

DFW Logistic Services

DFW-Keller

Telephone 888.400.6015

Fed Government Contractor

5857 Park Vista Circle

Fax 888.389.0939



## Dallas Fort Worth Trucking Corporation

### Independent Contractor Service Agreement

The Independent Contractor Service Agreement (hereinafter "Agreement") is made and entered into by and between \_\_\_\_\_ whose principal business address is \_\_\_\_\_, and whose Federal Employer's Tax I. D. # is \_\_\_\_\_ (hereinafter "**Contractor**") and Dallas Fort Worth Trucking Corporation, 5857 Park Vista Circle, Keller Texas 76244, (hereinafter "**DFW Trucking**" or '**Carrier**'). This Agreement cancels and supersedes any other service agreement that may exist between Contractor and Carrier (collectively the 'Parties') on the date of execution of this Agreement. However, any requirements under a prior service agreement(s) for cancellation, other than notice, shall be concluded in accordance with the cancellation provisions of the prior service agreement(s).

WHEREAS, Carrier; (DFW Trucking Corporation); being a 'for hire common and contract motor carrier', desires to obtain authorized transportation with equipment it does not own through arrangements with independent contractors who own motor truck equipment; and

WHEREAS, Contractor is independently engaged in the business of transporting freight by motor vehicle pursuant to agreements with motor carriers, private carriers or shippers, and

WHEREAS, Carrier and Contractor desire to enter into an agreement providing for transportation by Contractor of commodities as may be provided by Carrier;

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, the Parties mutually agree as follows:

Contractor warrants that the motor truck equipment and/ or trailer equipment described in attached content hereto and incorporated herein for all purposes (the "Equipment") is not subject to any other lease, memorandum, or agreement which conflicts with this Agreement.

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

## Equipment & Services

Carrier does not agree to provide for Contractor, under the terms and conditions and subject to all provisions expressed herein, the Equipment to enable Contractor to perform contracts with its customers for transporting commodities. Contractor is solely responsible for obtaining the necessary Equipment in order to perform his/ her contractual duties as outlined by the Carrier; DFW Trucking Corporation. Contractor also agrees to either operate or provide for the operation of the Equipment with qualified drivers and labor, under the terms and conditions and subject to all provisions expressed in this Agreement, to enable Carrier to perform its contracts with its customers.

By Executing and performing this Agreement, the Parties hereto intend to create an independent contractor relationship, not an employer/ employee relationship, for all purposes between Carrier and Contractor and any employees, officers, agents and/ or servants of Contractor. In connection therewith, Contractor agrees to retain sole financial responsibility for all withholding, employment or other taxes due to federal, state or local government on account of its employees, officers, agents and/ or servants necessary for the performance of Contractor's obligations under the terms of this Agreement.

Carrier shall have exclusive possession, control and use of the Equipment as required by Title 49, Section 376.12(c) (1) of the Code of Federal Regulations (hereinafter the "CFR"), and shall assume complete responsibility to the public for the operation of the Equipment for the duration of this Agreement as and to the extent required by other applicable regulatory authorities. Carrier's exclusive possession, control and use of the Equipment shall last until possession of the Equipment is surrendered to Contractor or given to another carrier in an interchange of equipment where such is contemplated. A receipt evidencing Carrier's possession of the Equipment may be signed by Contractor or Carrier or their authorized representative and a copy thereof shall be carried in the equipment while the equipment is in the possession of Carrier. However, nothing in this Paragraph 3 shall be deemed to relieve Contractor and/or its employee, officers, agents and/or servants may have to the public for operation of the Equipment or from any responsibility and/or liability owed to Carrier by Contractor and/or its employees, officers, agents and/or servants under this Agreement or any other agreement by Contractor to hold Carrier harmless or any other agreement by Contractor and/or its employees, officers, agents, and/or servants to indemnify Carrier.

Contractors shall ensure that vehicles and assets are in compliance with all federal, state and local laws and regulations. Contractors must ensure that independent operator's obtains all certifications and compliances needed to meet the requirement of independent operator's duties and responsibilities that have been communicated by the Carrier in accordance with the FMCSA, USDOT, TX DMV and all local rules and regulations.

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**Print Name**

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**Signature**

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**Date**





If Contractor fails or refuses to advise Carrier of the current location of any and/ or all of the Carrier's trailers or company assets being utilized with, or in connection with, the operation of Contractor's Equipment, at least once each 24 hours of such utilization, this Agreement may be immediately terminated and cancelled by Carrier.

**Liability of Leased Trailers and Equipment**

It is understood and agreed that if Contractor pulls a trailer of Carrier within the scope of this Agreement, Contractor will be responsible for the leased trailer and/ or other company equipment. Note, the Contractor is only authorized to transport cargo for DFW Trucking shippers and recipients.

In the event of a vehicular and/ or trailer accident or incident caused by the Independent operator, the Contractor is responsible for damages incurred. The Contractor will be required to reimburse the Carrier for damages resulting from the accident or incident within a period of **90 days**. The Contractor will be scheduled equal payments no greater than \$150.00 per weekly settlement. The scheduled payments will be terminated as soon as the accidental/ incidental damages have been fully reimbursed.

Contractor must immediately notify dispatch in the event of a vehicular and/ or trailer accident/ incident occurrence. Contractor cannot disfigure, modify, paint, augment or detach anything to the leased equipment without the written consent of a member of DFW ownership. Dispatch does not have the authority to authorize any permanent changes without the written consent of a member of DFW ownership.

The trailers must be stored at the Contractor's yard; 8815 C. F. Hawn Freeway, Dallas, Texas 75217 on a daily basis, unless the driver is under a load that is destined outside of local pick up and deliveries.

**Permits and Regulatory Taxes**

Contractors must comply with all permits, taxes and certification requirements by the FMCSA, US DOT TX DMV and local jurisdictions. Any Contractor who fails to comply with all federal, state and local ordinances, rules and regulations breach their contract and forfeit the content of this Lease Agreement with the Carrier; DFW Trucking Corp. To ensure that all such regulatory statutes are met, the Carrier will advise the Contractor at least 15 days prior to the due date of the permit and/ or tax. This will allow the Contractor a period of time to satisfy the requirement. If the Contractor does not satisfy the regulation in full, the Carrier is obligated to do so. If the Contractor fails to meet their obligations, the Carrier will ensure that all relations are satisfied by assessing the funds from the payroll settlement.

**All DOT/ Non-DOT & Moving Violations Must Be Reported Immediately**

Any and all Driving and Non-Driving violations by the Independent Operator must be sent to the Carrier on the **same day of issuance**. Any and all commercial and non-commercial violations by the Independent Operator must be sent to the Carrier on the **same day of issuance**. This action will allow the Carrier to ascertain the severity of the violations and ensure that the necessary actions are followed up by the Independent Operator. All violations and Citations must be fully satisfied in order for the Independent Operator to continue utilizing the DFW trailer/ assets.

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Breach of Contractual Obligations**

The guidelines and rules of contents must be adhered to in order to prevent a breach of contract. If the Contractor breaches the Ownership/ Lease Agreement, the company logos, vehicle on-road documents, trailers and assets must be returned to the Carrier’s parking terminal at 8815 C. F. Hawn Freeway, Dallas, Texas 75217 immediately.

**Terms and Conditions**

The initial term of this Agreement shall be 1 year from the date last set forth below. Unless terminated as set forth in this Agreement, this Agreement shall automatically be renewed for successive 1 year terms.

Carrier (DFW Trucking) only authorizes Contractor to use a designated independent operator and a designated tractor and trailer to transport commodities exclusively for Carrier (DFW Trucking Corporation) customers.

Contractor shall, prior to and/ or as soon as possible after the execution of this Agreement, shall have meeting either in person or via telephone with a member of Carrier’s management to discuss and answer any questions the Contractor may have. Contractor is encouraged to have discussion with Carrier’s Dispatcher to discuss high and low tides of work availability prior to signing contractual agreement.

Contractor, and not Carrier, has and shall retain the sole responsibility for payment when due all income, highway use, withholding and employment/ vendor contributions and taxes due to federal, state and /or local governments. The Contractors is responsible for proper registration and filing of all required tax forms and returns, not the Carrier, (DFW Trucking). In addition, Contractor must furnish Carrier (DFW Trucking Corporation) a copy of all compliance documents in order to transport freight for Carrier’s customers.

Contractor is responsible for all administrative and mechanical expenditures. Contractor is also responsible for maintaining an eligible and trained driver for his/ her tractor.

If Contractor desires to delete or add to the Tractor/ Equipment/ Independent Operator roster, the Contractor must first make the request through Carrier’s management. Upon approval, the Contractor may execute use of new addition or deletion of roster.

Contractor recognizes that Carrier’s business of providing motor carrier transportation services to the public is subject to customer requirements and to regulation by various federal, state and local governmental agencies. The Carrier; (DFW TRUCKING CORP) take customer complains very seriously. Independent operators are subject to suspension while a customer compliant is being followed up. The Contractor may be held liable to lost revenues if it is determined that the Independent operator was at fault and held liable. Contractor shall bear the responsibility of satisfying all such requirements and the following requirements, subject at all times to verification by Carrier, including:

<b>Print Name</b>	<b>Signature</b>	<b>Date</b>

- a. Maintaining the Equipment in a state of repair required by all applicable rules and regulations including 49 CFR Parts 390(D), 393, 396 and 399 (Contractor shall have a U. S. DOT Inspection performed on the Equipment at least once every 6 months, and shall furnish to Carrier a copy of each annual written U. S. DOT inspection certificate and a copy of each other written U. S. DOT inspection report with a 100% Pass rating prior to being dispatched.
- b. Operating the Equipment in accordance with all applicable federal and state statutes, rules and regulations;
- c. Hiring only drivers and other labor to operate the Equipment and transport the commodities that are qualified under all applicable rules and regulations including 49 CFR Parts 71-173, 177-178, 382-383, 390-393, and 395-397 and approved by Carrier, provided, however, that each driver to be used by Contractor to provide service for Carrier shall also be subject to Carrier's qualification and approval process:
- d. Complying with Carrier's safety policies and safety program;
- e. Transporting on the Equipment only those commodities authorized to be transported by Carrier under MC 904215 and Subs thereafter issued by the federal government, and by other intrastate certificates or registration issued to Carrier;
- f. All Independent Operators must submit Driver daily logs, (on non-local loads), Bill of Ladings, Fuel receipts, ancillary shipping documents, weigh scale tickets, lumper receipts per FMCSA/ US DOT requirements. Contractor must present a monthly maintenance report with verifiable receipts for any and all maintenance conducted on Truck and/ or Trailer.
- g. The Contractor is responsible for paying his/ her Independent Operators. The Carrier is responsible for paying Net Payroll Settlement to Contractor and shall provide a Form 1099 at the end of year to Contractor.
- h. Contractor is not obligated to rent or lease any Tractor, Trailer or equipment of any sorts from the Carrier. This is optional for Contractor. However, Carrier shall approve all Tractors, Trailers and Equipment prior to being dispatched.

**Settlement and Payment**

In consideration for the Equipment and services provided by the Contractor, Carrier (DFW Trucking) agrees to pay Contractor for each transportation trip undertaken and properly completed by Contractor according to the terms, conditions and provisions of this Agreement, an amount calculated as set forth in this contractual agreement. Contractors shall be paid 80% of Line-Haul and 100% of Fuel Surcharge pay.

Carrier shall settle with Contractor on the following terms, the first week withheld, then the Contractor shall be paid the following Friday no later than 03:00 p.m. However, the Contractor shall only be paid on the completed paperwork that has been submitted to Dispatch by the Independent Operator. All properly completed shipping documents must be submitted no later than Saturday by 05:00 p.m. in order to receive payment on the following Friday. **Incomplete Driver Paperwork** results in **NO Payment** for those loads.

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

The Carrier and the FMCSA/ U S DOT requires fully completed and accurate paperwork on each and every individual trip. Contractor must submit Driver Document Trip envelop each week including all hard copies of shipping documents that should be submitted digitally at the end of each trip to Dispatch.

All Driver Document Trip envelopes must provide the following accurate information: driver name, trip number, truck number, trip load information including the origin location, loading point, stops and drops, dates of all pickups, dates of all deliveries, fuel stops and drops must be placed on all trip envelopes; beginning and ending odometer readings, all fuel stops listed with the correct date, company, zip code, city, state, invoice number, gallons purchased and cost of purchase, a list of all other purchases or repairs identifying the method of payment, a description of irregular loads notes in the drops/ load section.

Each trip envelopes must contain the following documents; copies of all load paperwork including invoices, bills of lading, weight tickets, lumper fees, fully completed delivery receipts noting the date, Carrier's trip number, shipper's number, shipper information, consignee information, number of pieces, load description weight, trailer number, load date, truck and drier, unload date and signed proof of delivery by consignee, a copy of all fuel receipts, completed driver's logs except for the current day drive's log, a copy of all document related to truck repairs or other miscellaneous expense repairs.

### **Insurance and Liability**

Contractors agrees to acquire and maintain at Contractor's expense Tractor's physical damage (tractor and trailer damage) insurance coverage and bobtail coverage on the Equipment. If Contractor acquires and maintains truckers physical damage (tractor and trailer damage insurance, Contractor agrees to furnish Carrier with a copy of certificate of the truckers' physical damage and bobtail coverage.

Contractor is required to furnish Carrier with a certificate of insurance policy at the beginning of each month.

It is understood and agreed that Contractor will be held responsible and liable to Carrier as set forth herein for any shortage of, loss of, or damage to cargo caused by the fault of Contractor, its independent operator, other employees or vendors, officer, agent or servant while being loaded, unloaded or transported by Contractor. Contractor RELEASES and shall at all times DEFEND AND INDEMNIFY Carrier from any shortage of, loss of, or damage to cargo caused by the fault of Contractor, its driver, helper, other employee, officer, agent or servant while being loaded, unloaded or transported by Contractor, its driver, helper, other vendor, officer, agent or servant within the scope of this Agreement. Contractor shall be liable for the actual cost of claims for any shortage of, loss of, or damage to cargo (including related expenses) caused by the fault of Contractor, its driver, helper, officer, agent, or servant, not to exceed \$1,000.00 per individual claim, and such amount shall be deducted from the compensation due to Contractor under this Agreement in Contractor's settlements. Contractor shall be liable for the first \$1,000.00 expended as a result of public liability and property damage claims caused by the fault of Contractor, its independent operators, officers, agents or servants.

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**Print Name**

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**Signature**

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**Date**



**Additional Provisions**

Should any paragraph, sentence, clause or phrase of this Agreement be held to be unenforceable or illegal, such determination shall not affect the validity or binding force and effect of the remaining provisions in this Agreement.

This Agreement is non-assignable by Contractor without the prior written consent of an officer of Carrier. Carrier may assign this Agreement without the consent of Contractor.

Carrier and Contractor specially agree that this Agreement shall be binding upon Carrier and Contractor and their successors, agents, representatives, heirs and executors.

Contractor agrees to DEFEND, INDEMNIFY and HOLD HARMLESS Carrier from any claims by the drivers, helpers and other workers employed or used by the Contractor, or by any federal, state or local governmental agency on account of the failure of Contractor to withhold or pay any taxes, wage, highway use, industrial accident claims, workers' compensation claims or the failure of Contractor to take any required action(s), training or certification arising from Contractor's relationship with Contractor's employees, officers, agents and/ or servants, including any and all such claims resulting from NEGLIGENCE ACT(S) AND/ OR OMISSION(S) of Carrier and/ or its employees, officers, agents and/ or servants.

**Carrier**

**Contractor**

By: Dallas Fort Worth Trucking Corp.

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

Garland R. Watson, IV  
**Printed Name of Authorized Representative**

\_\_\_\_\_  
**Printed Name of Authorized Representative**

President  
**Title of Authorized Representative**

\_\_\_\_\_  
**Title of Authorized Representative**

Garland R. Watson IV  
**Signature**

\_\_\_\_\_  
**Signature**

December 24, 2016  
**Date**

\_\_\_\_\_  
**Date**

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**Print Name**

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**Signature**

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**Date**