

ELK LOGISTICS

Corporate Office

P.O. Box 1337, STAUNTON, VA 24402

PLEASE FAX COMPANY INFORMATION BACK TO:

(540) 886-2677

Date: _____

Company: _____

Attention: _____

Phone #: _____

From: _____

Fax #: _____

of Pages: 7 _____

MC Number : _____

DEAR NEW CARRIER:

THANK YOU FOR DOING BUSINESS WITH ELK LOGISTICS

ATTACHED, YOU WILL FIND:

1. **THE BROKER/CARRIER AGREEMENT**
2. **FEDERAL HIGHWAY ADMINISTRATION LICENSE**
3. **INSURANCE SURETY BOND**

PLEASE REVIEW AND IF AGREEABLE, PLEASE COMPLETE THE FOLLOWING FORMS AND RETURN IMMEDIATELY SO THERE WILL NOT BE ANY DELAYS IN DISPATCHING YOUR DRIVER:

1. **BROKER/CARRIER AGREEMENT**
2. **W-9 FORM**

IN ADDITION TO THESE PAGES, PLEASE PROVIDE US WITH THE FOLLOWING REQUIRED ICC ITEMS:

1. **INTERSTATE COMMERCE COMMISSION PERMIT**
2. **CERTIFICATE OF INSURANCE**
3. **STATE CORPORATION REGISTRATION (IF APPLICABLE)**

AGAIN, THANK YOU FOR YOUR PROMPT ATTENTION TO THE MATTER. WE LOOK FORWARD TO WORKING WITH YOU IN THE FUTURE.

**Elk Logistics
Broker / Carrier Agreement**

This agreement, dated for identification _____, is by and between ELK LOGISTICS, (the Broker) and _____ (The Carrier.)

WHEREAS, the broker is a licensed property broker engaged in the business of selling and offering for sale or negotiating transportation in interstate or intrastate commerce over public highways; and

WHEREAS, the carrier is a motor carrier operating in the Interstate and/or intrastate commerce, pursuant to operating authority issued to it by the appropriate authorities or commissions.

THEREFORE, IN CONSIDERATION of the covenants and promises set forth in this agreement, the parties agree as follows:

1. **Term:** The term of this agreement shall be for a period of 12 months and from year to year thereafter, commencing _____, subject to the right of either party to terminate the agreement not less than 30 days written notice by one party to the other.
2. **Performance of Services:** The carrier agrees to transport commodities and perform ancillary services tendered to it by the Carrier in accordance with this agreement. The Carrier shall be responsible to comply at all times during the term of the agreement with all applicable regulations of the STB and DOT.
3. **Rates:** Rates may be established or amended verbally in order to meet specific shipping schedules, as mutually agreed; provided, however, that any verbal establishment of or amendment to rates shall be confirmed immediately by facsimile transmission. The parties further agree to confirm the facsimile by written confirmation sent by mail as soon as possible.
4. **Invoicing:** In all instances, the Broker shall invoice the shipper, and the Carrier shall invoice the Broker. The Broker guarantees payment of the Carrier's invoices. The Broker agrees to pay the Carrier's invoice (at the agreed rates) within 30 days after the Broker's receipt of signed clear delivery receipt and original shipper's bill of lading.
5. **Loss, Damage, or Destruction:** The Carrier shall be liable for all loss, damage or liability occasioned by the Carrier's negligence or intentionally tortious act. The Carrier shall promptly handle and resolve any claims submitted to it by the Broker or directly from a shipper for loss or damage to any of shipper's property transported by the Carrier. Any paperwork revealing evidence of potential claims for loss, damage, destruction, or shortage will result in payment being withheld until the Broker has determined the extent of any claim to be filed.
6. **Insurance:** The Carrier shall furnish written proof of insurance for personal liability, property damage, and cargo damage in amounts not less than the following: a. \$750,000 for personal liability and property damage; and b. \$100,000 for cargo damage. The certificate of insurance to be provided by the Carrier shall contain provision requiring that the Broker be given 30 days written notice prior to the effective date of any cancellation or material change in the policies.
7. **Independent Contractor:** The relationship of the Carrier to the Broker is that of independent contractor, and nothing contained in this agreement shall be construed to be inconsistent with that relationship. The Carrier agrees not to subcontract any portion of its duties pursuant to this agreement.
8. **Reputation of the Carrier:** The Broker shall uphold the good reputation of the Carrier and shall not misrepresent the services and abilities of the Carrier.
9. **Competition:** The Carrier agrees that it will support and protect the Broker's efforts under this agreement by refraining for solicitation of shippers and/or customers which the Broker introduces to the Carrier. The non-competition agreement by the Carrier shall be in effect during the term of the agreement and for a period of 12 months after the termination of the agreement, for whatever reason. In the event of a breach of this non-competition agreement by the Carrier, the Carrier agrees to pay the Broker, as liquidated damages, a commission of 15% of the total freight charges for all shipments tendered to the Carrier from shippers introduced to the Carrier by the Broker.
10. **Indemnification:** The Carrier shall indemnify and hold harmless shipper and the Broker from and against any and all claims, demands, direct and indirect damages, causes of action, liabilities, losses, suits, taxes, penalties, and fines from any source caused by or resulting from the actions or omissions of the Carrier or its agents or employees in providing services under this agreement or in failing to comply with any law or regulation.
11. **Notice:** All notices required or related to this agreement shall be in writing and shall be delivered personally, by facsimile, or sent by the U.S. registered or certified mail, return receipt requested, postage prepaid, addressed to the following facsimile numbers and addresses:

BROKER
ELK LOGISTICS
PO BOX 1337
STAUNTON VA 24402
Phone: 640-886-0021
Fax: 640-886-2677

CARRIER

Name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Fax: _____

** Please complete **

All notices shall be effective on the date of receipt by the party to which it is addressed.

12. Governing Law: This agreement shall be governed by the Commonwealth of Virginia, and any action brought by any party pursuant to this agreement shall be commenced in the courts of the Commonwealth of Virginia, all parties agreeing to submit to jurisdiction of such courts.

WITNESS the following signatures:

*** (Legal name of Carrier)

by its: _____
(title)

Elk Logistics

Michael Hinson, President

Michael Hinson

** Please sign here **

Thank you



U.S. Department of Transportation
Federal Motor Carrier Safety Administration

400 Virginia Avenue, SW, Suite 600
Washington, DC 20024

SERVICE DATE
September 20, 2001

LICENSE
MC-414506-B
ELK TRUCKING, INC
D/B/A ELK LOGISTICS
VERONA, VA

This License is evidence of the applicant's authority to engage in operations, in interstate or foreign commerce, as a broker, arranging for transportation of freight(except household goods) by motor vehicle.

This authority will be effective as long as the broker maintains insurance coverage for the protection of the public (49 CFR 387) and the designation of agents upon whom process may be served (49 CFR 366). The applicant shall also render reasonably continuous and adequate service to the public. Failure to maintain compliance will constitute sufficient grounds for revocation of this authority.

A handwritten signature in cursive script that reads "Terry Shelton".

Terry Shelton, Director
Office of Data Analysis & Information Systems



U.S. DEPARTMENT
OF TRANSPORTATION

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2126-0017. Public reporting for this collection of information is estimated to be approximately 10 minutes per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Motor Carrier Safety Administration, MC-RRA, Washington, D.C. 20590.

Form BMC-85

Approved by OMB

2126-0017

Expires: 05/31/2012

License No.

MC- 414506

FMCSA FILER

ACCOUNT NO. _____

PROPERTY BROKER'S TRUST FUND AGREEMENT UNDER 49 U.S.C. 13906
OR NOTICE OF CANCELLATION OF THE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, That we Elk Trucking, Inc. DBA Elk Logistics
(Broker)

of 25 Middlebrook Ave., P.O. Box 1337, Staunton, VA 24402
(Street) (City) (State) (Zip code)

as TRUSTOR (hereinafter called Trustor), and First Bank & Trust Company
(Name of Trustee)

a financial institution created and existing under the laws of Virginia
(State or District of Columbia)

as TRUSTEE (hereinafter called Trustee) hold and firmly bind ourselves and our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Trustor is or intends to become a Broker pursuant to the provisions of the Title 49 U.S.C. 13904, and the rules and regulations of the Federal Motor Carrier Safety Administration relating to insurance or other security for the protection of motor carriers and shippers, and has elected to file with the Federal Motor Carrier Safety Administration such a Trust Fund Agreement as will ensure financial responsibility and the supplying of transportation subject to the ICC Termination Act of 1995 in accordance with contracts, agreements, or arrangements therefor, and

WHEREAS, this Trust Fund Agreement is written to assure compliance by the Trustor as a licensed Property Broker of Transportation by motor vehicle with 49 U.S.C 13906(b), and the rules and regulations of the Federal Motor Carrier Safety Administration, relating to insurance or other security for the protection of motor carriers or shippers, and shall inure to the benefit of any and all motor carriers or shippers to whom the Trustor may be legally liable for any of the damages herein described.

NOW, THEREFORE, the trustor and trustee, to accomplish the above, agree as follows:

- Trustee agrees that payments made pursuant to the security provided herein to shippers and motor carriers pursuant to this Agreement will be made exclusively and directly to shippers or motor carriers that are parties to contracts, agreements or arrangements with Trustor.
- Trustee agrees that the protection afforded to shippers and motor carriers hereby will continue until any and all claims made by shippers or motor carriers for which Trustor may be legally liable have been settled or until the funds deposited by Trustor pursuant to this Agreement have been exhausted, whichever comes first.
- The parties hereto acknowledge and certify that said Trustee shall exclusively manage the security and trust fund, as herein set forth, and shall have legal title to the security and trust fund, pursuant to the terms and conditions as set forth in this agreement. Further, the parties hereto, and the said Trustee, as evidenced by their signatures to this agreement, acknowledge and certify that (a) said Trustee, neither has nor expects to have any interest, financial, proprietary, or otherwise, whatsoever, in Trustor; and (b) said Trustor, neither has nor expects to have any interest, financial, proprietary, or otherwise, whatsoever, in Trustee.
- Trustee acknowledges the receipt of the sum of Ten Thousand Dollars (\$10,000.00), to be held in trust under the terms and conditions set forth herein.
- Trustee may, within its sole discretion, invest the funds comprising the corpus of this trust fund consistent with its fiduciary obligation under applicable law.
- Trustee shall pay, up to a limit of Ten Thousand Dollars (\$10,000.00), directly to a shipper or motor carrier any sum or sums which Trustee, in good faith, determines that the Trustor has failed to pay and would be held legally liable by reason of Trustor's failure to perform faithfully its contracts, agreements, or arrangements for transportation by authorized motor carriers, made by Trustor while this agreement is in effect, regardless of the financial responsibility or lack thereof, or the solvency or bankruptcy, of Trustor.

7. In the event that the trust fund is drawn upon and the corpus of the trust fund is a sum less than Ten Thousand Dollars (\$10,000.00), Trustor shall, within thirty (30) days, replenish the trust fund up to Ten Thousand Dollars (\$10,000.00) by paying to the Trustee a sum equal to the difference between the existing corpus of the trust fund and Ten Thousand Dollars (\$10,000.00).

8. Trustee shall immediately give written notice to the FMCSA of all lawsuits filed, judgments rendered, and payments made under this trust agreement and of any failure by Trustor to replenish the trust fund as required herein.

9. This agreement may be canceled at any time upon thirty (30) days written notice by the Trustee or Trustor to the FMCSA on the form printed at the bottom of this agreement. The thirty (30) day notice period shall commence upon actual receipt of a copy of the trust fund agreement with the completed notice of cancellation at the FMCSA's Washington, DC office. The Trustee and/or Trustor specifically agrees to file such written notice of cancellation.

10. All sums due the Trustee as a result, directly or indirectly, of the administration of the trust fund under this agreement shall be billed directly to Trustor and in no event shall said sums be paid from the corpus of the trust fund herein established.

11. Trustee shall maintain a record of all financial transactions concerning the Fund, which will be available to Trustor upon request and reasonable notice and to the FMCSA upon request.

12. This agreement shall be governed by the laws in the State of Virginia to the extent not inconsistent with the rules and regulations of the FMCSA.

This trust fund agreement is effective the 26th day of August, 2010 12:01 a.m., standard time at the address of the Trustor as stated herein and shall continue in force until terminated as herein provided.

Trustee shall not be liable for payments of any of the damages hereinbefore described which arise as the result of any contracts, agreements, undertakings, or arrangements made by the Trustor for the supplying of transportation after the cancellation of this Agreement, as herein provided, but such cancellation shall not affect the liability of the Trustee for the payment of any such damages arising as the result of contracts, agreements, or arrangements made by the Trustor for the supplying of transportation prior to the date such cancellation becomes effective.

IN WITNESS WHEREOF, the said Trustor and Trustee have executed this instrument on the 26th day of August, 2010

TRUSTOR	TRUSTEE
Company Name <u>Elk Trucking, Inc. DBA Elk Logistics</u>	Name of Institution <u>First Bank & Trust Company</u>
Address <u>P.O. Box 1337, Staunton, VA 24402</u>	Address <u>P.O. Box 2625, Staunton, VA 24402</u>
Telephone No. <u>540-886-0021</u>	Telephone No. <u>540-213-8001</u>

Michael B Hinson
(Print Name)
Michael B Hinson
(Signature and Title)

Thomas A. Davis
(Print Name)
Thomas A. Davis
(Signature and Title)
 V.P. and Senior (Title) Management Manager

Witness S.M. Jarvis

Witness S.M. Jarvis

Only financial institutions may qualify to act as Trustee. Trustee, by the above signature, certifies that it is a financial institution and has legal authority to assume the obligations of Trustee and the financial ability to discharge them.

NOTICE OF CANCELLATION

THIS IS TO ADVISE THAT THE ABOVE BROKER TRUST FUND AGREEMENT EXECUTED ON THE _____ DAY OF _____ IS HEREBY CANCELED AS SECURITY IN COMPLIANCE WITH THE FMCSA SECURITY REQUIREMENTS UNDER 49 U.S.C. 13906(b) and 49 CFR 387.307, EFFECTIVE AS OF THE _____ DAY OF _____, 12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE TRUSTOR, PROVIDED SUCH DATE IS NOT LESS THAN THIRTY (30) DAYS AFTER THE ACTUAL RECEIPT OF THIS NOTICE BY THE FMCSA.

DATE SIGNED	SIGNATURE OF AUTHORIZED REPRESENTATIVE OF TRUSTEE OR TRUSTOR
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Elk Logistics Inc.

Physical Address

25 Middlebrook Avenue
Staunton VA 24401

Billing Address

P.O. Box 1337
Staunton VA 24402

Telephone Numbers

540-886-0021 (local)
800-818-1874 (toll-free)

Fax Numbers

540-886-2677 (dispatch)
540-886-2678 (accounting)

CREDIT REFERENCES

Morristown Driver's Service
Morristown, TN
800-621-4306

Intertrans
Gordonsville, VA
800-692-7800

First Bank & Trust Company
Staunton, VA
540-885-8000

Rosedale Transport 905-670-
Mississauga ON 0063

Elk Logistics
 PO Box 1337
 Staunton, VA 24402
 (540) 886-0021

COMPANY INFORMATION

Legal name		
Doing Business As (DBA)	1)	2)
Address		
Phone		
Website		
Remit To Address		

CARRIER PROFILE

Standard Carrier Alpha Code (SCAC)	
Motor Carrier Number (MC)	
USDOT Number	

FLEET OVERVIEW

Company Power Units	Company Trailers
Owner-Operator	CPAT Certified
	YES <input type="checkbox"/> NO <input type="checkbox"/>

SAFESTAT SCORES

DRSEA:	VHSEA:	SMSEA:
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OWNERSHIP

Minority <input type="checkbox"/>	Female <input type="checkbox"/>	Disabled <input type="checkbox"/>
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OPERATING AUTHORITY

Common <input type="checkbox"/>	Contract <input type="checkbox"/>	Broker <input type="checkbox"/>
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INSURANCE COVERAGE

Liability <input type="checkbox"/>	Cargo <input type="checkbox"/>	Bond <input type="checkbox"/>
On File: \$	On File: \$	On File: \$

PLEASE PROVIDE POLICY COVERAGE DOCUMENTATION FOR EACH CATEGORY OF INSURANCE HELD.

STATES / PROVINCES SERVICED

AL <input type="checkbox"/>	AK <input type="checkbox"/>	AZ <input type="checkbox"/>	AR <input type="checkbox"/>	CA <input type="checkbox"/>	CO <input type="checkbox"/>	CT <input type="checkbox"/>	DE <input type="checkbox"/>	DC <input type="checkbox"/>	FL <input type="checkbox"/>
GA <input type="checkbox"/>	HI <input type="checkbox"/>	ID <input type="checkbox"/>	IL <input type="checkbox"/>	IN <input type="checkbox"/>	IA <input type="checkbox"/>	KS <input type="checkbox"/>	KY <input type="checkbox"/>	LA <input type="checkbox"/>	ME <input type="checkbox"/>
MD <input type="checkbox"/>	MA <input type="checkbox"/>	MI <input type="checkbox"/>	MN <input type="checkbox"/>	MS <input type="checkbox"/>	MO <input type="checkbox"/>	KM <input type="checkbox"/>	NE <input type="checkbox"/>	NV <input type="checkbox"/>	NH <input type="checkbox"/>
NJ <input type="checkbox"/>	NM <input type="checkbox"/>	NY <input type="checkbox"/>	NC <input type="checkbox"/>	ND <input type="checkbox"/>	OH <input type="checkbox"/>	OK <input type="checkbox"/>	OR <input type="checkbox"/>	PA <input type="checkbox"/>	RI <input type="checkbox"/>
SC <input type="checkbox"/>	SD <input type="checkbox"/>	TN <input type="checkbox"/>	TB <input type="checkbox"/>	UT <input type="checkbox"/>	VE <input type="checkbox"/>	VA <input type="checkbox"/>	WA <input type="checkbox"/>	WV <input type="checkbox"/>	WI <input type="checkbox"/>
WY <input type="checkbox"/>	AB <input type="checkbox"/>	BC <input type="checkbox"/>	MB <input type="checkbox"/>	NB <input type="checkbox"/>	NF <input type="checkbox"/>	NT <input type="checkbox"/>	NS <input type="checkbox"/>	NU <input type="checkbox"/>	ON <input type="checkbox"/>
PE <input type="checkbox"/>	QC <input type="checkbox"/>	SK <input type="checkbox"/>	YT <input type="checkbox"/>						

CATEGORY

DRY VAN <input type="checkbox"/>	Flatbed <input type="checkbox"/>	Haz-Mat <input type="checkbox"/>
REFRIGERATED <input type="checkbox"/>	Bulk Tank <input type="checkbox"/>	LTL <input type="checkbox"/>

SALES CONTACT

Name:		
Phone:		Cell:
Email:		

OPERATIONS CONTACT

Name:		
Phone:		Cell:
Email:		

PLEASE EMAIL OR FAX COMPLETED TO: INFO@ELKLOGISTICS.NET or (540) 886-2677