2913 Millennium Circle
Billings, MT 59102

(800) 736-5233
meadowlarkco.com

DELIVERING TRANSPORTATION WITH INTEGRITY

Meadow Lark

SINCE 1983

TRANSPORT AGENCY HEAVY HAUL ENERGY LOGISTICS OTR APPAREL

Independent Contractor Operating Agreement

This Independent Contractor Operator Agreement ("Agreement") is made and entered into this 1st day of October, 2019 by and between MEADOW LARK TRANSPORT, INC., Motor Carrier MC # 203425 ("MEADOW LARK"), located at: 2913 Millennium Circle, Billings, MT, 59102 and Jeffrey Richard Hensen ("Contractor") (Collectively, the "Parties").

RECITALS:

WHEREAS, MEADOW LARK, an authorized motor carrier, desires to provide transportation of freight by truck solely utilizing independent contractors and not utilizing any employees; and

WHEREAS, Contractor is separately engaged in the business of transporting freight by truck on behalf of the public; and

WHEREAS, MEADOW LARK and Contractor intend to create and maintain under the terms of this Agreement an entirely independent relationship and not a relationship of employer and employee; and

WHEREAS, MEADOW LARK desires to utilize the services and equipment of Contractor, and Contractor desires to hold out and render motor freight transportation service to the public, as well as to MEADOW LARK, in the course of Contractor's established trade business and profession; and

WHEREAS, Contractor represents that he/she/it is the owner or is in possession of tractor/power units under valid lease agreement(s) and has legal authority to enter into this Agreement and commit such tractor/power unit(s) for utilization under this Agreement; and

WHEREAS, MEADOW LARK and Contractor desire to enter into this Agreement for the purpose of carrying out the foregoing purposes in accordance with the provisions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants, terms, conditions and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which the Parties acknowledge, the Parties mutually agree as follows:

1. Compensation / Minimum Shipments: Contractor, for the compensation set forth in Exhibit A attached (% Based Agreement), shall use the equipment more specifically described in Exhibit B attached (Equipment) and shall provide the necessary labor to transport, load and unload the freight, the transportation of which is made available by MEADOW LARK to Contractor. MEADOW LARK agrees to make freight available for transportation by Contractor whenever reasonably feasible and shall provide at least three (3) shipments per year. Contractor may search for his own freight but MEADOW LARK will be responsible for approving the customer or broker, booking and signing the rate confirmation. MEADOW LARK shall provide the Contractor with the pick-up and delivery information and any special handling instruction timely received by shipper so that the Contractor can provide the necessary labor to transport, load and unloaded the freight. By performance of such services, Contractor agrees that the only compensation for such services payable by MEADOW LARK to Contractor shall be the compensation, as set forth in Exhibit A attached.

2. Payment Terms: MEADOW LARK shall pay Contractor the compensation ("Settlement(s)") on Fridays (but in any event not later than 15 days) after submission (1 p.m. MST cutoff time on Tuesday) by Contractor to MEADOW LARK the following shipping documents, unless a good faith dispute exists, in which case MEADOW LARK shall be entitled to contest the compensation: (a) driver's logs as required by governmental authorities evidencing delivery of freight from point of pickup to point of destination;

(b) original bills of lading and/or delivery receipts; such other documents as MEADOW LARK may require from time to time that may be necessary for MEADOW LARK to secure payment from a shipper; and (d) completed trip cost report evidencing point of pick-up to point of destination. Contractor shall promptly submit such documents to MEADOW LARK as requested, and such other documents as may be required by law. Upon termination, of this Agreement, (for any reason), and subject to the terms hereof, after all gross revenues are collected, compensation payable is calculated, claims are settled, and all deductions have been made, MEADOW LARK will prepare and deliver a final accounting to Contractor of all amounts owing to Contractor, and all amounts owed by Contractor to MEADOW LARK, and in the event amounts are owed to Contractor, payment will be made within 45 days of delivery of the accounting.

3. Compliance With Applicable Laws: Contractor shall comply with all applicable (US and Canada) federal, state and provincial laws and regulations. Contractor shall comply, at all times, with all applicable laws and regulations governing performance of this Agreement including, but not limited to, loading and securement of freight, driver safety regulations including but not limited to hiring, use of controlled substances, and hours of service, sanitation and temperature requirements for transporting food and other perishables, maintenance of equipment, and control of the means and method of transportation including but not limited to performance of Contractor's drivers. MEADOW LARK shall comply with applicable federal and state laws and regulations relating to its performance hereunder. Compliance with applicable laws and regulations by each of the Parties shall be subject to verification by either of them at any time on reasonable request. CONTRACTOR SHALL COMPLY WITH ALL LAWS, RULES AND REGULATIONS REGARDING PASSENGERS WHILE PROVIDING FREIGHT TRANSPORTATION SERVICES FOR THE BENEFIT OF MEADOW LARK (49 CFR 392.60). Without limiting the foregoing, Contractor agrees to maintain in Contractor's possession in the leased Equipment during its operation at all times during the performance of this Agreement, a copy of this Agreement.
4. Exclusive Possession: MEADOW LARK shall have the exclusive possession, control and use of the Equipment utilized for performance of this Agreement and shall assume complete responsibility for the safe operation of the Equipment for the duration of this Agreement. Nothing in this paragraph shall be construed to create an employment relationship between the Parties.

5. No Discrimination: Contractor and MEADOW LARK shall not discriminate against their respective employees, agents, or servants on the basis of race, color, sex, religion, ancestral or national origin, political or social affiliations or disability.

6. Independent Contractor: Contractor is an Independent Contractor of MEADOW LARK, and any and all persons hired or employed by Contractor to perform services in connection with this Agreement existing between MEADOW LARK and Contractor are the employees or agents of Contractor, and not those of MEADOW LARK. Contractor has and shall retain sole financial and legal responsibility for compliance with all applicable workers' compensation insurance requirements, withholding and employment taxes due to federal, state, or local governments on account of drivers, drivers' helpers, and other workers necessary for the performance of Contractor's obligations hereunder. Contractor agrees to indemnify, save and hold MEADOW LARK harmless from any and all claims by Contractor, Contractor's employees, Contractor's drivers, drivers' helpers, agents, and any other workers used by it or by any federal, state or local governmental agency on account of wages, industrial accident, unemployment compensation claims, or workers' compensation claims, tax, withholding and employment taxes, or any other actions arising from employment taxes, or any other actions arising from Contractor's relationship with its own employees. It is further agreed that any property damage, bodily injury, and/or any other harm or damage sustained by Contractor's drivers or caused by Contractor's drivers to unauthorized passengers, will be the sole responsibility of Contractor. Toward fulfilling Contractor's obligations under this paragraph, Contractor agrees to:

   a. Maintain in effect, at all times, workers' compensation insurance as required by applicable state statutes and regulations, and all drivers, drivers' helpers, agents, and laborers used by it in the performance of this Agreement;

   b. File and pay all applicable state and local income taxes, tax withholding, employment, unemployment, taxes and returns, federal heavy vehicle use tax forms and returns, all of which it may be required to file on account of its drivers, drivers' helpers and agents, and laborers used by Contractor in the performance in the performance of this agreement at the time and place specified in applicable federal, state and local laws and regulations and to report and pay when due all such taxes and contributions required to be paid in such forms and returns;

c. With respect to the requirement of Subps. (a) and (b) above, furnish to MEADOW LARK such evidence of compliance with the foregoing as MEADOW LARK shall reasonably request.

7. Insurance: The Parties further agree as follows:

a. MEADOW LARK shall maintain insurance coverage for protection of the public pursuant to 49 U.S.C. §13906, and any applicable related regulations, as well as all amendments and modifications thereof, as adopted by the Federal Motor Carrier Safety Administration or the Federal Highway Administration, of the U.S. Department of Transportation.

b. Under no condition shall MEADOW LARK be responsible for any damage to Contractor's Equipment. Contractor shall purchase and maintain "Non-Trucking Liability" with respect to public liability and property damage for $1,000,000. Contractor shall provide MEADOW LARK with proof of such insurance and name MEADOW LARK as a certificate holder.

c. Contractor shall hold MEADOW LARK harmless, defend, and indemnify it on demand from any claims or loss or damage(s) including but not limited to legal expenses and reasonable attorney fees incurred by MEADOW LARK as a result of the operation, maintenance or use of the Equipment, which is not directly authorized and/or not directly related to the performance of this Agreement.

d. Contractor may obtain the required "bobtail insurance" from any insurance company of its choosing. In the event Contractor chooses to purchase the required bobtail insurance, or any other form of insurance coverage for the operation of Contractors equipment, which MEADOW LARK may make available as a convenience to Contractor, MEADOW LARK shall be and is hereby authorized to deduct the costs of such insurance pursuant to paragraph 10 herein. Further, MEADOW LARK is authorized to deduct the administrative charges for obtaining the insurance as specified in this agreement or as specified via any written notice provided to Contractor by MEADOW LARK.

e. MEADOW LARK is not in the insurance business and is not an agent of any insurance agency, carrier or underwriter that may issue insurance coverage. Contractor waives any and all claims it may have at any time against MEADOW LARK arising out of MEADOW LARK's selection of any insurance policy made available to Contractor or any failure on the part of any insurance agent, company or underwriter to cover or honor the terms and conditions of any insurance policy.

f. In the event Contractor chooses to purchase insurance of any kind through MEADOW LARK, MEADOW LARK will provide Contractor with a certificate of insurance for each such insurance policy. Upon written request, MEADOW LARK will provide Contractor with a copy of each policy as soon as practicable or direct you to make your request to an applicable insurance representative.

Authorized Deductible: MEADOW LARK shall be responsible for the $10,000 (deductible) of any loss resulting from: (1) shortage, loss or damage to cargo while in the care, possession, or control of Contractor, its agents or employees; and/or (2) the $10,000 (deductible), of any loss covered by MEADOW LARK's property damage and personal injury liability insurance and/or; (3) the $10,000 (deductible) of loss resulting from damage of any kind whatsoever to equipment and/or other property of MEADOW LARK while in the possession of Contractor, its agents, or employees. CONTRACTOR shall be responsible for $10,000 (deductible) of any loss resulting from (in whole or in part) from theft of cargo and or Equipment which is left unsecured/unattended overnight, weekends, holidays; and failing to tarp cargo or tarp cargo properly and/or any damage to cargo or equipment caused by Contractor error, or intentionally caused by Contractor, to be determined at the sole discretion of Meadow Lark. Any monies due MEADOW LARK under this Subp. 7(g), may be deducted from any Settlement(s) monies due or to come due to Contractor and MEADOW LARK will provide a written summary of the facts determined authorizing said deduction. Contractor shall have 30 days to provide MEADOW LARK with written notice that it disputes the deduction. Such written notice must contain a description of all factual evidence supporting Contractor's reasons for disputing the deduction. Failure to provide such written notice shall be relied upon by MEADOW LARK as an admission of the deduction and its factual basis. In the event any claim is deemed by insurance provider as caused by driver error/ negligence Meadow Lark will assess a $30 weekly deductible fee per claim placed in an insurance pool that will be reviewed annually. If the driver has had no faulted claims in 1 year the weekly fee will be discontinued. (Example: If a driver has 2 claims in 12 month period they would be assessed a $60 deductible fee per week)

g. MEADOW LARK shall, at the time of payment or Settlement(s), provide Contractor with a written explanation and itemization of any deductions made from any monies due Contractor.

8. Equipment ID: Contractor shall display all equipment identification as required by law. All equipment identification shall be provided by MEADOW LARK and shall remain the property of MEADOW LARK. Such identification shall be removed by Contractor and remain the property of MEADOW LARK upon termination of this Agreement. If the equipment identification has not been lost or stolen, Contractor must provide notice to MEADOW LARK, via a letter certifying its removal. MEADOW LARK may take any steps necessary to recover its property and shall be entitled to deduct, and Contractor shall be required to pay, $50 per day for each day following termination hereof that identification is not returned from Settlement(s) monies due or to come due to Contractor.

9. Miscellaneous: The Parties further agree as follows:

a. This Agreement may be terminated with or without cause by either party on thirty (30) days prior written notice or immediately in the event of breach of this agreement. Notice may be given verbally or in writing. Upon Contractor's terminating this Agreement, he or she shall complete the transportation of any shipments accepted, and/or in transit, and perform all services required in connection herewith or be liable to MEADOW LARK for any expenses or damages resulting from the failure to do so, including but not limited to reasonable attorney fees. Additionally, in the event that Contractor terminates this Agreement within ninety (90) days of the date the agreement is signed, Contractor shall be charged and agrees to pay Five Hundred Dollars ($500) to MEADOW LARK to cover sign-on expenses. Said charges, expenses or damages (including reasonable attorney fees) may be deducted from Settlement(s) due or to come due to Contractor (including payment for freight in transit) and shall be paid subject to the terms of this Agreement. MEADOW LARK shall pay for completion of such services as provided for in Exhibit A, subject to all deductions allowed under this Agreement. The representations and obligations of the Parties shall survive termination of this Agreement for any reason. If Contractor fails to comply with the 30 day notice requirement, he/she/it shall be liable to MEADOW LARK, in addition to all other damages hereunder, to the damages as defined in Par. 14 below.

b. Termination under Par. 9(a) is made effective by mailing or delivering written notice to the other Party at its last known mailing address. Except for the terms of Pars. 6, 7(c), and 13(b) under no conditions will either Party be liable to the other for special or consequential damages of any kind.

c. In the event of termination of this Agreement by either Party for any reason, any agreements for rental of trailers from MEADOW LARK by Contractor shall be automatically terminated.

10. Responsibility for Payments:

a. CONTRACTOR shall retain all responsibility and pay for:
   i. All wages, hours, working conditions, workers' compensation insurance, management, supervision, and all other aspects and requirements of any kind whatsoever related to the performance of this Agreement;
   ii. The selection, purchasing, leasing, financing, maintenance and utilization of the equipment;
   iii. The selection of all routes, loading and unloading; the weighing measuring of all loads as required by law;
   iv. Except for trailers rented from MEADOW LARK by CONTRACTOR all operating expenses of any kind whatsoever, including, but not limited to:
      a. Fuel costs; fuel surcharges
      b. Ferry fees;
      c. Base plates and licenses, except as provided in Exhibit A;
      d. Equipment maintenance and repair;
      e. Fuel & Road taxes;
      f. Tolls (except those approved in Exhibit A) and ferry charges;
      g. Fines of all types except as otherwise provided in 49 C.F.R. §376.12(e);
      h. Permits of all types, unless specified otherwise in Exhibit A;

i. Insurance including administrative costs procured by MEADOW LARK for Contractors benefit as provided for herein; and
j. All other levies or assessments of any kind related either directly or indirectly to Contractor's operation of its equipment or performance of this Agreement.

b. Contractors who participate in MEADOW LARK's full service truck lease program agree to the following terms:
   a. Vendor Pays:
      i. All preventative maintenance costs related to the leased equipment;
      ii. All over the road service costs and expenses;
      iii. Cost related to substitution equipment;
      iv. License plates and HVUT costs;
      v. Maintenance costs not deemed by vendor to be caused by driver negligence;
      vi. Routine tire wear

   b. Contractor Pays:
      vii. Tire blow outs, road hazard or other driver negligence not covered by vendor
      viii. Glass breakage
      ix. Maintenance costs deemed by Vendor to be caused by driver negligence
      x. Interior/ Cab damage

c. If Contractor falls behind on deductions their weekly settlement will be a zero balance until the balance due is paid in full. Contractor may opt in on taking a 10% advance of their gross earnings for the week per written agreement made by the parties.
d. For Contractors leasing MEADOW LARK equipment, if contractor falls behind by 3 payments owed for the equipment under the parties written agreement, the equipment will be reseated.
e. MEADOW LARK shall inspect all leased equipment by Home/ Corporate Terminal quarterly and upon inspection, MEADOW LARK holds the right to require a full detail at CONTRACTOR'S expense prior to driver leaving terminal. MEADOW LARK shall, upon request, provide reasons in writing supporting any full detail requirement.

11. Term: This agreement shall continue in effect for an initial period of thirty (30) days from the date first written above and thereafter renew automatically for successive thirty day periods unless canceled by either party as provided in Paragraph 9a. The term of this Agreement shall be for one (1) year from the date shown above. That term may be extended for another year by mutual agreement at or prior to the expiration of the first year, or if no further agreement is executed by that date, this agreement shall remain in effect until superseded by a further agreement, or cancelled upon thirty (30) days written notice of cancellation by either party.

12. Authorized Deductions: Contractor by executing this Agreement authorizes MEADOW LARK to deduct expenses or other payment obligations for the following items from any Settlement(s) due or to come due to Contractor:

a. Advances made by MEADOW LARK to Contractor and administrative charges, for making advances;

b. For deductions arising under Par. 7(g)(4), if the insurance company closes the claim and no payment is made to the claimant by MEADOWLARK or the insurance company, any deduction will be credited back to the Contractor's settlement less any costs incurred by MEADOW LARK related to the claim.

c. Base plate, license and permit fees as may be required by federal and state statutes, rules, regulations, and multi-jurisdictional agreements; provided along with any administrative charges for obtaining said base plate and permits (for Base Plate Rates see Exhibit A attached);

d. Insurance premiums and costs for any insurance, along with any administrative charges for obtaining said insurance, purchased by Contractor through MEADOW LARK;

e. Any federal or state taxes, fines or statutorily mandated employee insurance claims or benefits MEADOW LARK may be required to pay as a result of Contractor's failure to comply with the terms of Par. 6;

f. Any advances made by MEADOW LARK for operating expenses listed in Par. 10(d) of this Agreement;

g. Any other deductions or set-offs authorized by law, this Agreement or by Contractor in writing, including but not limited any escrowed reserve accounts authorized in Exhibit A; and

h. Contractor shall be liable to MEADOW LARK to the extent that any obligation under this Agreement exceeds the amount owing to Contractor by MEADOW LARK.

i. Financed Equipment: To the extent that any equipment utilized by Contractor to perform any services under this Agreement, is financed with any lending institution, Contractor authorizes MEADOW LARK to make payments directly to such institution upon receipt of written instructions from Contractor. MEADOW LARK charges a 3% administration fee for this service. Contractor shall be solely responsible for providing correct payment information to MEADOW LARK, including name of institution, address, phone contact, bank routing number, account number to which the payment is to be made, and any other information required by the financing institution to assure proper credit is made to Contractor. MEADOW LARK will make the payments until Contractor (or the financing institution) instructs MEADOW LARK in writing, to discontinue. MEADOW LARK makes no warranty or representation express, or implied that Settlements will be sufficient to make the payments as instructed, and no partial payments will be made. Contractor shall be solely liable to financing institution to the extent that Settlement(s) are not large enough to make the payment(s) to which Contractor is obligated. Except as otherwise provided herein, MEADOW LARK reserves the right to discontinue this service at any time for any reason, on 15 days prior written notice to Contractor. Contractor shall be solely liable, hold harmless and indemnify MEADOW LARK for any claims, liability of any kind, including but not limited to reasonable attorney fees, arising from MEADOW LARK'S decision to discontinue this payment service and/or any billing or payment disputes between Contractor and any such financing institution.

13. The Parties further agree as follows:
    a. Liability for Refused Shipments: In the event Contractor refuses to accept a shipment(s) after having agreed to transport the shipment(s), and as a result MEADOW LARK incurs losses consisting of the increase in cost of delivery between the amount it quoted to a shipper and the amount it would have paid Contractor, and the cost it actually paid another motor carrier (contractor or not), then Contractor shall be liable to MEADOW LARK for such loss and additionally, MEADOW LARK may deduct said amount(s) from any Settlement(s) owing Contractor.
    b. Prohibited Subcontracting: Contractor shall not assign, "trip lease", broker, subcontract, interline, or otherwise arrange for the transportation of freight hereunder to any other carrier or third party, without the prior written consent of MEADOW LARK. Inthe event of violation of this subparagraph, MEADOW LARK shall have the right of paying the delivering carrier directly with no Liability to Contractor. Additionally, Contractor shall be liable to MEADOW LARK for all resulting damages sustained, including, but not limited to, consequential damages and reasonable attorney's fees.
    c. Liability/Failed Delivery: In the event that Contractor fails to complete a trip, abandons a shipment, or otherwise subjects MEADOW LARK to liability, directly or indirectly related to Contractor's failure to perform (or to perform adequately), MEADOW LARK shall have the right to complete performance in any reasonable manner or method, using the Equipment or any substituted equipment. MEADOW LARK, may charge Contractor for any costs, expenses, losses or damages (including but not limited to reasonable attorney fees), incurred, in order to complete performance, either directly or, at MEADOW LARK's election, deduct them from Settlement(s) due, or to come due to Contractor.

14. No Purchases Required: Under this Agreement, Contractor is not required to purchase or rent any products, equipment, or services from MEADOW LARK as a condition of entering into this Agreement. Terms of any agreements between MEADOW LARK and Contractor regarding any voluntary equipment purchase or rental is set forth in Exhibit A to this Agreement.

15. Leasing Tractors without Trailers / Renting Trailers: In the event the Contractor leases tractor(s) without trailers(s) to MEADOW LARK; or Contractor rents trailers from MEADOW LARK:

    a. Contractor shall comply with all applicable laws and regulations pertaining to operation of the tractor(s) and comply with all laws and regulations including but not limited to maintaining trailers (which are not acquired or obtained from MEADOW

LARK), in good mechanical and working condition as well as performing pre-trip inspections, assuring current licensing, and current annual inspection reports prior to any use.

b. Contractor will keep the tractor(s) connected to trailer(s) (furnished by MEADOW LARK) and secure MEADOW LARK's trailers(s) at all times unless an alternative security arrangement has been made with MEADOW LARK. Contractor shall not use MEADOW LARK's trailer(s) or other equipment for any other than MEADOW LARK's authorized business except as otherwise provided by this Agreement, and shall maintain MEADOW LARK's trailer(s) in good mechanical and working condition. If MEADOW LARK terminates this Agreement for any reason any trailers rented by CONTRACTOR from MEADOW LARK must be returned to a location designated by MEADOW LARK at CONTRACTOR'S expense.

c. Contractor shall be responsible for all operating expenses associated with any POWER ONLY/TOW AWAY shipments. (See Par. 10(d))

d. In the event Contractor rents trailer(s) from MEADOW LARK, its use shall be subject to not only to the terms of this Agreement, but also the terms of and conditions of Trailer Rental Agreement incorporated herein by reference.

16. Payments to Partnerships and Corporations: It is specifically understood and agreed that in the event Contractor is a partnership, MEADOW LARK may make full or partial payment/Settlement(s) to any partner, and each partner holds MEADOW LARK harmless as to disbursement made to any other partner. In the event Contractor is a corporation, MEADOW LARK may make full or partial payments/ Settlement(s) to any individual with apparent authority to bind the corporation and the corporation holds MEADOW LARK harmless as to disbursements made to said individual.

17. Miscellaneous: This Agreement shall be governed by the laws of the State of Montana. The Parties intend to create by this Agreement an independent business relationship of MEADOW LARK and Contractor, and not an employer-employee relationship. Neither Contractor nor its employees are to be considered employees of MEADOW LARK at any time under any circumstances or for any purpose. 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. Except as otherwise provided herein, in event of a material breach hereof by Contractor, Contractor shall be liable to MEADOW LARK for all direct losses, expenses and costs incurred by MEADOW LARK including, but not limited to, reasonable attorney's fees. Contractor acknowledges that its sole relationship with MEADOW LARK is as MEADOW LARK's independent contractor under this Agreement, and that Contractor, by virtue of this Agreement, has no relationship with any third party, including without limitation any subsidiary or affiliate of MEADOW LARK. This Agreement, its exhibits, and documents provided in order to obtain payment constitute the entire Agreement and understanding between the Parties and shall not be modified, altered, changed, or amended in any respect unless in writing and signed by both Parties. Headings are for convenience of Parties only and shall not be considered substantive nor interpretive of meaning of any provisions herein.

18. Waiver: Waiver of any provision of this Agreement shall not be deemed continuing waiver of that provision or any other provision of this Agreement. MEADOW LARK shall, as required by law, provide Contractor with IRS Form 1099. Contractor shall furnish MEADOW LARK with either a tax identification number or social security number.

19. Signed Copies / Keep in Motor Vehicle: The Parties agree to sign an original of this Agreement. MEADOW LARK shall keep the original, and Contractor will be given two (2) copies. One copy shall be placed and carried in each motor vehicle and the Contractor shall keep the remaining copy of this Agreement for his files.

20. Disputes: In the event of a dispute arising out of this Agreement, the Party's sole recourse shall be as follows: (a) The complaining Party shall give the other Party 30 days written notice to "cure" any alleged default and if not "cured," may take any other collection actions it deems appropriate; If the default is not "cured;" (b) for amounts in dispute up to $25,000.00 the complaining Party shall have the right to select arbitration or litigation; and (c) for amounts in dispute which exceed $25,000.00 the complaining Party's sole recourse shall be to binding arbitration. Arbitration proceedings shall be conducted under the rules of the American Arbitration Association (AAA), Transportation ADR Council, Inc. (ADR), or Transportation and Mediation PLLC (TAM), at MEADOW LARK's sole discretion. Upon agreement of the Parties, arbitration proceedings may be conducted outside of the administrative control of the AAA, ADR or TAM. The decision of the arbitrators shall be binding and final and the award of

the arbitrator may be entered as judgment in any court of competent jurisdiction. The prevailing Party(in arbitration or litigation) shall be entitled to recovery of all pre-litigation or arbitration costs, collection costs, and expenses of litigation or arbitration, and reasonable attorney fees, including those incurred pre-litigation and pre-arbitration, as well as those incurred in any litigation or arbitration action, and/or incurred in any action for injunctive relief, or in the event further legal action is taken to enforce the award of arbitrators or judgment in any court. Arbitration proceedings shall be conducted at the offices of the AAA, ADR or TAM in Montana, or such other place as mutually agreed upon in writing or directed by the acting arbitration association. Provided, however, either Party may apply to a court of competent jurisdiction for injunctive relief. Unless preempted or controlled by federal law and regulations, the laws of the State of Montana shall be controlling. This paragraph shall not apply to enforcement of the award of arbitration. Arbitration or litigation proceedings shall be commenced not later than one year after delivery of prior detailed written notice of alleged default or be permanently barred.

21. Confidentiality: Contractor acknowledges that in the performance of this Agreement, Contractor shall obtain certain confidential and proprietary information relating to MEADOW LARK and its business including, but not limited to, the identity of MEADOW LARK's customers and MEADOW LARK's rates and methods of operation. Contractor agrees, and agrees to require its drivers and employees, to regard and preserve as confidential all such information that may be obtained by them and to refrain from directly or indirectly utilizing or disclosing any such information to any third party, except for purposes of performing the Contractor's obligations under this Agreement.

22. Non-Compete: Contractor, on behalf of Contractor and its drivers and employees applicable, agrees that Contractor shall not, at any time, either during or after the termination of this Agreement for any reason, directly or indirectly induce or attempt to induce any of the customers of MEADOW LARK to reduce or terminate its business with MEADOW LARK. Contractor further agree that during the term of this Agreement and for twenty-four (24) months following termination of this Agreement, for any reason, Contractor shall not compete, or solicit, directly or indirectly, either individually or in conjunction with any other person or entity and whether as principal, agent, employee or in any other manner or capacity whatsoever, any customer of MEADOW LARK in routes or lanes which are or were serviced by MEADOW LARK during the term of this Agreement or during the twenty-four (24) months immediately preceding termination hereof, whichever is shorter. Contractor agrees that the requirement of this paragraph is a requirement for MEADOW LARK’s entry into this agreement and the same sufficiently provides consideration for the covenants agreed to by Contractor herein.

23. Non-Solicitation: Contractor, on behalf of Contractor and its drivers and employees as applicable, agrees that Contractor shall not, at any time, either during or after the termination of this Agreement for any reason, directly or indirectly solicit, induce or request or attempt to solicit, induce or request any contractor or employee of MEADOW LARK to end their relationship with MEADOW LARK and/or provide transportation services under a different motor carrier’s authority.

24. Remedies for Breaches to Paragraphs 22, 23 and 24: Contractor acknowledges that the Contractor has carefully read and considered all the terms and conditions of this Agreement, including the obligations and restraints imposed upon the Contractor and its drivers/employees pursuant to this Agreement. Contractor agrees that the obligations and restraints are necessary for the reasonable and proper protection of MEADOW LARK and that each and every one of the obligations and restraints is reasonable in respect to subject matter and length of time. Contractor further acknowledges that were Contractor to breach any of the agreements contained in Paragraphs 22 and 23 of this Agreement, the damage to MEADOW LARK would be irreparable. Therefore, Contractor agree that MEADOW LARK, in addition to any other remedies or relief available to it (including, without limitation, damages at law), shall be entitled to preliminary and permanent injunctive or other equitable relief against any breach or threatened breach by Contractor. The parties further agree that, in the event any provision of Paragraphs 22 and 23 shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time or too great a range of activities, such provision shall be deemed to be modified to permit its enforcement to the maximum extent permitted by law. Reasonable attorney fees shall be awarded to prevailing party, in any action, (including equitable) and including any appellate actions.

25. Electronic Logging Device: MEADOW LARK has supplied Contractor with an Omnitracs e-logging device and scanner, or another electronic logging device as applicable. Upon termination of this Agreement, Contractor is required to return this equipment in

good working order within 15 days to: 2913 Millennium Circle, Billings, MT 59102. MEADOW LARK may take any steps necessary to recover its property and shall be entitled to deduct, and Contractor shall be required to pay $900 from Settlement(s) monies due or to come due to Contractor.

26. Escrowed Funds: Pending final resolutions, the maintenance reserve amounts authorized by this Agreement shall be placed in an escrow account under MEADOW LARK's control, as provided in this paragraph for use as specified in this Agreement or by written agreement by the parties. MEADOW LARK shall periodically or upon request, account to Contractor all such transactions and balances related to any escrowed funds. While the escrowed funds are under control of MEADOW LARK, MEADOW LARK shall pay interest at least quarterly via application to a settlement or via direct payment as applicable. For purpose of calculating the final balance upon which interest shall be paid, MEADOW LARK will deduct a sum equal to the average, if any, made to Contractor during the period of time for which interest is paid. Interest rate shall be established on the date the interest period begins and shall equal the average yield or equivalent coupon issue yield on 91-day, 13 week treasury bills as established in the weekly auction by the U.S. Department of Treasury. Upon termination of this Agreement, any excess escrowed funds arising out of any applicable reserve shall be returned to Contractor within forty-five (45) days via, at MEADOW LARK's discretion, direct payment or as a credit against Contractor's outstanding obligations which may be due the MEADOW LARK pursuant to this Agreement.

27. Interpretation: This Agreement shall be construed, interpreted and enforced in a manner consistent with 49 CFR 376.2, 376.11 and 376.12 and in event of conflict with the terms of this Agreement, the cited regulations shall be controlling.

28. Recitals: The Recitals above are contractual as well as recital.

29. Voluntary Agreement: Contractor acknowledges and agrees that he/she has had sufficient time to carefully review the contents of this Agreement, he/she understands and agrees with the contents hereof, he/she has signed this Agreement as his/her free act and deed, and that he/she has had sufficient opportunity to obtain and consult with his/her own counsel.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

Signed this 1st day of October , 2019

MEADOW LARK TRANSPORT, INC. Agreed

By: _____

Its: Onboarding Department

INDEPENDENT CONTRACTOR

_____

Its: Owner Jeffrey Richard Hensen

EXHIBIT A

Exhibit A to Independent Contractor Operating Agreement Percentage Based Compensation between MEADOW LARK Transport Inc. and Independent Contractor.

1. COMPENSATION

   a. For Van/ Reefer Trailers the following compensation schedule will apply:

      i. 75% of line haul revenue less any charges incurred by MEADOW Lark, not under the control of the Contractor and MEADOW LARK for all loads during the first consecutive 12 months of the Agreement;

      ii. 76% of line haul revenue less any charges incurred by MEADOW Lark, not under the control of the Contractor and MEADOW LARK for all loads during the second consecutive 12 months of the Agreement;

      iii. 77% of line haul revenue less any charges incurred by MEADOW Lark, not under the control of the Contractor and MEADOW LARK for all loads during the third consecutive 12 months of the Agreement;

      iv. 78% of line haul revenue less any charges incurred by MEADOW Lark, not under the control of the Contractor and MEADOW LARK for all loads during the fourth consecutive 12 months of the Agreement;

      v. The one percent per year increase as stated in sub paragraphs a. (i)-(iv) above for Van/ Reefer trailers, may only be earned provided the Contractor has received no CDL moving violations, no warnings or violations in any of the six BASICS categories, defined in Comprehensive Safety Analysis, (CSA 2010), Unsafe Driving, Fatigued Driving, Driver Fitness, Controlled Substances and Alcohol, Vehicle Maintenance and Cargo Related, and has not been involved in any motor vehicle accidents.

      vi. All costs incurred by MEADOW LARK which exceed those referred to above; related to any kind of over-dimensional loads, permits and escorts, which arise out of Contractor error, will be deducted from gross revenue before calculation of line haul revenue for purposes of calculating Contractor's compensation.

   b. For all other trailers the following compensation schedule will apply:

      i. 78% of line haul revenue less any charges incurred by MEADOW Lark, not under the control of the Contractor and MEADOW LARK for all loads during the Agreement;

      ii. For purposes of clarifying the calculation of Contractor's compensation; all costs charged by MEADOW LARK to its shipper customers (or other parties responsible for payment) related to any kind of over dimensional loads, permits, permit ordering fees and escorts, will be deducted from gross revenue before calculation of line haul revenue for purposes of calculating Contractor's compensation.

   c. Annual Permits - Subject to the terms of Section b above; where Contractor has a valid annual permit for transporting over-dimensional loads, and a shipment is transported under the terms of this Agreement through a state in which the permit applies. Contractor will be reimbursed for the permit cost(s) for that shipment(s). Escort costs, if not included in the annual permit fee, will be treated as described in Section b above.

   d. Extra Pick-up or Delivery on Truckload shipments: Contractor shall receive 100% of additional charges for extra pickup or deliveries as long as the charges are entered as additional line items and charged to the customer in LoadMaster. Picking up a pre-loaded trailer from a terminal or dropping a loaded trailer at a terminal is not counted as an extra pickup or delivery. Re-consignments shall be considered the same as an extra stop.

   e. Detention/Truck Ordered Not Used/Layovers - Contractor shall receive 95% of charges for detention, truck ordered not used and layover as long as charges are entered as additional line items and charged to the customer in LoadMaster (MEADOW LARK's Software). If the charges are not approved via rate confirmation then payment to Contractor will not be made unless and until payment from customer has been received.

f. Deadhead - Contractor shall receive 100% of additional charges for deadhead as long as charges are entered as additional line items and charged to the customer in LoadMaster (MEADOW LARK's Software). If the charges are not approved via rate confirmation then payment to Contractor will not be made unless and until payment from customer has been received.

g. Tolls - Contractor shall be reimbursed for tolls following receipt by MEADOW LARK of proof of payment by Contractor as long as charges are entered as additional line items and charged to the customer in LoadMaster (MEADOW LARK's Software). If the charges are not approved via rate confirmation then payment to Contractor will not be made unless and until payment from customer has been received.

h. Driver or Vehicle Inspection & Violations - For every clean Level 1 there must be no violations) $250.00 shall be added to Contractor's Settlement. For every clean Level 2 $75 shall be added to Contractor's Settlement. For every clean Level 3 $50 shall be added to Contractor's Settlement. MEADOW LARK will deduct $250.00 from settlement if any Moving Violations or Hours of Service violations are present. MEADOW LARK will deduct $100 from settlement for any other violations.

2. ADVANCE ADMINISTRATIVE CHARGES

a. Cash advances requested by Contractor, and made by MEADOW LARK at its sole discretion to Contractor, are subject to an administrative charge of 5% or $10 (whichever is greater) for each such advance if deducted from current settlement. If broken out into payments the administrative charge is 15%. This is above and beyond the daily per diem that is available to the Contractor. All applicable fees from Comdata will be charged back to the Contractor. Advances and fees will be deducted from any Settlement(s) due Contractor.

3. FUEL CARDS

a. Fuel purchases MUST be made using the Comdata card furnished by MEADOW LARK. This is a fuel only card and you must swipe your card at the fuel pump, and the transaction time must match your log book entry. Each day you are under dispatch, you will be able to purchase up to 250 gallons of fuel. Fuel purchases and all associated Comdata service fees and administrative services charges will be deducted from any Settlement(s) due Contractor. Replacement Comdata cards are $25.00.

b. While under dispatch, a weekly cash per diem (not to exceed $175) is available to you. The per diem limit is reset every Monday. Per diems, administrative charges and all associated Comdata service fees will be deducted from any Settlement(s) due Contractor.

4. BASE PLATES

a. Contractor may furnish its own base plates, or may elect to use base plates provided by MEADOW LARK. Base plates will be charged and deducted from Contractor Settlement(s) at $50.00 per week per tractor during the term of this Agreement. The maximum amount to be deducted /held at any time is $1,800.00. There is an administrative service charge due MEADOW LARK of 5%. Deductions begin 2 weeks after sign on. If this Agreement is terminated, Contractor must return base plate. Any negative balance on the account will be deducted from final Settlement(s).

[X] YES – plate my tractor at $50 per week per tractor deduction. I have provided my current 2290, title and bill of sale.

[ ] NO – I have provided MEADOW LARK Transport Inc. with a current copy of my base plate registration.

5. OTHER WEEKLY SETTLEMENT DEDUCTIONS

Weekly deductions are due every Monday or the 1st settlement of the week.

a. Trailers – Where applicable, Contractor agrees that trailer rent shall be paid through MEADOW LARK deductions from Settlement(s) to contractor as outlined in a separate trailer rental/lease agreement.

b. Occupational Accident Insurance – MEADOW LARK requires Contractor to have Occupational Accident Insurance. Proof of this coverage must be provided to MEADOW LARK before the completion of the qualification process. You are not required to purchase insurance through MEADOW LARK. If you choose to do so, you will be charged $42.25 per week. The deductions start so that there are funds to pay the next month's premium.

c. Please check below Occupational Accident Insurance premium currently $42.25 weekly (subject to change)

i. Yes [ ] No [X]

d. Non-Trucking Liability Insurance – MEADOW LARK requires Contractor to have Non-Trucking Liability Insurance. Proof of this coverage must be provided to MEADOW LARK before the completion of the qualification process. Where applicable, contractor agrees that the cost and administrative charges for any insurance purchased through MEADOW LARK shall be paid through MEADOW LARK deductions from Settlement(s) to Contractor. You are not required to purchase insurance through MEADOW LARK. If you choose to do so, you will be charged $30.00 per month for Non-Trucking Liability Insurance - taken out in weekly payments. There is an administrative service charge due MEADOW LARK of 5%.

i. Yes [ ] No [X] Non-Trucking Liability Insurance premium currently $30/month (subject to change)

e. Physical Damage Insurance – Where applicable, contractor agrees that the cost and administrative charges for any insurance purchased through MEADOW LARK shall be paid through MEADOW LARK deductions from Settlement(s) to Contractor. You are not required to purchase insurance through MEADOW LARK. Physical Damage Insurance is based on the value of your equipment and will be determined accordingly. There is an administrative service charge due MEADOW LARK of 5%.

Yes [ ] No [X] Physical Damage Insurance / Tractor Value $_____

Yes [ ] No [X] Physical Damage Insurance / Trailer Value $_____

f. Omni equipment- MEADOW LARK will provide Contractor with ELD equipment to satisfy FMCSA requirement. A $450 deposit will be held and taken at $90 a week for 5 weeks. You will be charged $20 per week for Omni services.

g. Maintenance Escrow – This is a fund set up in escrow to help pay for oil changes, preventative maintenance, tires and breakdowns. Deductions start 2 weeks after hire date at $50.00 per week.

h. Fuel and use taxes, as determined by federal and state statutes and related rules and regulations, multi-jurisdictional agreements and MEADOW LARK's computerized mileage systems; Contractor authorizes Meadow Lark to deduct $25.00 per week per tractor from Settlement(s) during the term of this agreement to pay all fuel and use taxes as outlined in Par 12 (f). The maximum amount to be held at any time is $250.00. If fuel and use taxes are more than the current balance in the account, the difference will be deducted from Contractor Settlement(s). When taxes are paid by Meadow Lark, contractor will receive a detailed quarterly report with Settlement.

6. SETTLEMENT OPTIONS

Trips that are scanned and received or emailed to our office by 1:00pm MST on Tuesday will be settled on Thursday and paid on Friday. There are currently 2 options for receipt of settlements, direct deposit or Comdata upload.

[ ] Comdata upload ($2.50 charge deducted from each settlement)

[X] Direct Deposit

7. BONUS PROGRAMS:

Sign on Bonus: Driver will be paid $500.00 at 6 months | $1000.00 to be paid at 12 months | $1500.00 to be paid at 24 months | $2000.00 to be paid at 36 months | Total payout is $5000.00

Driver Referral Bonus: $100 on new drivers 1st dispatch. $200.00 more after 30 days of new driver on with MEADOW LARK. $200.00 more after new driver is on for 60 days. For a total of $500.00 to you for referring the driver. You will receive 20 driver referral cards in your new hire packet to pass out to drivers. Just think, that could be $10,000 extra dollars in your pocket!!!

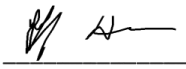
Signed this 1st day of October , 2019

MEADOW LARK TRANSPORT, INC. Agreed

By: _____

Its: Onboarding Department

INDEPENDENT CONTRACTOR



_____

Its: Owner Jeffrey Richard Hensen

Contractor has been provided adequate opportunity to seek advice of counsel of his/her own choice prior to signing this amendment.

EXHIBIT B

TRACTOR

Make:	Model:	Year:
Color:	Serial #:	
Tag #:	Tag State:	
Date of Purchase:	Purchase Price:	
Empty Weight:	Tractor Length:	# of axles:
Tire Size:		

TRAILER

Type of Trailer:		
☐ Flat ☐ Stepdeck ☐ Double Drop ☐ Stretch ☐ Van ☐ Reefer ☐ Other		
Make:	Year:	Serial #:
Tag#:	Tag State:	
Date of Purchase:	Purchase Price:	
Empty Weight:	Trailer Length:	Trailer width:
Trailer Height:	Tandem or Spread Axle:	Tire size:
Overall Length of Tractor and Trailer:		Kingpin Setting:
Back Deck Length:	Height:	
Top Deck Length:	Height:	
If double drop:		
Well Length:	Height:	
# of Axles:		
Axle Spacing:	1 – 2:	2 – 3:
	3 – 4:	4 – 5:
	5 – 6:	6 – 7:

Signed this 1st day of October , 2019

MEADOW LARK TRANSPORT, INC. Agreed

By: _____
Its: Onboarding Department

INDEPENDENT CONTRACTOR

_____
Its: Owner Jeffrey Richard Hensen

TRAILER LEASE

If you need a trailer contact:
Nikki Bessette
Vice President
406-237-0823 Direct
nbessette@meadowlarkco.com
Lease terms can be arranged under separate contract.

DIRECT DEPOSIT FORM

CONTACT INFORMATION

ID:		
Name:		
Address:		
City:	State:	Zip:
Phone:	Cell:	
E-mail:		

AUTHORIZATION AGREEMENT

I hereby authorize MEADOW LARK to initiate automatic deposits to my account at the financial institution named below. I also authorize MEADOW LARK to make withdrawals from this account in the event that a credit entry is made in error.

Further, I agree not to hold MEADOW LARK responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account.

This agreement will remain in effect until MEADOW LARK receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit form to the Payroll Department.

Deposits can take up to two business days from the transmission date to reach your account.

ACCOUNT INFORMATION

Name of Financial Institution:	
Routing Number:	☐ Checking
Account Number:	☐ Savings

SIGNATURE

Authorized Signature:	Date:
**Must be able to make binding agreements for the company.*	

Please attach a voided check and return this form to the Payroll Department.

Electronic: attach a scan (jpeg, tif or pdf) and email to: mltpayables@meadowlarkco.com
FAX: (866) 500-4611
Mail: MEADOW LARK Transport, 2913 Millennium Circle, Billings, MT 59102

SUBSTITUTE W-9

MEADOW LARK Transport
2913 Millennium Circle
Billings, MT 59102
866-736-5233

Under the internal revenue service code, section 6041 (a) a, we are required annually to send you (and the IRS) a 1099 form for reporting payments made to you (unless you are an exempt payee as listed on form W-9). It should be noted that if you fail to furnish us your correct name and TIN, we may be required to withhold and remit to the IRS 29% from all payments we make to you. If you are an individual/sole proprietorship please list company name and the name that is listed on your social security card.

Please check the type of business you have below:

- [ ] Corporation
- [X] Partnership
- [ ] Individual/Sole Proprietorship
- [ ] Other

Federal Taxpayer Identification Number: 46-5435459		
Social Security Number: 217-06-4409		
Individual Name (Individual/Sole Proprietorship): Jeffrey Richard Hensen		
Company Name: Mac G Transport LLC		
Address: 3855 Sanibel St		
City: Clermont	State: FL	Zip: 34711
Phone: 352-988-5772		
User email: macgtransport@gmail.com		
Signature:		
Printed Name: Jeffrey Richard Hensen		
Title: owner		
Date: 10-01-2019		