

JSK Trucking Company Inc
167 Rockbridge Rd SW
Lilburn, GA 30047
770-925-2877
Office.JSKTrucking@gmail.com



CONTRACTOR OPERATING AGREEMENT

This Agreement entered this _____ day of _____, 2022 by between

JSK Trucking Company Inc
167 Rockbridge Rd SW
Lilburn, GA 30047
MC#477951

(Hereinafter referred to as "Carrier) and _____
(Hereinafter referred to as "Contractor")

With the Social Security or Federal Employer Identification Number
SS# _____ EIN# _____

Witnesseth

Whereas, the Contractor is a Lessor/Owner of the following identified vehicle
(hereinafter referred to as "Equipment")

Tractor Make: _____ Year: _____ Vin Number: _____

Trailer Make: _____ Year: _____ Vin Number: _____

Whereas, the Carrier, an Interstate for Hire Common/Contract Motor Carrier, operating under a
Certificate of Public Convenience and Necessity/Permit issued by the federal Highway Administration
(hereinafter referred to as "F.H.A."), wishes to obtain transportation with equipment it does not own
through an agreement with Contractor:

And

Whereas, Contractor is engaged in the business of hauling commodities by motor vehicles pursuant to
contract with common/contract carriers: and

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Whereas, carrier desires to enter into an agreement with Contractor for the hauling of certain commodities which are within Carrier's certified authority and Contractor desires to contract with Carrier for the hauling of such commodities with the motor vehicle equipment described above: and

Whereas, Carrier and Contractor deem it essential to their respective interests to establish and maintain an independent contractor relationship in the execution and performance of this agreement:

Now, therefore, in consideration of the foregoing premises and of the mutual promises contained, the Carrier and the Contractor agree as follows:

1.

Contractor shall furnish to Carrier the Equipment herein above described for the exclusive and continuous use by the carrier for a period commencing with the date of execution of this Agreement. Carrier shall furnish to Contractor for transportation by the Equipment as much traffic as is reasonably possible during the duration of this Agreement. This shall in no way be construed as an agreement by carrier to furnish any specific amount of tonnage for transportation by Contractor at any particular time or to any particular place.

2.

The Carrier shall pay Contractor and make settlements in accordance with the sums specified in the pay schedule attached and made a part of this Agreement. Settlements shall be payable by Carrier to Contractor within fifteen (15) days after receipt of the driver's trip report accompanied by the signed, clear delivery receipt; bill of lading; driver's logs; valid receipts for fuel purchased; cash or check documentation that might subsequently be required by either the Carrier, the Federal Highway Administration, the Department of Transportation or other State or Federal regulatory agency. Carrier specifically agrees to provide to Contractor copies of all rated freight bills for shipments handled by Contractor under this Agreement at the time of settlement. Additionally, the Contractor shall have the right to examine copies of tariffs; and Carrier agrees to provide to Contractor copies of all invoices paid on Contractor's behalf by Carrier, and copies of all claims settled on his behalf at the reasonable request of Contractor,

3.

Deductions from Contractor's compensation or Contractor's special reserve accounts will be made pursuant to the addendum attached and made part of this Agreement. All other deductions will be governed by specific written agreement between the Contractor and the Carrier.

4.

The Carrier shall have exclusive possession, control and use of the Contractor's equipment and shall assume complete responsibility for the operation of the equipment for the duration of the Agreement



as required by the rules and regulations of the Federal Highway Administration, The Department of Transportation or other state or federal regulatory agency.

5.

The Contractor shall have sole direction of the means and manner of the hauling, the pick up and delivery of the commodities, as long as same is in compliance with all state and federal regulations

6.

The Contractor shall determine the number of days per week and hours per day the equipment described above shall be in service. In order that Carrier may make arrangements to meet obligations to shippers and receivers, Contractor agrees, that upon accepting a load, he/she will make a commitment to Carrier as to when he/she will pick up the load and when he will make delivery of the load. Contractor acknowledges that failure to make pick up or failure to make delivery at the time and date so committed subjects Carrier to liability for damages. Contractor therefore agrees to notify Carrier of any delay or variance in meeting the commitment for pick up or delivery of any load. Further, Contractor agrees that upon his failure to notify Carrier of any delay sufficiently in advance to be liable to reimburse Carrier for all direct damages suffered by carrier because of such failure.

7.

The Contractor shall direct in all respects the operations and maintenance of the equipment used in the performance of this Agreement. Under no circumstances shall Contractor be required to purchase, lease, or rent any products, equipment or services from Carrier.

8.

Contractor shall be solely responsible for the direction of his employees, agents and servants, including selecting, hiring, firing, supervising, directing, setting wages, hours, performance standards, attendance requirements and such working conditions as routes, period of service, place of repair, stopping, parking, maintenance and purchase of fuel, equipment parts and accessories. The Carrier shall not be responsible for social security, withholding taxes, unemployment or other payroll taxes, nor for Worker's Compensation insurance, for the contractor nor for contractor's employees, agents, and servants. Contractor shall hold Carrier harmless from any liability arising from the relationship between the Contractor and any of the Contractor's employees, agents, and servants.

9.

If Contractor removes this equipment from service for any reason, Contractor agrees to notify Carrier of the date and time of removal and of the date and time the equipment will be available for service. In the event that Contractor removes this equipment from service for a period in excess of Fifteen (15) consecutive days for a reason other than maintenance or repair of the equipment, Carrier shall have the right to immediately terminate this Agreement.



10.

(A.) The Contractor shall pay all operational and maintenance costs for the equipment described above, including cost of fuel for tractor and trailer empty miles; all permits fees or charges; detention and accessorial services; state license plate and ad valorem taxes; state highway use or mileage taxes; fuel taxes, gross revenue tax and any other third structure taxes; tolls and ferry charges; equipment use fees; and other taxes, fines or fees imposed or assessed against the equipment or the Carrier as a result of any action by the Contractor, his employees, agents and servants; and any unused portions of such items enumerated above.

(B.) Carrier and Contractor agree that the washing of equipment is an important feature of this Agreement. Therefore, Contractor has responsibility for washing and / or payment for the washing of any trailer equipment operated by the Contractor and owned or leased by the Contractor. When the Contractor is utilizing the Carrier's trailer equipment, the Contractor shall be responsible for the washing and/or cost of washing the inside of such equipment.

11.

Carrier acknowledges its legal obligation to maintain insurance coverage for the protection of the public pursuant to Federal Highway Administration regulations under section 40 U.S.C. 10927. Carrier assumes liability for bodily injuries to or death of any person (except Contractor, employees, agents or servants of Contractor) resulting from the use of the equipment described above when being operated in exclusive service of Carrier and while involved in actual transportation or under dispatch orders of Carrier.

(A.) Contractor further agrees to pay the carrier for any expenses, loss or liability incurred by the Carrier relating to or arising out of damage or loss to the persons or properties of others, to the extent of \$ _____ (1000.00) per instance where such loss or damage results from negligence, abuser a preventable accident on the part of the Contractor or Contractor's employees or agents, and such sums may be deducted by Carrier from the settlements with Contractor until such amount is paid in full in a period of time not to exceed twelve (12) months.

12.

The Contractor shall obtain bobtail and deadhead insurance coverage with respect to public liability and property damage in the single limit of (\$ 1000 *) as concerns all equipment hereunder when used in performance of a trip under this Agreement.

13.



The Carrier shall in no way be liable for damage which may occur to the Contractor's equipment, pursuant to rules and regulations of the F.H.A. or other regulatory agency, the Carrier shall maintain at its own expense public liability, property damage and cargo insurance coverage as concerns shippers and the general public. Contractor further agrees to pay Carrier for any expense incurred by the carrier relating to or arising out of damage or loss to Carrier's equipment to the extent of (\$1000 where such loss or damage results from negligence, abuse, or a chargeable accident on the part of the Contractor or Contractor's employee or agent. Contractor hereby authorizes Carrier to deduct any sums due Carrier under the terms of this paragraph from the settlements with Contractor until such amount is paid in full.

14.

The Contractor shall be responsible and liable to the Carrier and agrees to pay for all shortage, damage or loss, including theft of Carrier's cargo when such shortage, damage or loss is caused directly or indirectly by a preventable accident or the negligent acts of Contractor or Contractor's employees or agents, except that Contractor's liability shall be limited to the amount of \$ _____ (1000.00) per occurrence.

Contractor hereby authorizes Carrier to deduct any sums due Carrier under the terms of this paragraph from the settlements with Contractor until such amount is paid in full. The Contractor shall be responsible and liable to Carrier for any and all shortage, unauthorized or illegal act of Contractor, Contractor's employees or agents, including, but not limited to, acts of sabotage, theft, wrongful taking or wrongful refusal to surrender cargo.

(A.) Carrier is authorized by Contractor to act as agent for the Contractor, and, in its sole discretion, may settle claims with shippers whereby settlement shall be binding upon Contractor as to the amount of any loss sustained by reason of Contractor's responsibility as otherwise provided in this Agreement.

15.

In any event were the Contractor or Contractor's authorized employee, or agent has secured an advance of funds of any kind from the Carrier, or if there shall be any other amounts due to the Carrier from the Contractor or Contractor's authorized employees or agents, the Carrier shall be authorized to deduct the amount of such advanced funds from the Contractor in settling with the Contractor under the terms of this Agreement. Contractor further agrees to refund to the Carrier any and all overpayments made by the Carrier to the Contractor, Contractor's agents, assignees or designates by the reason of customer overcharge, refunds or adjustments, clerical errors, unknown loss or damage claims or any other reason whatsoever.

The Carrier shall have a period of forty-five (45) days after the termination of this Agreement to verify the account of the Contractor as to money owed the Contractor and to make appropriate deductions, as provided for elsewhere in this agreement before final settlement. Notwithstanding any of the above or foregoing, this Agreement shall not be considered terminated for final settlement purposes until disposition by Carrier of all claims or charges against Contractor, whether existing or potential.



16.

If for any reason, Contractor shall fail to complete transportation of commodities in transit, or abandon a shipment or otherwise subjects Carrier to damage or loss because of acts or omissions of Contractor enroute, Contractor expressly agrees that Carrier shall have the right to complete performance using the same or other equipment, and hold Contractor liable for the cost thereof and for any other damages. Contractor hereby waives any recourse against Carrier for such action and agrees to reimburse Carrier for any costs and expenses arising out of such completion of such trip, and to pay to Carrier any damages for which Carrier may be held liable to shipper arising out of such breach of contract by Contractor.

17.

Carrier will provide at Contractor's expense all identification required by any governmental agencies to be affixed to equipment and Contractor agrees that such identification shall be placed on the equipment in the manner and location specified by Carrier and shall be removed and returned to Carrier upon termination of this Agreement. Contractor agrees that if such identification is not removed upon termination of this Agreement by Contractor, then Carrier shall have the right to effect such removal. Contractor agrees to hold Carrier harmless for such removal.

18.

Upon termination of this Agreement, Contractor shall be responsible for returning to Carrier the trailer assigned to the Contractor by the Carrier. The trailer shall be returned to the designated terminal, unless a different location is agreed upon by the Carrier and Contractor. Contractor shall be responsible to Carrier for all costs incurred for returning the trailer in the event Contractor fails to return the trailer to the terminal or other agreed upon location. In the event the Contractor fails to relinquish possession of the trailer upon the termination of this Agreement, he will be further liable to Carrier in the amount of Three Hundred Dollars (\$300.00) per day for each day the trailer is held in the constructive or physical possession of Contractor as well as all costs of recovery, including attorney's fees.

19.

As required by the Federal Highway Administration lease and interchange regulations, this Agreement shall continue in effect for a period of thirty (30) days from the date written above, and thereafter continuously unless canceled by either party by ten (10) days notice given in writing. Carrier may terminate this Agreement at any time, without prior notice in the event that Contractor:

- A. Has breached this Agreement;
- B. Is in default with respect to any indebtedness to the Carrier;
- C. Has an unsatisfactory safety or service performance record; or
- D. Has furnished Carrier false or misleading information or documents.



20.

It is distinctly understood and agreed that Contractor in providing services hereunder shall provide at his expense proper fuel for the operation of any mechanical refrigeration unit affixed to any trailer which, from time to time, Contractor may utilize in performance of this Agreement.

21.

The Contractor is responsible for Worker's Compensation Insurance and / or occupational disability coverage for himself, his agents, employees and servants.

22.

Any services performed by Carrier on behalf of Contractor including loading, unloading, spotting of trailers, pickup and delivery of freight will constitute and advance on the Contractor's settlement. Any supplies or equipment provided by the Carrier to Contractor along with cash advanced to the Contractor will be treated as an advance on the Contractor's settlement. All advances thus defined shall be deducted from moneys due the Contractor on a current basis.

23.

Contractor agrees to assume complete responsibility for and shall indemnify and hold harmless the Carrier against any and all damages for which the Carrier might become liable resulting from any breach of the terms of this Agreement or unauthorized operations including, but not limited to, bobtail or empty operations or private business.

24.

Contractor is completely responsible for the collection of freight charges when that freight is delivered on a Cash/Collect basis of "Collect on Delivery" basis. Contractor agrees to indemnify the Carrier and hold Carrier harmless from any loss arising out of any act or omission of Contractor with respect to the collection of "Collect Freight or C.O.D. moneys or their equivalent.

25.

Subject to the foregoing and the limitation of liability contained in this Agreement, in the event either party commits a material breach of any term of this Agreement, the other party shall have the right to terminate this Agreement immediately and hold the party committing the breach liable for damages to the extent permitted by this Agreement. The actual or constructive waiver of such right shall in no way be construed as condoning such breach.

26.

Upon termination or cancellation of this Agreement by either party, Contractor agrees to return to Carrier the following items with the full understanding that any final payment is contingent upon the receipt by the Carrier of all items listed.

- A. All placards, door signs and identification numbers supplied by Carrier.

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- B. Proof of Single State Registration assigned to the Carrier.
- C. All state and federal licenses, cab cards, permits, authorities and proof of insurance furnished by the Carrier.

27.
Compensation Agreement

The Carrier shall pay Contractor 88% of gross revenue.

Carrier Signature: _____ Date: _____

Contractor Signature: _____ Date: _____