CONTRACTOR shall be provided with a copy of the rated freight bill (or a computer-generated summary) before or at the time of settlement. Detention time shall be payable to the CONTRACTOR only if and when documentation of such detention payments are received by the CARRIER. Settlement amounts shall be subject to those charge backs, indemnities, and reimbursement of advances as previously described.

CONTRACTOR may examine, during normal business hours, at CARRIER's principle place of business, and with ten (10) days prior notice, CARRIER's tariffs, or other contracts or documents, if any, from which charges and rates are computed; provided, however, only that information that would appear on a rated freight bill will be disclosed by CARRIER. CARRIER shall have the right to review all of CONTRACTOR's documents and records relating to the use of the Equipment and the services provided under this Agreement, and CONTRACTOR agrees to provide CARRIER with access to such documents and records upon reasonable notice.

16. IDENTIFICATION

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. CONTRACTOR further agrees to keep the Equipment in clean appearance and identified as described herein, at its sole cost and expense. CARRIER agrees that CONTRACTOR may display CONTRACTOR's name and address on the Equipment where required by applicable state law.

Initial: BS

Upon termination of the Agreement, CONTRACTOR shall remove all identification of the CARRIER and shall return such identification to CARRIER immediately upon termination of this agreement. CARRIER shall have the right to withhold final settlement from CONTRACTOR until such identification has been returned to CARRIER or a letter certifying the removal of such identification has been received by CARRIER.

Initial: BS

At any time during the Agreement period, if CONTRACTOR, its agents or employees use the Equipment for their personal use or any use or activity that CARRIER did not specifically request or desire, before such use or activity, CONTRACTOR shall immediately remove or cover-up all identification of the CARRIER. If CONTRACTOR, or its agents or employees, fails to comply with this paragraph, this Agreement shall terminate, until and if CARRIER specifically enters into a written agreement with CONTRACTOR to reinstate the Agreement. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents and employees, from any and all liability, claims, costs, deductibles and expenses, including attorney fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the above described use, whether it be caused by negligence of the CARRIER, CARRIER's agents or employees; or whether it may be caused by the negligence of the CONTRACTOR's agents, servants or employees, or otherwise.

It is to expressly agreed and understood, that if this Agreement is found to have terminated due to the CONTRACTOR's failure to remove or cover the CARRIER's identification, as described above, the indemnification obligations described in this Paragraph 16 and elsewhere in this Agreement, shall remain in full force and effect.

Initial: BS

17. ESCROW

CONTRACTOR shall deposit with CARRIER and maintain as an escrow deposit the sum of one thousand five hundred dollars \$(1,500.00) for each unit in order to insure faithful performance under this Agreement and to insure the payment of all sums owed by CARRIER to CONTRACTOR. In the event that the CONTRACTOR does not make such a deposit to the CARRIER upon execution of this Agreement, then CARRIER shall have the right to withhold Fifty Dollars (\$50.00) per week from CONTRACTOR's trip settlements until such fund has been accumulated.

Initial: BS

CARRIER shall pay interest to CONTRACTOR on the Deposit on at least a quarterly basis ("interest period") beginning with receipt of the first CONTRACTOR contribution of principal. The interest rate shall be established on the date the interest period begins and shall be equal to the average yield of 91-day, 13-week U.S. Treasury



bills, as established in the weekly auction by the Department of Treasury. For purposes of calculating the balance of the Deposit on which interest is paid, CARRIER may deduct a sum equal to the average advance (including all charge-backs and other deductions) made to CONTRACTOR during the period of time for which interest is paid.

CARRIER may deduct monies from this account to apply to any sums, which CONTRACTOR may owe to CARRIER pursuant to the terms of this Agreement ("Deposit Items"). CARRIER shall not make any deductions from CONTRACTOR's account without having first given CONTRACTOR a written itemization and explanation for any such deduction. Such written itemization and explanation may be given on or as part of CONTRACTOR's trip settlement (s). CARRIER shall furnish CONTRACTOR with a quarterly accounting for all account funds, as well as furnish such an accounting at any other time upon CONTRACTOR's demand.

To have any remaining balance of the Deposit returned following termination of the Agreement, CONTRACTOR must first comply with all of the specific obligations set forth in the Agreement, and make payments to CARRIER for all Deposit Items. At the time of the return of any remaining balance of the Deposit, CARRIER may deduct monies for all Deposit Items. Such deductions shall be limited to amounts CARRIER actually spends, incurs, or owes to a third party, or that CONTRACTOR owes to CARRIER or a third party under a purchase or rental contract, before termination of this Agreement or, with respect to any CONTRACTOR obligation triggered by termination, including any expenses (including reasonable attorneys' fees) incurred by CARRIER in seeking the return of its identification devices and other property, all amounts CARRIER actually spends, incurs, or owes to a third party upon termination or within forty-five (45) days thereafter. CARRIER shall not make deductions from the Deposit for items for which, by the end of forty-five (45) days after termination, neither CONTRACTOR nor CARRIER has yet made an expenditure or incurred a quantified, legally binding obligation to pay. CARRIER shall provide a final accounting to CONTRACTOR of all such final deductions made from the Deposit within forty-five (45) days from the date of termination of the Agreement.

#### 18. TERMINATION

It is understood and agreed that this Agreement is to remain in full force and effect for the period of time specified in paragraph 1, unless for breach of one or more of the covenants set forth herein or by mutual consent this agreement is terminated. In the event either party commits a material breach of any terms of this Agreement, the other party shall have the right to terminate this Agreement immediately and hold the party committing the breach liable for damages, including all costs and attorneys fees. Finally, either party may terminate this Agreement at any time and for any reason upon three (3) days prior written notice to the other party.

Termination of this Agreement shall not have the effect of discharging the pledge and lien held by CARRIER, provided for above. CONTRACTOR shall return all identification or equipment provided by CARRIER, submit all trip records and necessary documents and shall execute a receipt acknowledging the return of the Equipment before the Deposit will be returned and final settlement will be paid by CARRIER. CARRIER shall deduct all final contractual entitlements upon receipt of the above and return the



balance of the Deposit within forty-five (45) days from the date of termination.

**19. SUBLEASING/TRIP LEASING/ETC.**

A. Consistent with its independent contractor status, CONTRACTOR, upon the prior written consent of CARRIER, is free to, and may lease or trip lease to other carriers at such time as the Equipment is not being utilized by CARRIER. CARRIER may, at its sole discretion, withhold prior written consent for any trip lease in the event that the other carrier, in CARRIER's sole discretion, does not have satisfactory authority, insurance or DOT safety rating. If CONTRACTOR enters into a sublease, CONTRACTOR agrees to assume all responsibility and hold CARRIER harmless from any claim by CONTRACTOR; it's agents, subcontractors and employees during such sublease.

B. At those times when CONTRACTOR is not operating under CARRIER's operating authority or otherwise operating in CARRIER's service pursuant to this Agreement or is hauling for someone else, CONTRACTOR agrees to cover or remove any signs and/or identification on Equipment containing CARRIER's name and or motor carrier identification numbers.

**20. MISCELLANEOUS**

- (a) This Agreement shall be interpreted and governed by the laws of the State of Illinois, including its choice of law rules. Moreover, CARRIER and CONTRACTOR hereby consent to the jurisdiction of the state and federal courts of Illinois.
- (b) The parties intend to create by this Agreement the relationship of motor carrier and independent contractor and not that of employer-employee. Neither the CONTRACTOR nor its employees are to be considered employees of the CARRIER at any time, under any circumstances for any purposes.
- (c) Neither party is the agent of the other and neither party shall have the right to bind the other by contract or otherwise except as herein specifically provided.
- (d) This Agreement may not be assigned by the CONTRACTOR without the written consent of the CARRIER. Such consent shall not be unreasonably withheld.
- (e) The CONTRACTOR and the CARRIER specifically agree that this Agreement shall be binding upon the CONTRACTOR, his heirs, successors, agents, guardians, personal representatives, and upon the CARRIER, its agents, successors, and assigns.
- (f) 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.

- (g) Should any section, sentence, clause, or phrase of this Agreement be held to be illegal, such determination shall not affect the validity or binding effect of the remaining portions of this Agreement.
- (h) This Agreement, including Appendix A, incorporated herein by reference, constitutes the entire agreement and understanding of the parties and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties.

**[NOTE IF MULTIPLE VEHICLES ADD ADDITIONAL SHEETS LABELED A1, A2, ETC.]**



APPENDIX AAGREEMENT # 1699BNVS Transport LLC  
5641 Circle Dr Apt 202  
Oaklawn IL 60453

<u>(Owner)</u>		<u>83-4295063</u>	
<u>708-964-5922</u>		<u>(FEIN # OR SS #)</u>	
<u>(Phone Number)</u>			
<u>2014</u>	<u>FREIGHTLINER</u>	<u>1FUJGLDR4ELFH6570</u>	
<u>(YR)</u>	<u>(MAKE)</u>	<u>(VIN. #)</u>	
<u>CK PLATES</u>	<u>IN</u>	<u>07/23/20</u>	<u>WHITE</u>
<u>(LIC. PLATE #)</u>	<u>(STATE)</u>	<u>(EXPIRES)</u>	<u>[VEH. COLOR]</u>

692111(ODOMETER READING AT INCEPTION OF AGREEMENT)RECEIPT

CARRIER hereby acknowledges receipt of the above-described equipment

On this 10 day of JANUARY, 2020

CONTRACTOR, hereby acknowledges return of the above-described equipment

On this 10 day of JAN, 2020CARRIER:  
C & K TRUCKING, LLC.  
6205 W. 101<sup>st</sup> STREET  
CHICAGO RIDGE, IL 60415CONTRACTOR:  
BNVS Transport LLC  
5641 Circle Dr Apt 202  
Oaklawn IL 60453By: [Signature]EDWASSI NESPELIS  
Printed NameDated: 1/10/20By: [Signature]Bernard Shvun  
Printed NameDated: 1-10-20

Appendix B

**CONTRACTOR's Compensation**

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:
- 70% of Adjusted Gross Revenue ("AGR")  
70% of Fuel Surcharge, if any is received from Customer
- 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 contractors and property brokers (including affiliated brokers of CARRIER) as a pro-rata payment for their participation in the movement of a load; (c) any amount paid by CARRIER to interline or augment 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) any amount paid by CARRIER for specialized permits required for shipments handled by CONTRACTOR which are billed and collected from the customer; (g) all incentives, discounts or commissions given to CARRIER's customers or other third parties; and (h) amounts paid or accrued for certain specialized trailers and excessive trailer spotting situations.
- c) **Accessorial Service Charges.** The percentages of accessorial charges, including but not limited to, detention, tarping, loading and unloading charges, shall be paid to CONTRACTOR based upon the same percentage of AGR listed above.

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

**CARRIER:**  
**C & K TRUCKING, LLC.**  
**6205 W. 101<sup>st</sup> STREET**  
**CHICAGO RIDGE, IL 60415**

By: [Signature]  
EDUARDO KESTUAS  
Printed Name  
Dated: 11/10/20

**CONTRACTOR:**  
BNVS Transport LLC  
5641 Circle Dr Apt 202  
Oaklawn IL 60453

By: [Signature]  
Bernard Shuan  
Printed Name  
Dated: 1-10-20



Appendix C**LIST OF CHARGE-BACKS AND OTHER DEDUCTIONS**

1. CONTRACTOR hereby authorizes CARRIER to deduct the items in the table below from CONTRACTOR's Settlement Compensation, or other amounts CARRIER owes CONTRACTOR. Where no dollar figure is listed in the table below, the deductions will vary in amount and will be computed as indicated in the column headed "Amount, or Method of Computation, of Deduction."

<b>CHARGE-BACK OR OTHER DEDUCTION ITEM</b>	<b>AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION</b>
<b>Advances of CONTRACTOR's not-yet-paid compensation and fuel card charges.</b>	<b>Advance via CARRIER Fuel Card or ComCheck.</b> Amount of CONTRACTOR's not-yet-paid compensation that, on CONTRACTOR's initiative and with CARRIER's consent, CARRIER advanced through CONTRACTOR's CARRIER Fuel Card or ComCheck to spend on fuel, cash, or other purchases, plus any per-transaction fees charged by the Fuel Card or ComCheck issuer.
<b>Claims for damages, losses, court costs, fines, penalties, attorneys' fees, and other expenses (together "Damages") CARRIER incurs arising out of CONTRACTOR's operations under this Agreement, pursuant to Section 10 ("Indemnification"), subject to maximums established by Section 10 of this Agreement.</b>	Amount CARRIER paid or otherwise incurred, subject to indemnity limits set forth in Section 10.
<b>Comcheck and/or Comdata Charges</b>	Amount CARRIER paid or otherwise incurred on behalf of CONTRACTOR.
<b>Drug and alcohol testing, to the extent this Agreement requires CONTRACTOR to bear the expense.</b>	Amount CARRIER paid outside vendor.
<b>Demurrage, Per Diem and Reservation Charges</b>	Amount CARRIER paid or otherwise incurred due to CONTRACTOR's failure to timely return equipment or deliver loads.
<b>Escrow Deposit contributions by CONTRACTOR.</b>	See Section 17.
<b>Fines, penalties, and related court costs, attorneys' fees, and other legal expenses.</b>	Amount CARRIER paid or otherwise incurred in connection with fines or penalties that this Agreement makes CONTRACTOR responsible for.
<b>Freight charges not fully collected or remitted by CONTRACTOR to CARRIER as required by this</b>	See Section 15 of this Agreement.

CHARGE-BACK OR OTHER DEDUCTION ITEM	AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION
Agreement.	
<b>Garnishment orders</b> (including but not limited to child-support orders) by courts and tax liens against CONTRACTOR compensation.	Amount CARRIER paid in compliance with any lawfully-issued order or lien, a copy of which CARRIER shall supply to CONTRACTOR at or before the first deduction relating to it. If, at the time the garnishment order or lien is received by CARRIER, CONTRACTOR is in service and under shipment pursuant to this Agreement, CARRIER may elect, but is not obligated, to advance such portion and enter it as a debit to Settlement Compensation
<b>Automatic Toll Charges</b>	Actual costs incurred by CARRIER for CONTRACTOR's tolls and use of automated toll transponders.
<b>DOT Inspections of Equipment</b>	Amount CARRIER paid vendor of inspections services or, if inspection is performed at a CARRIER facility, the cost CARRIER paid for parts and labor, with no markup. CARRIER requires two (2) DOT inspections each year at a CARRIER approved facility. The first inspection will be paid by CARRIER, while the second inspection will be charged back to CONTRACTOR.
<b>Maintenance, repairs, tires, parts, oil and other fluids</b> that CONTRACTOR elects to purchase from CARRIER	For tires and parts, amount CARRIER paid third-party vendor, plus markups resulting in prices (which shall be provided to CONTRACTOR upon request at the time CONTRACTOR purchases or places order for items) competitive with other vendors in the relevant market(s). For labor in connection with maintenance and repairs, CARRIER's hourly labor rate as posted at the facility performing the work and competitive with other vendors in the relevant market(s).
<b>Medical examinations and DOT recertifications.</b>	Amount CARRIER paid third-party vendor.
<b>Operating expenses not otherwise listed</b> in this table for which CONTRACTOR is responsible under this Agreement including but not limited to towing charges and parking fees.	Amount CARRIER paid or otherwise incurred. For use of CARRIER Fuel Card or Preauthorized Checks to pay for fuel, maintenance, repairs, tires, or other related items, <i>see</i> line items for <b>Advances</b> above.
<b>Phone Expenses</b>	All costs and useage fees related to the purchase and/or use of a cell phone or other mobile communication provided by CARRIER.
<b>Property Damage to Trailers, Containers, or Chassis.</b>	Damage charges assessed to CARRIER by third parties while such property is under the control of CONTRACTOR.



2. **INFORMATION REGARDING DEDUCTIONS.** CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deductions for cargo or property damage before making them. With respect to all charge-backs and deductions, CARRIER shall make available to CONTRACTOR, upon request, copies of those documents that are necessary to determine the validity of the charge-back or deduction.

3. **CHANGES IN EXISTING DEDUCTION ITEMS.** If an item in any of the above columns will be changing, CONTRACTOR shall be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until thirty (30) calendar days after such notice or such later time as is set forth in the notice. **CONTRACTOR's failure, by the end of thirty calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's Settlement Compensation, beginning immediately after the thirty-day period.** Such modified amounts shall replace and supersede those shown in the table in Section 2 above. If CONTRACTOR fails to notify CARRIER of CONTRACTOR's objection within the thirty-day period – or if CONTRACTOR notifies CARRIER of CONTRACTOR's objection within the thirty-day period and the parties are then unable to resolve the matter, the parties shall each have the right to terminate this Agreement immediately thereafter. Once the change becomes effective, CONTRACTOR still retains the right to terminate this Agreement in accordance with the procedures set forth in this Agreement (although CONTRACTOR shall remain subject to the change until the effective date and time of its termination).

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

<p><b>CARRIER:</b>  <b>C &amp; K TRUCKING, LLC.</b>  <b>6205 W. 101<sup>ST</sup> STREET</b>  <b>CHICAGO RIDGE, IL 60415</b></p> <p>By: <u>[Signature]</u>  <u>IDROSSI RESNOIS</u>  Printed Name</p> <p>Dated: <u>1/10/20</u></p>	<p><b>CONTRACTOR:</b>  <b>BNVS Transport LLC</b>  <b>5641 Circle Dr Apt 202</b>  <b>Oaklawn IL 60453</b></p> <p>By: <u>[Signature]</u>  <u>Bernard Shurn</u>  Printed Name</p> <p>Dated: <u>1-10-20</u></p>
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## Appendix D

### **INSURANCE AND ALLOCATION OF LIABILITY**

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

2. **CONTRACTOR'S INSURANCE OBLIGATIONS.** CONTRACTOR shall maintain, at its sole cost and expense, the following minimum insurance coverages during this Agreement:

(a) **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 \$1,000,000 for injury or death to any person or for damages to property in any one occurrence. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. In addition, 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.

(b) **WORKERS' COMPENSATION/OCCUPATIONAL ACCIDENT INSURANCE.** CONTRACTOR shall provide workers' compensation insurance coverage for CONTRACTOR (if a natural person), all of its employees and agents, anyone driving the Equipment, and any other persons required to be covered under the worker's compensation law of any state that is reasonably likely to have jurisdiction over CONTRACTOR's business operations and in amounts not less than the statutory limits required by such applicable state law. The worker's compensation insurance policy shall provide principal coverage in Illinois as well as the state in which the work is principally localized, and shall provide "other states coverage" that excludes only North Dakota, Ohio, Washington, West Virginia, and Wyoming. As evidence of such coverage, CONTRACTOR shall provide CARRIER with a copy of the insurance policy declarations page for CARRIER's verification before operating the Equipment under this Agreement. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. If (a) CONTRACTOR is the sole owner and the sole and exclusive operator of the Equipment or the driver is otherwise



eligible for course under CARRIER's facilitated program and (b) the state in which the work is principally localized is not Colorado, Nevada, New Jersey, New York, or North Carolina, then CONTRACTOR may, as an alternative to obtaining workers' compensation coverage, obtain occupational accident insurance policy that includes either an endorsement or a separate policy provision whereby the insurer provides, or agrees to provide, workers' compensation coverage that becomes effective for a claim by CONTRACTOR alleging employee status. Such occupational accident insurance coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix.

(c) **OTHER INSURANCE.** In addition to the insurance coverages required under this Agreement, it is CONTRACTOR'S responsibility to procure, carry and maintain any fire, theft, uninsured and/or underinsured motorist, and physical damage (collision), or other insurance coverage that CONTRACTOR may desire for the Equipment or for CONTRACTOR's health care or other needs. As provided in this Agreement, CONTRACTOR holds CARRIER harmless with respect to loss of or damage to CONTRACTOR's Equipment, trailer, or other property, and CARRIER has no responsibility to procure, carry, or maintain any insurance covering loss of or damage to CONTRACTOR's Equipment, trailer, or other property. CONTRACTOR acknowledges that CARRIER may, and CONTRACTOR hereby authorizes CARRIER to, waive and reject no-fault, uninsured, and underinsured motorist coverage from CARRIER's insurance policies to the extent allowed under Illinois law (or such other state law where the Equipment is principally garaged), and CONTRACTOR shall cooperate in the completion of all necessary documentation for such waiver, election, or rejection.

3. **REQUIREMENTS APPLICABLE TO ALL OF CONTRACTOR'S INSURANCE COVERAGES.** CONTRACTOR shall procure insurance policies providing the above-described coverages solely from insurance carriers that are A.M. Best "A"-rated, and CONTRACTOR shall not operate the Equipment under this Agreement unless and until CARRIER has determined that the policies are acceptable (CARRIER's approval shall not be unreasonably withheld). CONTRACTOR shall furnish to CARRIER written certificates obtained from CONTRACTOR'S insurance carriers showing that all insurance coverages required above have been procured from A.M. Best "A" rated insurance carriers, that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, and the expiration date; list CARRIER as an additional insured with primary coverage; and show 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.

4. **CONTRACTOR'S LIABILITY IF REQUIRED COVERAGES ARE NOT MAINTAINED.** In addition to CONTRACTOR's hold harmless/indemnity obligations to CARRIER under the Agreement, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from any direct, indirect, or consequential loss,



damage, fine, expense, including reasonable attorney fees, actions, claim for injury to persons, including death, and damage to property that CARRIER may incur arising out of or in connection with CONTRACTOR'S failure to maintain the insurance coverages required by this Agreement. In addition, CONTRACTOR, on behalf of its insurer, expressly waives all subrogation rights against CARRIER, and, in the event of a subrogation action brought by CONTRACTOR's insurer, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from such claim.

5. **AVAILABILITY OF INSURANCE FACILITATED BY CARRIER.**

CONTRACTOR may, if it so chooses by initialing one or more boxes in the right-hand column of the attached "CERTIFICATE OF INSURANCE," authorize CARRIER to facilitate, on CONTRACTOR'S behalf, the insurance coverages required or made optional by this Agreement. In any such case, CARRIER shall deduct, from CONTRACTOR's settlement compensation, amounts reflecting 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 CONTRACTOR's expense and deduct, from CONTRACTOR's settlement compensation, amounts reflecting all of CARRIER's expense in obtaining and administering such coverage. CONTRACTOR recognizes that CARRIER is not in the business of selling insurance, and any insurance coverage requested by CONTRACTOR from CARRIER is subject to all of the terms, conditions, and exclusions of the actual policy issued by the insurance underwriter. CARRIER shall ensure that CONTRACTOR is provided with a certificate of insurance (as required by 49 C.F.R. § 376.12(j)(2)) for each insurance policy under which the CONTRACTOR has authorized CARRIER to facilitate insurance coverage from the insurance underwriter (each such certificate to include the name of the insurer, the policy number, the effective dates of the policy, the amounts and types of coverage, the cost to CONTRACTOR for each type of coverage, and the deductible amount for each type of coverage for which CONTRACTOR may be liable), and CARRIER shall provide CONTRACTOR with a copy of each policy upon request.

6. **CHANGES IN COST OR OTHER DETAILS OF COVERAGES.**

If CARRIER is facilitating any insurance coverages for CONTRACTOR pursuant to Section 5 of this Appendix and the cost to CONTRACTOR for, or other details of, a coverage changes from the information listed in the attached "CERTIFICATE OF INSURANCE", CONTRACTOR will be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until ten (10) calendar days after such notice or such later time as is set forth in the notice. CONTRACTOR's failure, by the end of ten (10) calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's settlement compensation, beginning immediately after the 10-day period. Such modified amounts shall replace and supersede those shown in the Certificate of Insurance and CARRIER shall not have an obligation to also provide a revised Certificate of Insurance. If CONTRACTOR fails to notify CARRIER of any objection within the 10-day period -- or if CONTRACTOR notifies CARRIER of its objection within the 10-day period and CONTRACTOR and CARRIER is then unable to resolve

the matter to the parties mutual satisfaction -- CONTRACTOR and CARRIER shall each have the right to terminate this Agreement effective immediately upon the change becoming effective (although CONTRACTOR shall remain subject to the change until CONTRACTOR's termination's effective date and time).

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

**CARRIER:**  
**C & K TRUCKING, LLC.**  
**6205 W. 101<sup>st</sup> STREET**  
**CHICAGO RIDGE, IL 60415**

**CONTRACTOR:**  
**BNVS Transport LLC**  
**5641 Circle Dr Apt 202**  
**Oaklawn IL 60453**

By: [Signature]  
EDYASSI RESENDI  
Printed Name

Dated: 1/10/20

By: [Signature]  
Bernard Shurn  
Printed Name

Dated: 1-10-20



**CERTIFICATE OF INSURANCE**

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

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<p>1. <b><u>Non-Trucking Liability Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$1,000,000 combined single limit</p> <p>Current Cost to CONTRACTOR: \$_____ per unit of Equipment per month</p> <p>Deductible for Which CONTRACTOR Is Liable: \$_____ per occurrence</p>	<p><input checked="" type="checkbox"/> YES</p> <p><input type="checkbox"/> NO</p>
<p>2. <b><u>Occupational Accident Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$_____ per _____</p> <p>Current Cost to CONTRACTOR: \$_____ per week.</p> <p>Deductible for Which CONTRACTOR Is Liable: \$_____ per _____</p>	<p><input checked="" type="checkbox"/> YES</p> <p><input type="checkbox"/> NO</p>



TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<b>3. <u>Physical Damage Insurance on Tractor:</u></b>  Name of Insurer: _____  Policy No: _____  Effective Date(s) of Coverage: _____  Amount of Coverage: Insured value, as specified by CONTRACTOR, of \$ _____  Current Cost to CONTRACTOR: \$ _____ per month (based on model year of unit of Equipment covered)  Deductible for Which CONTRACTOR Is Liable: \$ _____ per occurrence	<input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO

**THIS APPENDIX (Certificate of Insurance)** is agreed to by the undersigned parties as of the latest date set forth below.

<b>CARRIER:</b> <b>C &amp; K TRUCKING, LLC.</b> <b>6205 W. 101<sup>st</sup> STREET</b> <b>CHICAGO RIDGE, IL 60415</b>  By: <u>[Signature]</u> <u>IDROSSI, Rosendo S</u> Printed Name  Dated: <u>1/10/20</u>	<b>CONTRACTOR:</b> <b>BNVS Transport LLC.</b> <b>5641 Circle Dr Apt 202</b> <b>Oaklawn IL 60453</b>  By: <u>[Signature]</u> <u>Bernard Shum</u> Printed Name  Dated: <u>1-10-20</u>
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# **EXHIBIT 3**

TERMINAL: CHICAGO  
UNIT: 1413

## **INDEPENDENT CONTRACTOR AGREEMENT**

**THIS AGREEMENT** made this 2 of OCTOBER 2019, by and between  
MEIN & MEEN TRUCKING  
("CONTRACTOR") and C & K Trucking LLC, an Illinois limited liability company,  
located at 6205 West 101 St., Chicago Ridge, IL 60415 ("CARRIER").

**WHEREAS**, CONTRACTOR is the lawful owner of motor vehicle equipment  
suitable for the transportation of property, which equipment is more particularly  
described in Appendix "A"; and

**WHEREAS**, CARRIER is an authorized carrier of property in interstate  
commerce by virtue of operating authority issued by the Federal Motor Carrier Safety  
Administration ("FMCSA");

**NOW THEREFORE**, in consideration of the mutual covenants and undertakings  
described herein, IT IS HEREBY AGREED:

### **1. DURATION OF AGREEMENT**

The term of this Agreement shall be for a period of one (1) year from the date  
hereof, and shall automatically renew for an additional one-year term at each anniversary  
date thereafter, but not to exceed a total of three (3) years unless sooner canceled.

### **2. PERFORMANCE**

During the term of this Agreement, CONTRACTOR shall provide CARRIER  
transportation related services and the use of the Equipment set forth below or in an  
appendix (the "Equipment"). CONTRACTOR represents and warrants that  
CONTRACTOR has title to or is authorized to contract the Equipment and services to  
CARRIER. Upon taking possession of the Equipment from CONTRACTOR, CARRIER  
shall furnish to CONTRACTOR a receipt for 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 for  
the return of the Equipment by CARRIER to CONTRACTOR; provided, however, that  
the Agreement and CARRIER's obligations thereunder shall expire upon the written  
notice of termination regardless of whether CONTRACTOR submits the receipt required  
under this provision.

### **3. EXCLUSIVE POSSESSION AND RESPONSIBILITY**

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 CARRIER. CARRIER shall assume complete



responsibility for the operation of the Equipment for the duration of this Agreement. This paragraph is set forth solely to conform with FMCSA regulations and shall not be used for any other purposes, including any attempt to classify CONTRACTOR as an employee of CARRIER. Nothing in the provisions required by 49 C.F.R. § 376.12(c)(1) is intended to affect whether CONTRACTOR or its drivers are an independent contractor or an employee of CARRIER. An independent contractor relationship may exist when a carrier complies with 49 U.S.C. § 14102 and attendant administrative requirements.

#### **4. COMPLIANCE WITH PERTINENT LAWS AND REGULATIONS BY CONTRACTOR**

(a) **Drivers.** CONTRACTOR shall provide competent drivers who meet the minimum driver qualification standards of CARRIER and its liability insurer 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 carrier safety laws and regulations. The parties agree that CARRIER shall have the right to disqualify any driver provided by CONTRACTOR in the event that the driver is found to be unsafe, unqualified pursuant to federal or state law, in violation of CARRIER's minimum qualification standards, or in violation of any policies of CARRIER's customers or insurer. Upon a driver's disqualification by CARRIER, CONTRACTOR shall be obligated to furnish another competent, reliable and qualified driver that meets the minimum qualification standards established by CARRIER.

(b) **Paperwork Requirements.** CONTRACTOR shall submit to CARRIER, on a timely basis, all driver logs and supporting documents (including original toll receipts for CARRIER's reproduction), physical examination certificates, accident reports, and any other required data, documents or reports. As required by 49 C.F.R. § 376.12(l), CARRIER will keep the original of this Agreement with a copy to be maintained by CONTRACTOR, and a second copy to be carried in the Equipment during the term of this Agreement.

(c) **Shipping Documents.** CONTRACTOR agrees that all bills of lading, waybills, freight bills, manifests, or other papers identifying the property carried on the Equipment shall be those of CARRIER, or as authorized by CARRIER, and shall indicate that the property transported is under the responsibility of CARRIER or a carrier with which the Equipment has been subcontracted.

(d) **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.

(e) **Safe Operations.** 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 the terms of this Agreement, including the

requirement of safe 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.

**5. AVAILABILITY AND SCHEDULING**

In accordance with section 212.1 of the Illinois Unemployment Insurance Act, CONTRACTOR is not required by CARRIER to perform services or be available to perform services at specific times or according to a schedule or for a number of hours specified by CARRIER. However, pickups or delivery times specified by a shipper, receiver, broker, or other party that owns or controls a shipment shall not be deemed "specified" by CARRIER, and, upon acceptance of any shipment, CONTRACTOR agrees to comply with the pickup and delivery times specified by such third parties.

**6. OPERATIONAL EXPENSES**

CARRIER specifically agrees that it is the CONTRACTOR's responsibility to:

- (a) Maintain the Equipment in good working order, including the purchase of all fuel, parts, tires, and lubricants at CONTRACTOR's expense;
- (b) Operate the Equipment in accordance with all applicable state and federal rules and regulations, including obtaining all licenses, paying registration fee's, toll charges, decals, use permits, axle weight, gasoline, diesel, or other types of taxes, fees or extraction's required of or on the Equipment or the use thereof;
- (c) CONTRACTOR or its drivers agree to pay 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 and the FMCSA, where such violation results, at least partially, from the acts or omissions of CONTRACTOR or its drivers;
- (d) To pay for the cost of fuel and fuel taxes or reimburse CARRIER for the cost of any fuel or fuel taxes incurred while using the Equipment that is the subject of this Agreement; and
- (e) CONTRACTOR shall have the duty to determine that all shipments are in compliance with the size and weight laws of the states in which or through which the Equipment will travel and to notify CARRIER if the vehicle is overweight, oversized or in need of permits before commencing the haul. Except when the violation results from the acts or omissions of CONTRACTOR, CARRIER 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 oversized 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, oversized or in need of permits.

**7. 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.

**8. INSURANCE COVERAGE**

The respective obligations of the parties shall be as set forth in Appendix C. CARRIER shall maintain public liability, property damage and cargo insurance in such amounts as are required by the DOT and applicable state regulatory agencies. CARRIER shall maintain insurance coverage for the protection of the public pursuant to 49 U.S.C. § 13906. CARRIER's possession of legally required insurance shall in no way restrict CARRIER's right of indemnification from CONTRACTOR as provided under this Agreement.

**9. CLAIMS**

If any of the Equipment is involved in any accident, lost, stolen, or willfully or accidentally destroyed, in whole, or part, CONTRACTOR will notify CARRIER immediately by telephone call and by letter and use all reasonable efforts at CONTRACTOR's own expense to recover the property. CONTRACTOR shall provide to CARRIER all relevant information regarding the accident or loss including, but not limited to, the date, time, place, circumstances, the names and addresses of the persons injured, the owners of the property damaged, names and addresses of witnesses, within twenty-four (24) hours after such accident or loss. CONTRACTOR, and its agents and employees, shall cooperate and take part in, as necessary, the investigation and defense of any claim in a suit and in the preparation of all reports and forms to regulatory authorities and insurance companies, and shall do nothing to invalidate or impair any applicable insurance coverage.

**10. INDEMNITY**

CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, including attorneys fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, economic loss, caused by or arising out of the ownership, maintenance, use, loading, operation of the Equipment, whether it be caused by the negligence of the CARRIER, or its agents or employers, or whether it may be caused by the negligence of the CONTRACTOR or its agents, servants, or employees, or otherwise.

- (a) With respect to claims of personal injury (including death) or damage to the property of third-parties, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total



amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.

- (b) With respect to claims of cargo loss, damage, or delay, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of two thousand five hundred dollars (\$2,500.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
- (c) With respect to claims of loss or damage to CARRIER's trailer or other CARRIER property, CONTRACTOR's indemnity obligation under this Section 10 shall, if involving CONTRACTOR's (including CONTRACTOR's agents' or employees') negligence, be limited to a maximum of One Thousand dollars (\$ 1,000.00) of the total amount in damages that CARRIER paid or otherwise incurred per occurrence. This liability limitation will not apply, however, if the claim is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional acts of CONTRACTOR or its operators.
- (d) CONTRACTOR's maximum liability under Subparagraphs (a), (b), and (c) above in the aggregate will not exceed \$5,000 for any single incident; provided, however, that this liability limitation will not apply if the incident is caused, in whole or in part, as determined by CARRIER, by the gross negligence or willful or intentional act of CONTRACTOR or its drivers.
- (e) The parties agree that CARRIER does not condone or authorize passengers that have not been pre-approved and qualified by CARRIER to ride in the Equipment. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, agents, and employees from any and all liability, claims, costs, deductibles, and expenses, occurring or incurred, as the result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the presence of unauthorized persons in, or about the Equipment.

#### **11. TRAILER INTERCHANGE**

CONTRACTOR agrees to return any trailer provided for its use by CARRIER or CARRIER's customers 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 or CARRIER's customers 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 or CARRIER's customers, CONTRACTOR

hereby authorizes CARRIER or CARRIER's customers to restore the trailer to proper condition and to charge back to CONTRACTOR the costs of such repairs or reconditioning. In the event CONTRACTOR for any reason fails to comply with these provisions, CONTRACTOR agrees to reimburse CARRIER or CARRIER's customers for all reasonable expense and costs, including attorney fees, incurred by CARRIER or CARRIER's customers in recovery of its trailer or property from CONTRACTOR or its drivers. CONTRACTOR agrees that in the event it is necessary for CARRIER or CARRIER's customers to enter upon private property or remove private property in order to recover its trailer and property, CONTRACTOR does hereby irrevocably grant CARRIER or CARRIER's customers or its duly authorized agents, permission to do so and further agrees to indemnify and hold harmless CARRIER, and its duly authorized agents, from any form of liability whatsoever in connection with such repossession. CONTRACTOR shall be liable for, and pay, the entire amount for each incident involving direct, indirect and consequential damage, including but not limited to, towing charges, replacement costs for a total loss, arising out of, or in connection with, CONTRACTOR's use of CARRIER's trailers, CARRIER's customer's trailers, other CARRIER 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 or CARRIER's customers will only be used by CONTRACTOR and its drivers to transport shipments tendered to CONTRACTOR by CARRIER.

## **12. CHARGE BACK ITEMS**

In the event CARRIER is called upon to pay any of the CONTRACTOR's costs of operation, or in the event CONTRACTOR secures advances from CARRIER, or in the event of any costs, damages, claims or losses described in this Agreement and, in particular, Appendix C, CARRIER is hereby authorized to deduct the same out of any monies due or becoming due to CONTRACTOR (Insurance claims will be deducted in an amount up to the deductible amount charged by the relevant insurance company). Items initially paid for by the CARRIER, but ultimately deducted from the CONTRACTOR's settlement include, but are not limited to, charges for permits, trailer rental, cargo damage, damage to containers and property damage. CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deduction for cargo or property damage before the deduction is made.

If the CARRIER is authorized to receive a refund or a credit for base plates purchased by the CONTRACTOR from, and issued in the name of the CARRIER, or if the base plates are authorized to be sold by the CARRIER or to another CONTRACTOR, the CARRIER shall refund to the initial CONTRACTOR on whose behalf the base plate was first obtained a prorated share of the amount received.

The CONTRACTOR is not required to purchase or rent any products, equipment or services from the CARRIER as a condition to this Agreement. The CARRIER may from time to time make such services available to the CONTRACTOR at his election which may be charged back to the CONTRACTOR, in addition to the items herein above described, and deducted from its settlement.

**13. SECURITY**

CONTRACTOR's Equipment is hereby pledged and conveyed by the CONTRACTOR to the CARRIER to secure any indebtedness or liability arising under this Agreement and the CARRIER is vested with and shall have a lien upon such Equipment for such security.

**14. COMPENSATION**

It is expressly understood and agreed that CONTRACTOR's compensation shall be as set forth in Appendix B, and such compensation shall constitute the total compensation for everything furnished, provided, or done by CONTRACTOR in connection with this Agreement, including driver's services. All mileage computations shall be based on the most recent edition of CARRIER's Mileage Guide. Although CARRIER shall use reasonable efforts to make shipments available to CONTRACTOR for transportation during the term of this Agreement, CONTRACTOR acknowledges and agrees that CARRIER does not guarantee any specific number of shipments or amount of revenue to CONTRACTOR during the term of this Agreement.

**15. SETTLEMENT**

CARRIER shall settle with CONTRACTOR on a weekly basis, or within 15 days of receipt by CARRIER of those documents necessary for CARRIER to secure payment from its customers, including the signed freight bill, delivery receipt or bill of lading, and properly completed logs as required by the DOT. CARRIER shall have the right to charge back and deduct from CONTRACTOR's settlement compensation for any billing errors and any billed amount not collectible due to customer rejected documents submitted by CONTRACTOR. Where required by applicable law and if paid a percentage of revenue, CONTRACTOR shall be provided with a copy of the rated freight bill (or a computer-generated summary) before or at the time of settlement. Detention time shall be payable to the CONTRACTOR only if and when documentation of such detention payments are received by the CARRIER. Settlement amounts shall be subject to those charge backs, indemnities, and reimbursement of advances as previously described.

CONTRACTOR may examine, during normal business hours, at CARRIER's principle place of business, and with ten (10) days prior notice, CARRIER's tariffs, or other contracts or documents, if any, from which charges and rates are computed; provided, however, only that information that would appear on a rated freight bill will be disclosed by CARRIER. CARRIER shall have the right to review all of CONTRACTOR's documents and records relating to the use of the Equipment and the services provided under this Agreement, and CONTRACTOR agrees to provide CARRIER with access to such documents and records upon reasonable notice.

**16. IDENTIFICATION**

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. CONTRACTOR further agrees to keep the Equipment in clean appearance and identified as described herein, at its sole cost and expense. CARRIER agrees that CONTRACTOR may display CONTRACTOR's name and address on the Equipment where required by applicable state law.

Initial: DM

Upon termination of the Agreement, CONTRACTOR shall remove all identification of the CARRIER and shall return such identification to CARRIER immediately upon termination of this agreement. CARRIER shall have the right to withhold final settlement from CONTRACTOR until such identification has been returned to CARRIER or a letter certifying the removal of such identification has been received by CARRIER.

Initial: DM

At any time during the Agreement period, if CONTRACTOR, its agents or employees use the Equipment for their personal use or any use or activity that CARRIER did not specifically request or desire, before such use or activity, CONTRACTOR shall immediately remove or cover-up all identification of the CARRIER. If CONTRACTOR, or its agents or employees, fails to comply with this paragraph, this Agreement shall terminate, until and if CARRIER specifically enters into a written agreement with CONTRACTOR to reinstate the Agreement. CONTRACTOR agrees to indemnify and hold harmless CARRIER, its owners, directors, agents and employees, from any and all liability, claims, costs, deductibles and expenses, including attorney fees and other litigation expenses, occurring or incurred, as a result of bodily injury, death, property damage, loss of use, or economic loss, caused by or arising out of the above described use, whether it be caused by negligence of the CARRIER, CARRIER's agents or employers, or whether it may be caused by the negligence of the CONTRACTOR's agents, servants or employees, or otherwise.

It is to expressly agreed and understood, that if this Agreement is found to have terminated due to the CONTRACTOR's failure to remove or cover the CARRIER's identification, as described above, the indemnification obligations described in this Paragraph 16 and elsewhere in this Agreement, shall remain in full force and effect.

Initial: DM

#### 17. ESCROW

CONTRACTOR shall deposit with CARRIER and maintain as an escrow deposit the sum of one thousand five hundred dollars \$(1,500.00) for each unit in order to insure faithful performance under this Agreement and to insure the payment of all sums owed by CARRIER to CONTRACTOR. In the event that the CONTRACTOR does not make such a deposit to the CARRIER upon execution of this Agreement, then CARRIER shall have the right to withhold Fifty Dollars (\$50.00) per week from CONTRACTOR's trip settlements until such fund has been accumulated.

Initial: DM

CARRIER shall pay interest to CONTRACTOR on the Deposit on at least a quarterly basis ("interest period") beginning with receipt of the first CONTRACTOR contribution of principal. The interest rate shall be established on the date the interest period begins and shall be equal to the average yield of 91-day, 13-week U.S. Treasury

bills, as established in the weekly auction by the Department of Treasury. For purposes of calculating the balance of the Deposit on which interest is paid, CARRIER may deduct a sum equal to the average advance (including all charge-backs and other deductions) made to CONTRACTOR during the period of time for which interest is paid.

CARRIER may deduct monies from this account to apply to any sums, which CONTRACTOR may owe to CARRIER pursuant to the terms of this Agreement ("Deposit Items"). CARRIER shall not make any deductions from CONTRACTOR's account without having first given CONTRACTOR a written itemization and explanation for any such deduction. Such written itemization and explanation may be given on or as part of CONTRACTOR's trip settlement (s). CARRIER shall furnish CONTRACTOR with a quarterly accounting for all account funds, as well as furnish such an accounting at any other time upon CONTRACTOR's demand.

To have any remaining balance of the Deposit returned following termination of the Agreement, CONTRACTOR must first comply with all of the specific obligations set forth in the Agreement, and make payments to CARRIER for all Deposit Items. At the time of the return of any remaining balance of the Deposit, CARRIER may deduct monies for all Deposit Items. Such deductions shall be limited to amounts CARRIER actually spends, incurs, or owes to a third party, or that CONTRACTOR owes to CARRIER or a third party under a purchase or rental contract, before termination of this Agreement or, with respect to any CONTRACTOR obligation triggered by termination, including any expenses (including reasonable attorneys' fees) incurred by CARRIER in seeking the return of its identification devices and other property, all amounts CARRIER actually spends, incurs, or owes to a third party upon termination or within forty-five (45) days thereafter. CARRIER shall not make deductions from the Deposit for items for which, by the end of forty-five (45) days after termination, neither CONTRACTOR nor CARRIER has yet made an expenditure or incurred a quantified, legally binding obligation to pay. CARRIER shall provide a final accounting to CONTRACTOR of all such final deductions made from the Deposit within forty-five (45) days from the date of termination of the Agreement.

## **18. TERMINATION**

It is understood and agreed that this Agreement is to remain in full force and effect for the period of time specified in paragraph 1, unless for breach of one or more of the covenants set forth herein or by mutual consent this agreement is terminated. In the event either party commits a material breach of any terms of this Agreement, the other party shall have the right to terminate this Agreement immediately and hold the party committing the breach liable for damages, including all costs and attorneys fees. Finally, either party may terminate this Agreement at any time and for any reason upon three (3) days prior written notice to the other party.

Termination of this Agreement shall not have the effect of discharging the pledge and lien held by CARRIER, provided for above. CONTRACTOR shall return all identification or equipment provided by CARRIER, submit all trip records and necessary documents and shall execute a receipt acknowledging the return of the Equipment before the Deposit will be returned and final settlement will be paid by CARRIER. CARRIER shall deduct all final contractual entitlements upon receipt of the above and return the

balance of the Deposit within forty-five (45) days from the date of termination.

**19. SUBLEASING/TRIP LEASING/ETC.**

**A.** Consistent with its independent contractor status, CONTRACTOR, upon the prior written consent of CARRIER, is free to, and may lease or trip lease to other carriers at such time as the Equipment is not being utilized by CARRIER. CARRIER may, at its sole discretion, withhold prior written consent for any trip lease in the event that the other carrier, in CARRIER's sole discretion, does not have satisfactory authority, insurance or DOT safety rating. If CONTRACTOR enters into a sublease, CONTRACTOR agrees to assume all responsibility and hold CARRIER harmless from any claim by CONTRACTOR; its agents, subcontractors and employees during such sublease.

**B.** At those times when CONTRACTOR is not operating under CARRIER's operating authority or otherwise operating in CARRIER's service pursuant to this Agreement or is hauling for someone else, CONTRACTOR agrees to cover or remove any signs and/or identification on Equipment containing CARRIER's name and or motor carrier identification numbers.

**20. MISCELLANEOUS**

- (a) This Agreement shall be interpreted and governed by the laws of the State of Illinois, including its choice of law rules. Moreover, CARRIER and CONTRACTOR hereby consent to the jurisdiction of the state and federal courts of Illinois.
- (b) The parties intend to create by this Agreement the relationship of motor carrier and independent contractor and not that of employer-employee. Neither the CONTRACTOR nor its employees are to be considered employees of the CARRIER at any time, under any circumstances for any purposes.
- (c) Neither party is the agent of the other and neither party shall have the right to bind the other by contract or otherwise except as herein specifically provided.
- (d) This Agreement may not be assigned by the CONTRACTOR without the written consent of the CARRIER. Such consent shall not be unreasonably withheld.
- (e) The CONTRACTOR and the CARRIER specifically agree that this Agreement shall be binding upon the CONTRACTOR, his heirs, successors, agents, guardians, personal representatives, and upon the CARRIER, its agents, successors, and assigns.
- (f) 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.



- (g) Should any section, sentence, clause, or phrase of this Agreement be held to be illegal, such determination shall not affect the validity or binding effect of the remaining portions of this Agreement.
- (h) This Agreement, including Appendix A, incorporated herein by reference, constitutes the entire agreement and understanding of the parties and shall not be modified, altered, changed or amended in any respect unless in writing and signed by both parties.

**[NOTE IF MULTIPLE VEHICLES ADD ADDITIONAL SHEETS LABELED A1, A2, ETC.]**

APPENDIX A

AGREEMENT # 1413

MEIN & MEEN TRUCKING

(Owner)

81-3674199

(FEIN # OR SS #)

773-842-7155

(Phone Number)

2010

(YR)

FRGHT

(MAKE)

1FUBBDRXADAP2879

(VIN. #)

(LIC. PLATE #)

(STATE)

(EXPIRES)

[VEH. COLOR]

671999

(ODOMETER READING AT INCEPTION OF AGREEMENT)

RECEIPT

CARRIER hereby acknowledges receipt of the above-described equipment

On this 2 day of OCTOBER, 2019

CONTRACTOR, hereby acknowledges return of the above-described equipment

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CARRIER:

C & K TRUCKING, LLC.

6205 W. 101<sup>st</sup> STREET

CHICAGO RIDGE, IL 60415

By: M. Hernandez

MICHELLE HERNANDEZ

Printed Name

Dated: 10-02-2019

CONTRACTOR:

MEIN & MEEN TRUCKING

By: D. Muhammad

DAMIEN MUHAMMAD

Printed Name

Dated: 10-02-2019

**Appendix B**

**CONTRACTOR's Compensation**  
CHICAGO

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:  
  
70% of Adjusted Gross Revenue ("AGR")  
70% of Fuel Surcharge, if any is received from Customer
- 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 contractors and property brokers (including affiliated brokers of CARRIER) as a pro-rata payment for their participation in the movement of a load; (c) any amount paid by CARRIER to interline or augment 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) any amount paid by CARRIER for specialized permits required for shipments handled by CONTRACTOR which are billed and collected from the customer; (g) all incentives, discounts or commissions given to CARRIER's customers or other third parties; and (h) amounts paid or accrued for certain specialized trailers and excessive trailer spotting situations.
- c) **Accessorial Service Charges**. The percentages of accessorial charges, including but not limited to, detention, tarping, loading and unloading charges, shall be paid to CONTRACTOR based upon the same percentage of AGR listed above.

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

**CARRIER:**  
**C & K TRUCKING, LLC.**  
6205 W. 101<sup>st</sup> STREET  
CHICAGO RIDGE, IL 60415

By: M. Hernandez  
MICHELLE HERNANDEZ  
Printed Name  
Dated: 10-02-2019

**CONTRACTOR:**

MEIN & MEEN TRUCKING  
By: D. Muhammad  
DAMIEN MUHAMMAD  
Printed Name  
Dated: 10-02-2019



**Appendix C****LIST OF CHARGE-BACKS AND OTHER DEDUCTIONS**

1. CONTRACTOR hereby authorizes CARRIER to deduct the items in the table below from CONTRACTOR's Settlement Compensation, or other amounts CARRIER owes CONTRACTOR. Where no dollar figure is listed in the table below, the deductions will vary in amount and will be computed as indicated in the column headed "Amount, or Method of Computation, of Deduction."

<b>CHARGE-BACK OR OTHER DEDUCTION ITEM</b>	<b>AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION</b>
<b>Advances of CONTRACTOR's not-yet-paid compensation and fuel card charges.</b>	Advance via CARRIER Fuel Card or ComCheck. Amount of CONTRACTOR's not-yet-paid compensation that, on CONTRACTOR's initiative and with CARRIER's consent, CARRIER advanced through CONTRACTOR's CARRIER Fuel Card or ComCheck to spend on fuel, cash, or other purchases, plus any per-transaction fees charged by the Fuel Card or ComCheck issuer.
<b>Claims for damages, losses, court costs, fines, penalties, attorneys' fees, and other expenses (together "Damages") CARRIER incurs arising out of CONTRACTOR's operations under this Agreement, pursuant to Section 10 ("Indemnification"), subject to maximums established by Section 10 of this Agreement.</b>	Amount CARRIER paid or otherwise incurred, subject to indemnity limits set forth in Section 10.
<b>Comcheck and/or Comdata Charges</b>	Amount CARRIER paid or otherwise incurred on behalf of CONTRACTOR.
<b>Drug and alcohol testing, to the extent this Agreement requires CONTRACTOR to bear the expense.</b>	Amount CARRIER paid outside vendor.
<b>Demurrage, Per Diem and Reservation Charges</b>	Amount CARRIER paid or otherwise incurred due to CONTRACTOR's failure to timely return equipment or deliver loads.
<b>Escrow Deposit contributions by CONTRACTOR.</b>	See Section 17.
<b>Fines, penalties, and related court costs, attorneys' fees, and other legal expenses.</b>	Amount CARRIER paid or otherwise incurred in connection with fines or penalties that this Agreement makes CONTRACTOR responsible for.
<b>Freight charges not fully collected or remitted by CONTRACTOR to CARRIER as required by this</b>	See Section 15 of this Agreement.

<b>CHARGE-BACK OR OTHER DEDUCTION ITEM</b>	<b>AMOUNT, OR METHOD OF COMPUTATION, OF DEDUCTION</b>
Agreement.	
<b>Garnishment orders</b> (including but not limited to child-support orders) by courts and tax liens against CONTRACTOR compensation.	Amount CARRIER paid in compliance with any lawfully-issued order or lien, a copy of which CARRIER shall supply to CONTRACTOR at or before the first deduction relating to it. If, at the time the garnishment order or lien is received by CARRIER, CONTRACTOR is in service and under shipment pursuant to this Agreement, CARRIER may elect, but is not obligated, to advance such portion and enter it as a debit to Settlement Compensation
<b>Automatic Toll Charges</b>	Actual costs incurred by CARRIER for CONTRACTOR's tolls and use of automated toll transponders.
<b>DOT Inspections of Equipment</b>	Amount CARRIER paid vendor of inspections services or, if inspection is performed at a CARRIER facility, the cost CARRIER paid for parts and labor, with no markup. CARRIER requires two (2) DOT inspections each year at a CARRIER approved facility. The first inspection will be paid by CARRIER, while the second inspection will be charged back to CONTRACTOR.
<b>Maintenance, repairs, tires, parts, oil and other fluids</b> that CONTRACTOR elects to purchase from CARRIER	For tires and parts, amount CARRIER paid third-party vendor, plus markups resulting in prices (which shall be provided to CONTRACTOR upon request at the time CONTRACTOR purchases or places order for items) competitive with other vendors in the relevant market(s). For labor in connection with maintenance and repairs, CARRIER's hourly labor rate as posted at the facility performing the work and competitive with other vendors in the relevant market(s).
<b>Medical examinations and DOT recertifications.</b>	Amount CARRIER paid third-party vendor.
<b>Operating expenses not otherwise listed</b> in this table for which CONTRACTOR is responsible under this Agreement including but not limited to towing charges and parking fees.	Amount CARRIER paid or otherwise incurred. For use of CARRIER Fuel Card or Preauthorized Checks to pay for fuel, maintenance, repairs, tires, or other related items, <i>see</i> line items for <b>Advances</b> above.
<b>Phone Expenses</b>	All costs and usage fees related to the purchase and/or use of a cell phone or other mobile communication provided by CARRIER.
<b>Property Damage to Trailers, Containers, or Chassis.</b>	Damage charges assessed to CARRIER by third parties while such property is under the control of CONTRACTOR.

2. **INFORMATION REGARDING DEDUCTIONS.** CARRIER shall provide CONTRACTOR with a written explanation and itemization of any deductions for cargo or property damage before making them. With respect to all charge-backs and deductions, CARRIER shall make available to CONTRACTOR, upon request, copies of those documents that are necessary to determine the validity of the charge-back or deduction.

3. **CHANGES IN EXISTING DEDUCTION ITEMS.** If an item in any of the above columns will be changing, CONTRACTOR shall be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until thirty (30) calendar days after such notice or such later time as is set forth in the notice. **CONTRACTOR's failure, by the end of thirty calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's Settlement Compensation, beginning immediately after the thirty-day period.** Such modified amounts shall replace and supersede those shown in the table in Section 2 above. If CONTRACTOR fails to notify CARRIER of CONTRACTOR's objection within the thirty-day period – or if CONTRACTOR notifies CARRIER of CONTRACTOR's objection within the thirty-day period and the parties are then unable to resolve the matter, the parties shall each have the right to terminate this Agreement immediately thereafter. Once the change becomes effective, CONTRACTOR still retains the right to terminate this Agreement in accordance with the procedures set forth in this Agreement (although CONTRACTOR shall remain subject to the change until the effective date and time of its termination).

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

<p><b>CARRIER:</b>  <b>C &amp; K TRUCKING, LLC.</b>  <b>6205 W. 101<sup>st</sup> STREET</b>  <b>CHICAGO RIDGE, IL 60415</b></p> <p>By: <u>M. Hernandez</u></p> <p>MICHELLE HERNANDEZ          Printed Name</p> <p>Dated: <u>10-02-2019</u></p>	<p><b>CONTRACTOR:</b></p> <p>MEIN &amp; MEEN TRUCKING</p> <p>By: <u>D. Muhammad</u></p> <p>DAMIEN MUHAMMAD          Printed Name</p> <p>Dated: <u>10-02-2019</u></p>
--	--



## **Appendix D**

### **INSURANCE AND ALLOCATION OF LIABILITY**

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

2. **CONTRACTOR'S INSURANCE OBLIGATIONS.** CONTRACTOR shall maintain, at its sole cost and expense, the following minimum insurance coverages during this Agreement:

(a) **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 \$1,000,000 for injury or death to any person or for damages to property in any one occurrence. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. In addition, 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.

(b) **WORKERS' COMPENSATION/OCCUPATIONAL ACCIDENT INSURANCE.** CONTRACTOR shall provide workers' compensation insurance coverage for CONTRACTOR (if a natural person), all of its employees and agents, anyone driving the Equipment, and any other persons required to be covered under the worker's compensation law of any state that is reasonably likely to have jurisdiction over CONTRACTOR's business operations and in amounts not less than the statutory limits required by such applicable state law. The worker's compensation insurance policy shall provide principal coverage in Illinois as well as the state in which the work is principally localized, and shall provide "other states coverage" that excludes only North Dakota, Ohio, Washington, West Virginia, and Wyoming. As evidence of such coverage, CONTRACTOR shall provide CARRIER with a copy of the insurance policy declarations page for CARRIER's verification before operating the Equipment under this Agreement. Such coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix. If (a) CONTRACTOR is the sole owner and the sole and exclusive operator of the Equipment or the driver is otherwise

eligible for course under CARRIER's facilitated program and (b) the state in which the work is principally localized is not Colorado, Nevada, New Jersey, New York, or North Carolina, then CONTRACTOR may, as an alternative to obtaining workers' compensation coverage, obtain occupational accident insurance policy that includes either an endorsement or a separate policy provision whereby the insurer provides, or agrees to provide, workers' compensation coverage that becomes effective for a claim by CONTRACTOR alleging employee status. Such occupational accident insurance coverage shall be no less comprehensive than the coverage CARRIER will facilitate on CONTRACTOR's behalf if CONTRACTOR so chooses, as provided in Section 5 of this Appendix.

(c) **OTHER INSURANCE.** In addition to the insurance coverages required under this Agreement, it is CONTRACTOR'S responsibility to procure, carry and maintain any fire, theft, uninsured and/or underinsured motorist, and physical damage (collision), or other insurance coverage that CONTRACTOR may desire for the Equipment or for CONTRACTOR's health care or other needs. As provided in this Agreement, CONTRACTOR holds CARRIER harmless with respect to loss of or damage to CONTRACTOR's Equipment, trailer, or other property, and CARRIER has no responsibility to procure, carry, or maintain any insurance covering loss of or damage to CONTRACTOR's Equipment, trailer, or other property. CONTRACTOR acknowledges that CARRIER may, and CONTRACTOR hereby authorizes CARRIER to, waive and reject no-fault, uninsured, and underinsured motorist coverage from CARRIER's insurance policies to the extent allowed under Illinois law (or such other state law where the Equipment is principally garaged), and CONTRACTOR shall cooperate in the completion of all necessary documentation for such waiver, election, or rejection.

3. **REQUIREMENTS APPLICABLE TO ALL OF CONTRACTOR'S INSURANCE COVERAGES.** CONTRACTOR shall procure insurance policies providing the above-described coverages solely from insurance carriers that are A.M. Best "A"-rated, and CONTRACTOR shall not operate the Equipment under this Agreement unless and until CARRIER has determined that the policies are acceptable (CARRIER's approval shall not be unreasonably withheld). CONTRACTOR shall furnish to CARRIER written certificates obtained from CONTRACTOR'S insurance carriers showing that all insurance coverages required above have been procured from A.M. Best "A" rated insurance carriers, that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, and the expiration date; list CARRIER as an additional insured with primary coverage; and show 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.

4. **CONTRACTOR'S LIABILITY IF REQUIRED COVERAGES ARE NOT MAINTAINED.** In addition to CONTRACTOR's hold harmless/indemnity obligations to CARRIER under the Agreement, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from any direct, indirect, or consequential loss,

damage, fine, expense, including reasonable attorney fees, actions, claim for injury to persons, including death, and damage to property that CARRIER may incur arising out of or in connection with CONTRACTOR'S failure to maintain the insurance coverages required by this Agreement. In addition, CONTRACTOR, on behalf of its insurer, expressly waives all subrogation rights against CARRIER, and, in the event of a subrogation action brought by CONTRACTOR's insurer, CONTRACTOR agrees to defend, indemnify, and hold CARRIER harmless from such claim.

**5. AVAILABILITY OF INSURANCE FACILITATED BY CARRIER.**

CONTRACTOR may, if it so chooses by initialing one or more boxes in the right-hand column of the attached "CERTIFICATE OF INSURANCE," authorize CARRIER to facilitate, on CONTRACTOR'S behalf, the insurance coverages required or made optional by this Agreement. In any such case, CARRIER shall deduct, from CONTRACTOR's settlement compensation, amounts reflecting 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 CONTRACTOR's expense and deduct, from CONTRACTOR's settlement compensation, amounts reflecting all of CARRIER's expense in obtaining and administering such coverage. CONTRACTOR recognizes that CARRIER is not in the business of selling insurance, and any insurance coverage requested by CONTRACTOR from CARRIER is subject to all of the terms, conditions, and exclusions of the actual policy issued by the insurance underwriter. CARRIER shall ensure that CONTRACTOR is provided with a certificate of insurance (as required by 49 C.F.R. § 376.12(j)(2)) for each insurance policy under which the CONTRACTOR has authorized CARRIER to facilitate insurance coverage from the insurance underwriter (each such certificate to include the name of the insurer, the policy number, the effective dates of the policy, the amounts and types of coverage, the cost to CONTRACTOR for each type of coverage, and the deductible amount for each type of coverage for which CONTRACTOR may be liable), and CARRIER shall provide CONTRACTOR with a copy of each policy upon request.

**6. CHANGES IN COST OR OTHER DETAILS OF COVERAGES.**

If CARRIER is facilitating any insurance coverages for CONTRACTOR pursuant to Section 5 of this Appendix and the cost to CONTRACTOR for, or other details of, a coverage changes from the information listed in the attached "CERTIFICATE OF INSURANCE", CONTRACTOR will be so notified by personal delivery, fax, or other written notice. In any event, CONTRACTOR shall not be subject to any such change until ten (10) calendar days after such notice or such later time as is set forth in the notice. CONTRACTOR's failure, by the end of ten (10) calendar days after such notice, to notify CARRIER of any objection to the change shall constitute CONTRACTOR's express consent and authorization to CARRIER to implement the change and modify accordingly the deductions from CONTRACTOR's settlement compensation, beginning immediately after the 10-day period. Such modified amounts shall replace and supersede those shown in the Certificate of Insurance and CARRIER shall not have an obligation to also provide a revised Certificate of Insurance. If CONTRACTOR fails to notify CARRIER of any objection within the 10-day period -- or if CONTRACTOR notifies CARRIER of its objection within the 10-day period and CONTRACTOR and CARRIER is then unable to resolve



the matter to the parties mutual satisfaction -- CONTRACTOR and CARRIER shall each have the right to terminate this Agreement effective immediately upon the change becoming effective (although CONTRACTOR shall remain subject to the change until CONTRACTOR's termination's effective date and time).

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

**CARRIER:**

**C & K TRUCKING, LLC.**

**6205 W. 101<sup>st</sup> STREET**

**CHICAGO RIDGE, IL 60415**

By: \_\_\_\_\_

*M. Hernandez*

\_\_\_\_\_  
MICHELLE HERNANDEZ

Printed Name

Dated: 10-02-2019

**CONTRACTOR:**

MEIN & MEEN TRUCKING

By: \_\_\_\_\_

*D. Muhammad*

\_\_\_\_\_  
DAMIEN MUHAMMAD

Printed Name

Dated: 10-02-2019

**CERTIFICATE OF INSURANCE**

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

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<p>1. <b><u>Non-Trucking Liability Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$1,000,000 combined single limit</p> <p>Current Cost to CONTRACTOR: \$ _____ per unit of Equipment per month</p> <p>Deductible for Which CONTRACTOR Is Liable: \$ _____ per occurrence</p>	<p>DM YES</p> <p>____ NO</p>
<p>2. <b><u>Occupational Accident Insurance:</u></b></p> <p>Name of Insurer: _____</p> <p>Policy No: _____</p> <p>Effective Date(s) of Coverage: _____</p> <p>Amount of Coverage: \$ _____ per _____</p> <p>Current Cost to CONTRACTOR: \$ _____ per week.</p> <p>Deductible for Which CONTRACTOR Is Liable: \$ _____ per _____</p>	<p>DM YES</p> <p>____ NO</p>

TYPE OF COVERAGE	INITIAL "YES" TO REQUEST COVERAGE
<b>3. <u>Physical Damage Insurance on Tractor:</u></b>  Name of Insurer: _____  Policy No: _____  Effective Date(s) of Coverage: _____  Amount of Coverage: Insured value, as specified by CONTRACTOR, of \$ _____  Current Cost to CONTRACTOR: \$ _____ per month (based on model year of unit of Equipment covered)  Deductible for Which CONTRACTOR Is Liable: \$ _____ per occurrence	DM ____ YES ____ NO

**THIS APPENDIX (Certificate of Insurance)** is agreed to by the undersigned parties as of the latest date set forth below.

<b>CARRIER:</b> <b>C &amp; K TRUCKING, LLC.</b> 6205 W. 101 <sup>st</sup> STREET CHICAGO RIDGE, IL 60415 By: <u>M. Hernandez</u> MICHELLE HERNANDEZ Printed Name Dated: <u>10-02-2019</u>	<b>CONTRACTOR:</b> MEIN & MEEN TRUCKING By: <u>D. Muhammad</u> DAMIEN MUHAMMAD Printed Name Dated: <u>10-02-2019</u>
--	---



X Contractor Signature - *Wannia M...* Date - 3-11-2020  
 X C.K. Agent signature - *RH* Date - 3-11-2020

Terminal	<i>CHI</i>
Truck Number	<i>1413</i>

	Not Returned	Kept at Terminal	Returned to Chicago
Phone \$175		<i>X</i>	
Phone DEC Number:	<i>713 842 5809</i>		

	Not Returned	Kept at Terminal	Returned to Chicago	Not Assigned
TGT \$480/FL7 \$120				
TGT Cable \$35		<i>X</i>		
FL7 Cable \$120				<i>X</i>
TGT/FL7 Number:	<i>392890</i>			

	Not Returned	Kept at Terminal	Returned to Chicago
USB Cord \$8	<i>X</i>		
Vehicle Charger \$10	<i>X</i>		
Phone Case \$8		<i>X</i>	

Reason for Return:

*Term*

Additional Notes:

*IN Plate # 2880669*  
*Returned BB (Yes) - NO*