

EXECUTION OF THIS DOCUMENT MAY INVOLVE THE RELEASE BY CONTRACTOR OF VALUABLE LEGAL RIGHTS AND AN INDEMNIFICATION OBLIGATION OWED TO CARRIER BY CONTRACTOR THAT MAY REQUIRE CONTRACTOR TO INDEMNIFY CARRIER FOR CARRIER'S OWN NEGLIGENCE.

#### **INDEPENDENT CONTRACTOR OPERATING AND EQUIPMENT LEASE AGREEMENT**

THIS AGREEMENT is made this \_\_\_\_\_day of \_\_\_\_\_\_, \_\_\_\_\_ by and between \_\_\_\_\_\_("Contractor"),

whose address is \_\_\_\_\_

and Bobeaux Trucking & Oilfield Services, LLC a Texas company ("Carrier"), whose company address is 3839 McKinney Ave, Suite 155-511, Dallas, TX 75204.

### **RECITALS**:

Carrier is a motor carrier operating intrastate in Texas under the regulation of the Texas Department of Transportation ("TXDOT") and interstate under the regulation of the United States Department of Transportation ("US DOT") as well as other federal, state and municipal agencies; and Contractor owns commercial motor vehicle equipment described in Appendix "A" attached hereto and incorporated herein by this reference (the "Equipment"), and supplies and operates the Equipment under operating agreements with private, contract, or common carriers or shippers; and Contractor desires to perform Services for Carrier, and Carrier desires the performance of those services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged and confessed, Carrier and Contractor agree as follows (this "Agreement"):

1.<u>Term of Lease</u>. This Agreement is effective beginning the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_, (the "Effective Date") and shall continue for 12 consecutive months. Either party may terminate this Agreement by giving fifteen (15) days' notice to that effect to the other party in person or at the address indicated above. In the event of serious breach of terms of this Agreement either party may terminate this agreement immediately. Carrier acquires by this Agreement no ownership or title in the Equipment other than the leasehold interest created thereby.

2. <u>General</u>. Contractor recognizes that Carrier's business of providing motor carrier transportation services of various commodities (the "Commodities") within the State of Texas and to other points outside Texas is regulated by the federal government acting through the municipal agencies. Contractor will comply with all regulatory requirements of the US DOT, the TXDOT and any other applicable federal, state or municipal agency, which compliance may be verified by Carrier at will. Contractor agrees to maintain and provide Carrier "With proper records to insure compliance with all safety rules of Carrier and all TXDOT, USDOT and applicable federal, state or municipal regulations. Contractor will provide the transportation services described in full compliance with any applicable federal, state or municipal regulations. Contractor will provide the transportation services described in this Agreement and, in so

doing, will place the Equipment in the services of Carrier. Contractor is not required to purchase or rent any products, equipment or services from Carrier as a condition of entering into this Agreement During the term of this Agreement, Contractor shall provide Carrier transportation related services and the use of the equipment set forth in Appendix "A" (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 included as part of Appendix "A", 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. Settlements of Contract Price.

(a.) Contractor will receive as compensation for his services under this Agreement the sums of money specified in Appendix "B" (the "Contract Price") attached hereto. Carrier agrees to maintain an accurate record of the freight revenue generated under contracts performed by Contractor under this Agreement and shall provide Contractor before or at the time of settlement of the Contract Price a copy of the rated freight bill for interstate trips or a computer generated document containing the same information or any other form of documentation used for a shipment containing the same information that would appear on a rated freight bill for interstate trips. If a computer generated document is provided, Contractor may view, during normal business hours, a copy of any documents underlying the computer generated document Contractor may at any reasonable time during normal business hours examine copies of Carrier's tariffs or other document from which rates and charges are computed, provided that where rates and charges are computed from a contract of a contract carrier, only those portions of the contract containing the same information that would appear on a rated freight bill need be disclosed. Carrier may delete the names of shippers and consignees shown on the freight bill and other forms of documentation.

(b.) Carrier shall deduct from Contractor's compensation, at the time of payment to or settlement with Contractor, any liability or expense Carrier has incurred or paid that, under this Agreement or any addendum to this Agreement, Contractor is obligated to bear. Such expenses shall be deducted from the amount of Contractor's settlement compensation and shall include those expenses set forth in Appendix "B" of this Agreement The amount of each item to be charged back to Contractor shall be computed based on the actual cost or expense incurred by Carrier and any administrative fee or mark-up disclosed in Appendix "B" or elsewhere in this Agreement or any addendum thereto. Carrier shall provide Contractor written itemization and documentation of all charge backs where such documentation is necessary to verify the validity of the charge.

(c.) Upon termination of this Agreement, Contractor must return to Carrier within fortyeight (48) hours after termination all property owned by Carrier. 4. <u>Settlement Period</u>. Carrier shall settle with Contractor with respect to services provided under this Agreement within 14 calendar days after Contractor's submission by 11:59 p.m. on each Sunday, in proper form, those documents necessary for Carrier to secure payment, including the signed freight bill, delivery receipt or bill of lading (except that payment to Contractor shall not be made contingent upon submission of a bill of lading to which no exceptions have been taken), and properly completed logs as required by the Department of Transportation. Properly complete trip reports as required by IFTA for fuel tax purposes. Carrier shall have the right to review all of Contractor's documents and records relating to the use of the Equipment and to the services provided under this Agreement, and Contractor agrees to provide Carrier with access to such documents and records upon reasonable notice. Settlements which do not have the proper and all required paperwork will not be processed for that week, but instead will be paid within 7 days after submission of all proper and required paperwork. Upon cancelation of this Agreement by either party the Settlement Period may be extended by up to 30 days.

### 5. Equipment. Expenses, and Other Contractor Obligations.

(a.) Contractor is solely responsible for selecting, purchasing, financing, and maintaining the Equipment and represents and warrants to Carrier that use of the Equipment is not subject to any other operating or lease agreement, and Carrier will have exclusive possession control and use of all the equipment for transportation of Commodities for Carrier at all times during the term of this Agreement, but only during the time such Equipment is operated in the service of Carrier. This subparagraph is set forth solely to conform with USDOT 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. Notwithstanding the above, Contractor is not prohibited from providing transportation services for other common or contract carriers or any other person or entity, provided that Contractor complies with the trip lease requirements set forth under federal law in 49 C.F.R. Part 376. Contractor may trip lease or subcontract the Equipment to a third party upon receiving prior authorization from Carrier. Carrier assumes no responsibility for the collection of freight charges or payment to Contractor for any trip-lease or subcontract related revenue. During the term of any trip lease or subcontract, Contractor will remove or cover up all of Carrier's identification on the Equipment and display instead the trip-lease carrier's identification and, as between Contractor and Carrier, Carrier will have no responsibility for, and Contractor will fully indemnify Carrier regarding, the operation of the Equipment to applicable Texas statutes and regulations.

(b.) Contractor shall, at its sole cost and expense, provide all the Equipment ready to operate and fully roadworthy, including the necessary licenses, permits, cab cards, state base plates and shall furnish all necessary oil, fuel, tires, and other parts, supplies and equipment necessary or required for the safe and efficient operation and maintenance of the Equipment, including repairs for the operation of such Equipment. Contractor shall pay all expenses

incident to the operation of the Equipment, including, but not limited to, empty mileage, lumper expenses, highway use taxes, weight taxes, state property or indefinite situs taxes, fuel taxes, registration fees, ferry and toll charges, and detention and accessorial charges not collected by Carrier because of Contractor's failure to provide the required documentation.

(c.) Contractor, at its sole cost and expense, shall maintain the Equipment in safe condition and in complete compliance with all laws and regulations of the states in which Contractor operates and the USDOT. In order to ensure compliance with all US DOT regulations, Contractor shall, at its sole cost and expense, make the Equipment available for inspection by Carrier upon reasonable request by Carrier. Contractor shall, at its sole cost and expense, have the Equipment inspected annually, as required by 49 C.F.R. § 396.17, at Carrier's maintenance facility or at another maintenance facility which Carrier may, in its sole discretion, authorize. Contractor shall, as directed by Carrier, forward to Carrier all inspection, maintenance and repair records for the Equipment

(d.) Contractor or its drivers (as professional drivers engaged in a separate and distinct profession) 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, or the US DOT, where such violation results, at least partial1y, from the acts or omissions of Contractor.

(e.) Contractor or Contractor's drivers (as professional drivers engaged in a separate and distinct profession) 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.

(f.) Upon request by Contractor, Carrier shall obtain a base plate under the International Registration Plan ("IRP") in Carrier's name for use by Contractor. Carrier will front funds for costs to tag the tractor including costs associated with plating plus the application of decals and DOT numbers, however that cost shall be charged back and deducted from Contractor's compensation in three weekly installments until the cost of tagging and plating is paid in full. Contractor shall remove and return such plate to Carrier upon the termination of this Agreement and, in the event Contractor fails or refuses to do so, Carrier shall, and is hereby authorized to, deduct the full cost of the plate from Contractor's final settlement The Contractor will be charged an additional \$50 a day for plates and DOT numbers not returned within 5 days of the termination of the lease. If Carrier receives a refund or credit for an IRP plate registered in the name of Carrier or such base plate is authorized by Contractor to be

resold by Carrier to another contractor, Carrier shall refund to Contractor a pro-rate share of the amount received by Carrier. Contractor shall not be entitled to reimbursement for any unused portion of a base plate, however, unless Carrier is able to reuse or resale the plate to another contractor.

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

(h.) If Contractor utilizes the Equipment to pull a trailer owned or provided by Carrier, Carrier shall be solely responsible for the maintenance and repair of such trailer and any other equipment used in connection therewith, including but not limited to the proper use of hoses and maintenance of tires. Upon taking possession of such trailer from Carrier, Contractor shall execute a receipt for included as Appendix "F" and upon return of such trailer Contractor shall execute a similar receipt reflecting return of the trailer. Contractor is responsible for all tires and other repairs on Carrier's trailer. Contractor shall be liable for any damages to Carrier's trailer beyond normal usage. Contractor shall provide his own discharge hoses and shall expressly be liable for any damage to the trailer that occurs while it is in his care, including tires. Normal wear items, such as tires and brakes, shall be the responsibility of the owner of the trailer unless they have been abused or used in an irresponsible manner.

(i) Miscellaneous equipment or property of Carrier, such as tarps, straps, blocking or other equipment required or requested by Contractor may be provided to Contractor by Carrier, at Carrier's sole discretion and may listed on Exhibit "G" reflecting the type equipment provided, when it is returned, and the condition of the equipment Notwithstanding this provision, carrier may provide miscellaneous equipment to Contractor which may not be listed on Exhibit "G", and Contractor agrees and shall have the same responsibilities and liabilities for such miscellaneous equipment whether it is listed on Exhibit "G" or not.

(j) Contractor agrees to return any trailer, trailer equipment or property of any kind or purpose, miscellaneous equipment, or chassis provided for its use by Carrier in the same good condition as received by Contractor, reasonable wear and tear excepted, along with any and all other equipment and property belonging to Carrier immediately upon Carrier's request or upon termination of this Agreement In the event such trailer, equipment or property is lost, stolen, damaged, or destroyed while in the possession, care, custody or use by contractor, Carrier has sole discretion to determine if such trailer, equipment, or shall be replaced or repaired. In the event the trailer, equipment or property is replaced, contractor shall be responsible for the actual replacement value, which is the cost to replace the property with other property of comparable material and quality used for the same purpose, including any ancillary charges for installation or other associated work to make replacement equipment useable in same manner as if not lost, damaged or destroyed. In the event the trailer or other equipment is not in as good as condition as it was delivered by Carrier, Contractor hereby authorizes Carrier to restore the trailer or other equipment or property to proper condition and to charge back to Contractor the costs of such repairs, reconditioning or replacement In the event Contractor for any reason fails to comply with this provision and return Carrier's trailer or equipment, or property, Contractor agrees to reimburse Carrier for all reasonable expense and costs, including attorney fees, incurred by Carrier in recovery of its trailer, equipment or property from Contractor or its drivers. Contractor agrees that in the event it is necessary for Carrier to enter upon private or remove private property in order to recover its trailer, equipment and property, Contractor does hereby irrevocably grant Carrier 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 property, or equipment or property 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, equipment and property provided for use by Carrier will only be used by Contractor and its drivers to transport shipments tendered to Contractor by Carrier.

(k) Contractor shall be responsible for removing any identification devices from the Equipment immediately upon termination of this Agreement, and Carrier may withhold payment of Contractor's last settlement of the Contract Price under paragraph 2 until Contractor returns all identifications devices to Carrier, other than those painted on the Equipment. If the identification device has been lost or stolen, a letter certifying its removal will satisfy this requirement

6. <u>Escrow Funds</u>. Contractor authorizes Carrier to establish an escrow in accordance with the provisions set forth in Appendix "D".

7. <u>Contractor as Independent Contractor of Carrier</u>. It is expressly understood and agreed that Contractor is an independent contractor for the Equipment and driver services provided pursuant to this Agreement Contractor agrees to defend, indemnify and hold Carrier harmless for any claims, suits, or actions, including reasonable attorney's fees in protecting Carrier's interests, brought by Contractor, Contractor's employees, any union, the public, or state or federal agencies, arising out of the operation of the Equipment or the providing of driver services under this Agreement Contractor also agrees to provide necessary documentation and apply for certification of its independent contractor status where mandated by applicable state law, including but not limited to, the State of Texas. Contractor hereby assumes full control and responsibility for the selection, training, hiring, setting of grooming and dress standards, disciplining, discharging, setting of hours, wages and salaries, providing for unemployment insurance, state and federal taxes, fringe benefits, workers' compensation, adjustment of grievances, all acts and omissions, and all other matters relating

to or arising out of Contractor's use or employment of drivers and laborers, and any and all other employees or agents of Contractor that Contractor may provide or use to perform any aspect of this Agreement Contractor shall be solely responsible for complying with any and all state and federal laws, rules and regulations that may be applicable to the terms and conditions of employment of Contractor's employees or applicants for employment, including, without limitation, compliance with the Federal Fair Credit Reporting Act; verification of immigration and naturalization status; proof of proper taxpayer identification number; proof of highway use tax being currently paid when the Contractor purchases its license; proof of payment of income; unemployment; Medicare and other state and federal payroll taxes; and, other required withholdings for Contractor's employees. Contractor's performance of these responsibilities shall be considered proof of its status as an independent contractor in fact. Proof of such control and responsibility shall be submitted by Contractor to Carrier as required by Carrier and may include, but not be limited to, proof of highway use tax being currently paid, proof of income tax being currently paid, and proof of payment of payroll tax for Contractor's drivers. For the purposes of this section, the term Contractor refers to the owner of the Equipment as well as drivers that may be operating the Equipment on behalf of the owner. As required by law, Carrier agrees to file information tax returns (Form 1099) on behalf of Contractor if Contractor is paid more than the statutory amount in compensation during a calendar year.

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 USDOT 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 It shall be considered a material breach of this Agreement where Contractor is determined by Carrier or Carrier's insurer to be uninsurable for any reason.

9. <u>Requirements of Law</u>. Contractor recognizes that Carrier's separate and distinct business of providing motor carrier freight transportation service to the public is subject to regulation by the federal government acting through the USDOT, and by various other federal, state, local, and foreign governing bodies. *As* such, Contractor hereby acknowledges that he/she possesses full and complete understanding and knowledge of the USDOT's CSA program (including, but not necessarily limited to, driver violations and ranking criteria). Contractor shall adhere to the following provisions of this Agreement to aid Carrier in discharging its legal duties:

(a.) Contractor shall provide competent professional drivers who meet Carrier's minimum driver qualification standards and all of the requirements of the USDOT, including but not limited to, familiarity and compliance with state and federal motor carrier safety laws and regulations. As part of the driver qualification process, Contractor, and Contractor's drivers, shall authorize Carrier to access applicable driver files, Driver Safety Measurement System ("DSMS") safety scores, and any other driver data or information available as part of USDOT's

CSA Driver Information Resource System ("DIRS"). 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, unfit, uninsurable, or marginal, pursuant to federal or state law or the criteria established by the USDOT's CSA DIRS, in violation of Carrier's minimum qualification standards, or in violation of any policies of Carrier's customers. Drivers with a recent history of accidents, traffic convictions and/or serious traffic offenses will not meet Carrier's minimum qualification standards. Upon a driver's disqualification by Carrier, Contractor shall be obligated to furnish another competent, reliable and qualified professional driver that meets the minimum qualification standards established by Carrier. For all qualified drivers, Contractor agrees to provide Carrier with updated DSMS and DIRS driver rankings on a monthly basis.

(b.) 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, including any documentary evidence that Carrier requests proving Contractor has paid all taxes legally due and owing to any government body. As required by 49 C.F.R. § 3 7 6.12(1), 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.) 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.) Contractor agrees to operate the Equipment in a safe and prudent manner at all times so as to avoid endangering the public, the driver, and/or the property being transported and in accordance with this Agreement, 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.

(f.) Beginning on the date the FMCSA makes its CSA Program effective as to Carrier's and Contractor's operations under this Agreement, Contractor shall ensure that Contractor, and any drivers of Contractor, and Contractor's Equipment shall at all times meet CSA safety standards sufficient to enable Carrier to (a) achieve and maintain a "fit" or similar rating that enables Carrier to operate without FMCSA intervention or restriction pertaining to driver, equipment,

and other CSA performance measures; (b) obtain insurance coverage without increased costs associated with driver, equipment, or other performance measures under CSA; and (c) be and remain competitive with similarly situated carriers with regard to safety performance measures under CSA. Contractor further agrees to notify Carrier in writing within two (2) business days of receiving notification from the FMCSA that Contractor or any of its drivers have been deemed "unfit" or "marginal" based on their safety and compliance performance.

10. <u>Performance</u>. Contractor's obligation under this Agreement is to furnish Carrier a complete transportation service from origin to destination including (as may be necessary) loading and unloading of the Equipment and the Commodity tendered for transportation by a manner and means selected by Contractor. This Agreement does not obligate Contractor to accept for transportation every or any trip offered by Carrier. Contractor shall exercise diligent efforts to conduct his operations under this Agreement to assure customer satisfaction. If Contractor fails to successfully perform the transportation and services covered by this Agreement, Contractor will be liable to Carrier for any cost or expense or liability incurred as a result of Contractor's failure to perform.

11. <u>Representation by Contractor</u>. Contractor represents and warrants to Carrier that he is not subject to any agreement, instrument, law, regulation, order, judgment, or decree or other restriction of any kind of character, including not by limitation non-compete agreements, which does or would prevent him from entering into or fully performing this Agreement

12. Indemnities. Except to the extent Contractor's acts or omissions are covered under the parties' respective insurance policies as set forth in Appendix "C" with no expense to Carrier, Contractor agrees to defend, indemnify and hold harmless Carrier from any direct, indirect and consequential loss, damage, fine, expense, including reasonable attorney's fees, action, claim for injury to persons, including death, and damage to property which Carrier may incur arising out of or in connection with the operation of the Equipment, Contractor's obligations under this Agreement, or any breach by Contractor of the terms of this Agreement This provision shall remain in full force and effect both during and after the termination of this Agreement Contractor shall be specifically liable for, and Carrier shall charge back to Contractor's services. The dollar limit in this paragraph shall not apply to damages arising out of or in connection with such claims if involving Contractor's (including Contractor's agents' or employees') gross negligence, willful misconduct, breach of this Agreement, or other culpable acts or omissions.

13. <u>Cargo Claims</u>. Contractor shall immediately report all cargo claims, including all shortages, overages or other exceptions to the cargo, to Carrier. Contractor shall be liable for, and Carrier shall charge back to Contractor, the first \$1,000.00 of each cargo claim, including but not limited to, delay, shortages, misdelivery, and any direct damage claim relating to lost, damaged or contaminated loads, arising out of, or in connection with Contractor's services. The dollar limit in this paragraph shall not apply to damages arising out of or in connection with such claims involving Contractor's (including Contractor's agents' or employees') gross

negligence, willful misconduct, breach of this Agreement, or other culpable acts or omissions. Before deducting any cargo claim from Contractor's compensation, Carrier shall provide Contractor with a written explanation and itemization for each such claim.

14. <u>Accidents and Claims</u>. Contractor shall immediately report any accident or potential claim to Carrier involving operations under this Agreement. Contractor and its drivers shall cooperate fully with Carrier with respect to any legal action, regulatory hearing or other similar proceeding arising from the operation of the Equipment, the relationship created by this Agreement or the services performed hereunder. Contractor shall, upon Carrier's request and at Contractor's sole expense, provide written reports or affidavits, attend hearings and trials and assist in securing evidence or obtaining the attendance of witnesses. Contractor shall provide Carrier with any assistance as may be necessary for Carrier or Carrier's representatives or insurers to investigate, settle or litigate any accident, claim or potential claim by or against Carrier.

15. <u>Breach</u>. Notwithstanding anything to the contrary in this Agreement, this Agreement may be terminated, at any time, by either party in the event of a material breach by the other of any term or obligation contained in this Agreement. In the event of a breach and when practicable, written notice shall be served upon the breaching party, notifying such party of the breach and the termination of the Agreement and reason therefore. If, in Carrier's judgment, Contractor has subjected Carrier to liability because of Contractor's acts or omissions, Carrier may take possession of the shipment entrusted to Contractor and complete performance. In such event, Contractor shall waive any recourse against Carrier for such action and Contractor shall reimburse Carrier for all direct or indirect costs, expenses, or damages, including attorney's fees, incurred by Carrier as a result of Carrier are taking possession of the shipment and completing performance.

16. Confidentiality. Contractor hereby recognizes and acknowledges that any list of Carrier's customers, as it may exist now or from time to time, is a valuable, special and unique asset of the business of Carrier. Contractor agrees, during and after the term of this Agreement, not to disclose the list of Carrier's customers or any part thereof to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever without Carrier's prior written consent. Contractor agrees to preserve as "Confidential Matters", all trade secrets, know-how and information relating to Carrier's business, forms, processes, developments, sales and promotional systems, prices and operations, which information may be obtained from tariffs, contracts, freight bills, letters, reports, disclosures, reproductions, books, records, or other contractors, and other sources of any kind resulting from this Agreement. Contractor agrees to regard such Confidential Matters as the sole property of Carrier, and shall not publish, disclose or disseminate the same to others without the written consent of Carrier. In the event of any breach or threatened breach by Contractor of the provisions of this paragraph, Carrier shall be entitled to an injunction, restraining Contractor from disclosing, in whole or in part, the list of Carrier's customers, and all other Confidential Matters. Contractor agrees that Carrier will be irreparably damaged in the event of any breach of this provision by Contractor. Accordingly, in addition to any other legal or equitable remedies

that may be available to Carrier, Contractor agrees that Carrier will be able to seek and obtain immediate injunctive relief in the form of a temporary restraining order without notice, preliminary injunction, or permanent injunction against Contractor to enforce this confidentiality provision. Carrier shall not be required to post any bond or other security and shall not be required to demonstrate any actual injury or damage to obtain injunctive relief from the courts. Nothing hereunder shall be construed as prohibiting Carrier from pursuing any remedies available to Carrier at law or in equity for such breach, including the recovery of monetary damages from Contractor.

17. <u>Satellite Equipment</u>. If required in accordance with the terms of Appendix "E", Contractor shall maintain in an operable and functioning condition at his/her expense a satellite system that constitutes, or in Carrier's reasonable judgment is technically and functionally compatible with, the Fleetmatics or other system utilized by Carrier. If Appendix "E" pertaining to satellite equipment is attached and made part of this agreement this provision applies, however, if there is no Appendix "E" attached and made part of any particular agreement, this provision will not apply.

18. <u>Governing Law</u>. This Agreement is entering into LONGVIEW, GREGG COUNTY, TEXAS. Accordingly, the parties agree that the rights and obligations of the parties will be governed by and construed according to the laws of the state of Texas, and any action brought to enforce this Agreement or seek any remedy hereunder shall be brought in Gregg County, Texas.

19. <u>Entire Agreement</u>. This Agreement, together with the Appendices attached and made part of same for all purposes, constitutes the entire understanding an agreement between the parties. This Agreement supersedes and renders void any and all previous agreements, written or oral, between the parties, and may not be amended except by further written agreement executed by both Carrier and Contractor.

20. <u>Severability of Provisions</u>. If any provision of this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision herein, and the Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been included.

21. <u>Heirs, Assigns, and Personal Representatives</u>. Contractor shall not assign any or all of its interests in this Agreement without the prior written consent of Carrier, any such assignment made by Contractor without the prior written consent of Carrier shall be void. This Agreement shall be binding upon the heirs, executors, administrators, personal representatives, successors and authorized assigns of the parties.

22. <u>Headings and Captions</u>. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Agreement, and shall not be used in construction of this Agreement

23. <u>Gender and Number</u>. Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, and the singular shall include the plural and vice versa.

24. <u>Notice</u>. All notices and other correspondence between the parties shall be sent certified mail, return receipt requested, to the mailing addresses for the parties indicated above. Any notices provided under this agreement will be deemed delivered and effective the date postmarked or date hand-delivered, with written proof of hand-delivery and date thereof. The parties may agree to accept notice by email by supplying the proper email addresses below and initialing here (Carrier) and (Contractor) and evidence that an email was sent to the address provided shall be valid evidence of receipt; however, nothing in this part shall change any notice provision required by law or regulation, and notice of termination of this agreement must be made by certified mail or hand-delivery with proof thereof as reflected therein.

25. <u>No Right to Assume Contractual Obligations</u>. Neither Contractor, individually or as a business entity, nor its officers or employees shall have any right or authority, either expressed or implied, to assume or create, on behalf of Carrier or any officer, director, employee or agent of Carrier, any contractual obligation or responsibility of whatsoever kind or nature.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first written above with the original to be kept by the Carrier, a copy to be kept with the Equipment during the duration of this Agreement, and a copy to be kept by the Contractor, and the same shall be considered binding upon both parties and remain in full force and effect unless and until terminated or expired according to the terms herein.

(SIGNATURES ON NEXT PAGE)

## CARRIER:

**CONTRACTOR:** 

Bobeaux Trucking & Oilfield Services, LLC

ВҮ:\_\_\_\_\_

Printed Name: Danny Jester

Fax: <u>432.614.9770</u>

Address: 3839 McKinney Ave, Suite 155-511

Dallas, TX 75204

Phone: 800.734.3640

Email: <u>danny@bobeaux.com</u>\_\_\_\_\_

ВҮ:	 
Printed Name:	
Fax:	
Address:	
Phone:	
Cell Phone:	
FEIN or SSN:	
Email address:	

## APPENDIX "A"

## CARRIER'S RECEIPT FOR POSSESION OF CONTRACTED EQUIPMENT

Received from Contractor the Equipment described in this Agreement in good order. Equipment received at on , 20 at AM

<u>Make</u>	<u>VIN No.</u>	<u>Carrier's Unit#</u>
)		
<u>Make</u>	<u>VIN No.</u>	Carrier's Unit#
	)	)

By: \_\_\_\_\_ (Carrier Representative)

Printed Name: \_\_\_\_\_\_

# CONTRACTOR'S RECEIPT FOR RETURN OF CONTRACTED EQUIPMENT

Received from Carrier the vehicle or vehicles described in this Agreement in good order. Equipment received at on , 20 at AM

<u>Year</u>	<u>Make</u>	<u>VIN No.</u>	<u>Carrier's Unit#</u>
TRAILEF <u>Year</u>	R(S) <u>Make</u>	<u>VIN No.</u>	<u>Carrier's Unit#</u>
Ву:		(Contractor Representative)	

Printed Name: \_\_\_\_\_

### APPENDIX "B"

### CONTRACTOR'S COMPENSATION

- 1. <u>Share of Revenue</u>. Unless otherwise agreed to in writing between the parties, Carrier shall pay Contractor based upon the following schedule:
  - a) For haulage of loads tendered by Carrier:

Tractor Only	70% of Adjusted Gross Revenue ("AGR")
Tractor and Trailer	80%of AGR
Trailer Only	10%of AGR

- b) Adjusted Gross Revenue. AGR shall mean all revenue received by Carrier from the shippers, consignees, or other carriers for commodities hauled by Contractor under this Agreement, reduced by: (a) any and all expenses attributed to accessorial services paid to a third party or to Contractor by Carrier; (b) the amount paid to any third party by Carrier in relation to movement of the load, including without limitation, amounts paid to other contractors as a pro-rata payment for their participation in the movement of a load; (c) any amount paid by Carrier to interline or augmenting carriers; (d) any warehouse or storage charges; (e) any revenue received by Carrier as an excess value or insurance charge on high value shipments; (f) all incentives, discounts or commissions given to Carrier's customers or other third parties; and (g) 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.
- 2. <u>Charge Back Items</u>. The following items shall be charged back and deducted from Contractor's compensation:

Charge Back Item	Cost	Administrative Charge
Advances in Compensation	Actual	5%
Fleetmatics GPS & WORK	Actual	None
Fuel & Fuel Taxes	Actual	None
Fleetilla GPS for Trailers	Actual	None
IRP Plate & Tagging Expenses	Actual	None
Cargo Claim	Actual up to \$1,000	None
Auto Liability Claim	Actual up to \$2,000	None
C.O.D. Charges	Actual	None
Fines & Penalties	Actual	None
Trailer Damage	Actual	None
Escrow Charges	See Appendix "D"	None
Insurance Costs	See Appendix "C"	See Appendix "C"

Charge Back Item	Cost	Administrative Charge
Repair or Replacement Value of	Actual Repair Cost or	None
Lost, Stolen, Damaged, or	Actual Replacement	
Destroyed Trailer(s), Equipment, or	Value	
Property		

### [NOTE: ALL CHARGEBACK ITEMS SHOULD BE LISTED AND FULLY DESCRIBED HERE]

Contractor agrees that Carrier may charge back to Contractor any other expenses or cost incurred by Carrier for which Contractor is responsible for under this Agreement or as otherwise agreed to by the parties. Contractor hereby waives any objection to any charge back item unless Contractor notifies Carrier of Contractor's disagreement with such charge back within thirty (30) days of the charge back.

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 ten (10) calendar days after such notice or such later time as is set forth in the notice, except with respect to insurance which is addressed separately in Appendix "C". Contractor's failure, by the end often 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 ten-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 ten-day period - or if Contractor notifies Carrier of Contractor's objection within the ten-day period and the parties are then unable to resolve the matter, the parties shall each have the right to terminate the Agreement immediately thereafter. Once the change becomes effective, Contractor still retains the right to terminate the Agreement in accordance with the procedures set forth in Section 2 of the Agreement (although Contractor shall remain subject to the change until the effective date and time of Contractor's termination).

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

Carrier:	Contractor:
BoBeaux Trucking & Oilfield Services, LLC	
ВҮ:	ВҮ:
Printed Name: Danny Jester	Printed Name:
Date:	Date:

# APPENDIX "C"

# INSURANCE AND ALLOCATION OF LIABILITY

1. <u>Carrier's Insurance Obligations</u>. It shall be Carrier's responsibility, pursuant to USDOT regulations promulgated under 49 U.S.C. § 13906 and pursuant to applicable state laws, to provide auto liability, uninsured & underinsured motorist, hired & non-owned auto, general liability, property damage, and pollution and cargo 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. The cost for providing auto liability, uninsured & underinsured motorist, hired & non-owned auto, general liability, property damage, and pollution and cargo insurance for the Equipment at all times while the Equipment is being operated on behalf of Carrier shall be passed through to the Contractor.

The cost for auto liability, uninsured & underinsured motorist, hired & non-owned auto is \$115 per week.

The cost for general liability coverage is \$10.00 a week.

The cost for pollution and cargo insurance is \$15.00 a week.

The cost of non-trucking liability coverage is \$5.00 week

Weekly deduction. Contractor will be so notified by personal delivery, fax, email, or other written notice, as soon as practicable. The new rates may become effective immediately and the change shall be reflected in the settlement sheet the following week. Contractor's failure to object or terminate the coverage being provided through Carrier in writing to Carrier within five (5) days after notice of receipt of settlement sheet reflecting a change shall constitute an express consent and authorization to Carrier to deduct and charge back to Contractor the revised amount. 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 5-day period and Contractor and Carrier are then unable to resolve the matter to their mutual satisfaction they may terminate the agreement.

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

(a) <u>Non-Trucking Liability</u> - Contractor shall procure, carry, and maintain public liability and property damage insurance which shall provide coverage to Contractor whenever the Equipment (as well as any Carrier trailer) is not being operated on behalf of Carrier (including, but not limited to, whenever the Equipment is being operated on behalf of others pursuant to a Trip Lease or whenever the Equipment is being operated on behalf of Contractor alone) in a combined single limit of not less than One Million Dollars (\$1,000,000) for injury or death to any person or for damages to property in any one occurrence. Such coverage shall be no less comprehensive than the

coverage Carrier will facilitate on Contractor's behalf if Contractor 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.

Workers' Compensation/Occupational Accident Insurance. Contractor (b) hereby agrees to assume the responsibilities of an employer, as permitted by the Texas Workers' Compensation Act, and 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 Texas 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, 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 and (b) the state in which the work is principally localized is not Colorado, Massachusetts, Nevada, New Hampshire, New Jersey, 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 behalfif Contractor so chooses, as provided in Section 5 of this Appendix.

(c) <u>Passenger Insurance</u>. Contractor shall procure, carry, and maintain passenger liability insurance that shall provide coverage to Contractor whenever the Equipment is being operated or not on behalf of Carrier) in a combined single limit of not less than <u>N/A</u> Dollars (\$0.00) for injury or death to any person riding as a passenger in the Equipment or for damages to that person's 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 responsible for all deductible amounts and for any loss or damage in excess of the policy limit.

(d) <u>Other Insurance</u>. 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 Texas 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. <u>Requirements Applicable to all of Contractor's Insurance Coverages</u>. Contractor shall procure insurance policies providing the above-described coverages solely from insurance carriers that are AM. 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. <u>Contractor's Liability if Required Coverages are Not Maintained</u>. 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. <u>Availability of Insurance Facilitated by Carrier</u>. 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 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. § 376.120)(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. <u>Administrative Fees</u>. In exchange for the time and effort related to procuring and managing insurance matters, including but not limited to the handling of disbursements for premiums, copies of policies, etc. and interest on use of carriers funds, contractor agrees to pay carrier a 5% administrative fee.

7. Changes in Cost of 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, email, or other written notice, as soon as practicable. The new rates may become effective immediately and the change shall be reflected in the settlement sheet the following week. Contractor's failure to object or terminate the coverage being provided through Carrier in writing to Carrier within five (5) days after notice of receipt of settlement sheet reflecting a change shall constitute an express consent and authorization to Carrier to deduct and charge back to Contractor the revised amount. 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 5-day period and Contractor and Carrier are then unable to resolve the matter to their 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 is agreed to by the undersigned parties as of the latest date set forth below.

Carrier:	Contractor:
BoBeaux Trucking & Oilfield Services, LLC	
BY:	ВҮ:
Printed Name: Danny Jester	Printed Name:
Date:	Date:

# **CERTIFICATE OF INSURANCE**

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

# 1. Auto Liability, Uninsured/Underinsured Motorist, Hired & Non-Owned Auto

Name of Insurer:
Policy Number:
Effective Dates of Coverage:
Amount of Coverage:
Current Cost to Contractor:
Deductible for Which Contractor Is Liable:
Insurance Agent Phone Number:

-or-

\_\_\_\_\_ Initial to purchase insurance through Carrier

# 2. General Liability Insurance

Name of Insurer:
Policy Number:
Effective Dates of Coverage:
Amount of Coverage:
Current Cost to Contractor:
Deductible for Which Contractor Is Liable:
Insurance Agent Phone Number:
-or-

\_\_\_\_\_ Initial to purchase insurance through Carrier

**3.** Worker's Compensation/Occupational Accident Insurance (Occupational Accidental Insurance coverage is available only to a sole proprietor contractor who is exclusive driver of the equipment)

Name of Insurer:
Policy Number:
Effective Dates of Coverage:
Amount of Coverage:
Current Cost to Contractor:
Deductible for Which Contractor Is Liable:
Insurance Agent Phone Number:
-or-
Initial to purchase insurance through Carrier
4. Physical Damage Insurance on Tractor:
Name of Insurer:
Policy Number:
Effective Dates of Coverage:
Amount of Coverage:
Current Cost to Contractor:
Deductible for Which Contractor Is Liable:
Insurance Agent Phone Number:
-or-
Initial to purchase insurance through Carrier
5. Pollution and Cargo Insurance
Name of Insurer:
Policy Number:
Effective Dates of Coverage:
Amount of Coverage:
Current Cost to Contractor:
Deductible for Which Contractor Is Liable:
Insurance Agent Phone Number:

-or-

\_\_\_\_\_ Initial to purchase insurance through Carrier

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

Carrier:	Contractor:
BoBeaux Trucking & Oilfield Services, LLC	
ВҮ:	ВҮ:
Printed Name: <u>Danny Jester</u>	Printed Name:
Date:	Date:

# Appendix "D"

# ESCROW

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

1. The amount of principal to be held (escrow funds) shall be a minimum of \$2,500.00, per power unit which amount is to be deducted from CONTRACTOR's compensation at \$100.00 per truck every week beginning on the next settlement date after execution of this agreement and after plating is paid. If, at any time, the principal amount in escrow falls below \$2,500.00 per truck, CONTRACTOR authorizes CARRIER to deduct from CONTRACTOR's compensation a maximum amount of \$100.00 per truck per week until the full escrow amount is replenished. Anytime funds are deducted from escrow the deduction will be made on the next settlement date.

2. Escrow funds shall be held by the CARRIER for the purpose of insuring compliance with the provisions of this Agreement. CARRIER may utilize the escrow funds to cover any expense incurred by CARRIER which is CONTRACTOR's responsibility under the Agreement or any appendices thereto, including maintenance, equipment damages, liability, physical damage, cargo, insurance and plates. CONTRACTOR may withdraw funds from the escrow account for major maintenance of the vehicle. Withdraw must be accompanied by receipt or estimate showing the necessary repairs.

3. While escrow funds are under CARRIER's control, CARRIER shall provide an accounting to CONTRACTOR of all transactions involving such funds by clearly indicating on individual settlement sheets the amount and description of any deduction or addition made to the escrow fund. In addition, upon CONTRACTOR's request, CARRIER shall provide CONTRACTOR with an account of any transactions involving CONTRACTOR's escrow funds.

4. CARRIER shall pay interest on the escrow funds on at least a quarterly basis. The amount of interest shall be established on the date the interest period begins and shall be equal to the average yield of 91-day, 13 week treasury bills, as established in the weekly auction by the Department of Treasury. For purposes of calculating the balance of the escrow fund on which interest is paid, CARRIER may deduct a sum equal to the average advance made to CONTRACTOR during the period of time for which interest is paid.

5. Escrow funds shall be repaid upon the prompt return by CONTRACTOR of all signs, licenses, permits, notices, tax cards, operating authority, and other paperwork and property belonging to the CARRIER. At the time of return of the escrow fund, CARRIER may deduct monies for those obligations incurred by CONTRACTOR which have been previously specified in the agreement or appendices. The amount of escrow funds may be reduced to

reflect expenses incurred by CARRIER with respect to any efforts undertaken by CARRIER to seek return of such items. Any such reductions shall be accounted for in the final accounting period provided by CARRIER

6. Escrow funds, less any reductions, shall be repaid to CONTRACTOR within fortyfive (45) days from the date of termination of this Agreement. THIS APPENDIX is agreed to by the undersigned parties as of the latest date set forth below.

Carrier:	Contractor:
BoBeaux Trucking & Oilfield Services, LLC	
ВҮ:	BY:
Printed Name: <u>Danny Jester</u>	Printed Name:
Date:	Date:

## APPENDIX "E"

## SATELLITE EQUIPMENT

1. Furnishing of Satellite Equipment. In fulfillment of Contractor's obligation under Paragraph 15 of this Agreement, Contractor is free to obtain, install in the Equipment, and maintain in an operable and functioning condition, at his/her expense, a satellite system that is technically and functionally compatible with, the Fleetmatics or other system utilized by Carrier. In the alternative, Contractor may elect, by initialing the "Carrier shall arrange" option below, to have Carrier arrange to have the Equipment installed, a Fleetmatics system or other system utilized by Carrier. In the latter event, Contractor hereby agrees that they are purchasing the equipment and paying the cost of equipment and installation, and authorize the CARRIER to deduct from his/her Settlement Compensation and/or Escrow Account \$300.00 dollars. Contractor agrees that the monthly service and network fee associated with the unit will be ducted on a weekly basis in the amount of \$15.00.

## INITIAL BELOW FOR SATELLITE REQUIREMENTS:

Carrier shall arrange to have a satellite system installed in the Equipment and shall deduct the above cost from Contractor's Settlement Compensation.

2. Re-installation of Equipment. In the event Contractor shall replace the unit(s) of Equipment (power unit(s)), Contractor shall bear the expense of removal and re-installation of any satellite system in his/her replacement Equipment and hereby authorizes Carrier to deduct all such expense from Contractor's Settlement Compensation.

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

## Carrier:

## **Contractor:**

BoBeaux Trucking & Oilfield Services, LLC

BY:	ВҮ:
Printed Name: <u>Danny Jester</u>	Printed Name:
Date:	Date:

### APPENDIX "F"

#### TRAILER RECIEPT

### CARRIER'S RECEIPT FOR POSSESION OF CARRIER'S TRAILER(S)

Contractor acknowledges receipt of the following Trailer(s) from Carrier described in this Agreement and in good order.

Trailer(s) received at on , 20 at AM

Year Make VIN No. Carrier's Unit#

By: \_\_\_\_\_ (Contractor Representative)

Printed Name: \_\_\_\_\_

## CARRIER'S RECEIPT FOR RETURN OF CARRIER'S TRAILER(S)

Contractor acknowledges receipt and return of the following trailer(s) from Contractor. Equipment received at on , 20 at AM

Year Make VIN No. Carrier's Unit#

By: \_\_\_\_\_ (Carrier Representative)

Printed Name: Danny Jester

# APPENDIX "G"

### MISCELLANEOUS EQUIPMENT PROVIDED BY CARRIER TO CONTRACTOR

Contractor acknowledges receipt of the following Miscellaneous Equipment from Carrier described in this Agreement and in good order. Date of Return and Condition of Miscellaneous Equipment shall be reflected below. Equipment provided by Carrier which is not listed herein is still subject to all requirements of the attached agreement, including maintenance, repair, replacement, return and liability.

Description of Equipment	Date Provided	Contractor & Carrier Initials		Date Returned	Contractor & Carrier Initials		Condition