



Motor Carrier Packet Cover Sheet

*This Document is Updated: 6/9/09
Supersedes Document Dated: 4/7/06*

- I. Completely fill out each page of our **Motor Carrier Agreement**, sign, and fax back.
- II. Have your insurance company add us as a **certificate holder** on your policy, and fax over cargo and auto liability documents with the following amounts:
 - a. **Automobile Liability Insurance** covering injuries, accidental death and property damage in the amount of \$1,000,000.00 per occurrence.
 - b. **Cargo Insurance** in the amount of \$100,000.00 per occurrence. **Also, please have your insurance company fax to AFN® the portion(s) of your Cargo insurance policy that describe the commodities that are excluded from coverage.**
 - c. **Proof of Worker's Compensation**
 - d. **Employers Liability Insurance** in the amount of \$500,000.00 or other applicable legal amount.
 - e. **General Liability Insurance** covering injuries, accidental death and property damage in the amount of \$1,000,000.00 per occurrence.
- III. Fill out & fax back **W-9** or appropriate tax form including your tax ID # and organization type.
- IV. Fax a copy of your **Motor Carrier Authority** from the DOT.
- V. Completely fill out and fax back a copy of our **Motor Carrier Profile** sheet.



Motor Carrier Agreement

This Document is Updated: 6/16/09

Supersedes Document Dated: 7/3/07

This MOTOR CARRIER AGREEMENT (“the Agreement”) is made, entered into, and effective this ___ day of _____, 20___ at Niles, Illinois, by and between the following Parties: AFN®, LLC., an Illinois Limited Liability Company with its main headquarters located at 7230 N. Caldwell Ave., Niles, IL 60714, (“AFN®”) and _____, with its principal place of business located at _____ and MC # _____ (“Carrier”).

A. AFN®, a Freight Broker, and Carrier, a motor carrier, do hereby consent and decree that they have the necessary capacity and authority to enter into this Agreement for motor carrier services pursuant to 49 U.S.C. 14101(b). Carrier is strictly forbidden from (i) “Double Brokering” AFN® loads, which means using another Carrier, Broker or Transportation Service Provider to move any freight on behalf of AFN®; and (ii) using “Substituted Service” of any kind (i.e. rail, barge, etc.) without AFN®’s express written consent. If Carrier violates the Double Brokering or Substituted Service provisions, then Carrier shall pay and AFN® shall be entitled to receive as liquidated damages (and not as a penalty) the sum of \$500 per each load double brokered or transported using substituted service plus any and all costs and attorneys fees expended to resolve any claim or dispute associated with the enforcement of this provision. If Carrier double brokers AFN®’s loads or utilizes Substitute Service, with or without express written consent, Carrier shall remain fully liable for any and all cargo claims to the same extent Carrier would be liable if it performed the transportation directly. Carrier is strictly forbidden from “Back Soliciting”, or contacting any AFN® customer that was first introduced to Carrier by AFN® in order to transact business of any type, while Carrier is doing business with AFN® and for a period of one year following termination of such relationship between Carrier and AFN®. If Carrier breaches this Back Solicitation provision, Carrier shall pay and AFN® shall be entitled to receive as liquidated damages (and not as a penalty) twenty-five percent (25%) of all revenues earned by Carrier for each AFN® customer it solicited, and said liquidated damages shall be paid by Carrier on a monthly basis for a period of two years after the date of the breach; in addition, Carrier shall be liable for any and all costs and attorney fees expended by AFN® to enforce this provision.

B. No volume commitment is intended to be inserted into this Agreement as consideration and Carrier is free to decline any load tendered to it by AFN®. As and for its consideration, AFN® agrees to pay Carrier a negotiated rate for each shipment tendered to Carrier under this Agreement. As and for its consideration, Carrier agrees to pick up and deliver shipments according to the unique and special needs of AFN® or its customers. The terms of each shipment accepted by Carrier hereunder, including the applicable negotiated rate and the unique and special needs for each shipment, shall be evidenced by a separate and unique Rate Confirmation Sheet issued and signed by an authorized representative of AFN®, which shall be considered a part of this Agreement and binding on both Parties. Written authorization by Carrier is not needed to bind Carrier to the terms of the Rate Confirmation Sheet, rather Carrier’s acceptance of the terms and conditions of the Rate Confirmation Sheet shall be evidenced by Carrier’s full or partial performance (i.e., picking up the load, attempting delivery, etc.).

C. Carrier acknowledges and agrees to collect any and all of its freight charges arising under this Agreement from AFN®, and AFN® only. Carrier hereby waives any and all rights it may have under any statute (state and federal), contract, case law (common law) or treaty to collect or attempt to collect any freight charges from any party other than AFN®, which arise out of this Agreement. Any breach of this provision by Carrier may result in incidental and consequential damages to AFN® for which Carrier shall be fully responsible. Carrier also agrees to be fully responsible for paying the freight charges, wages, etc. to any of its drivers or leased-on owner operators, and shall fully indemnify AFN®, its customers, consignors or consignees from any and all claims by said drivers or owner operators for non-payment.

D. AFN® agrees to pay Carrier all agreed-upon, uncontested freight charges within 30 days of receipt of Carrier’s Freight Bill. No interest, penalties or loss of discounts, or any other late charge shall be allowed for any late payments or past due amounts. Any charges for detention, reconsignment, spotting of trailers, or any other type of “Accessorial Fee” must be agreed upon and authorized by AFN® in writing, signed by both Parties, before such charge shall take effect. Carrier must also, within 24 hours after delivery, request authorization and supply AFN® with all supporting documentation related to said charges. AFN® will then issue an updated Rate Confirmation Sheet reflecting the line haul charge and any additional Accessorial Fee. If the foregoing procedures are not adhered to, then the initial line haul rate shall apply and no Accessorial Fees will be honored by AFN®.

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E. Carrier hereby acknowledges and agrees that it is at AFN®'s sole and exclusive discretion to withhold payment in full or any portion thereof due to Carrier, if Carrier fails to meet or strictly abide by the terms and conditions of this Agreement or any Rate Confirmation Sheet. Events under which AFN® may withhold full or partial payment to Carrier include, but are not limited to, missed or delayed pick-up appointments or delivery dates, failure to comply with shipping instructions, failure to provide proof of delivery, failure to provide a clear and legible bill of lading, failure to provide receipts for any lumper or unloading fees, or shipments where there is a cargo loss or damage claim, a breach of the Double Brokering or Back Solicitation provisions. Carrier acknowledges and agrees that its failure to pick up a load that it agreed to accept does not relieve Carrier from liability as defined herein. Any claim for nonpayment, underpayment, or undercharges must be presented to AFN® within 180 days from the date the freight was delivered. Carrier hereby waives any rights it has to payment for freight charges arising under this Agreement, should Carrier fail to present AFN® with an invoice or written request for payment within 180 days from the date the freight was delivered. Carrier must bring a civil action to recover charges for transportation or service provided by Carrier within 18 months from date of shipment. AFN® must present all overcharge claims to Carrier within 180 days from the date AFN® receives Carrier's Freight Bill, except that claims for unidentified or duplicate payments may be presented at any time. AFN® must bring a civil action to recover overcharges, unidentified payments, or duplicate payments within 18 months from the date AFN® receives a written declination of its claim from Carrier.

F. Carrier, its agents and/or employees shall at all times be considered independent contractors. Carrier is solely and exclusively responsible for the direction, control and supervision of its business including its agents and/or employees. Carrier represents and warrants that it has the proper licenses, insurance, and working equipment to pick up and deliver all freight tendered hereunder. Carrier hereby assumes all liability, as a motor common carrier and subject to 49 U.S.C. 14706, for loss or damage to any cargo; injury, death or damage to persons or property while such cargo is in Carrier's custody or control or while Carrier is performing any act or obligation under this Agreement. Carrier agrees to indemnify, defend, and hold harmless AFN® and its customers for any and all penalties, charge backs, damages, claims, injuries, suits, etc., caused by Carrier's actions or inactions as it relates to the performance of the services defined herein. Carrier shall not be liable for any loss or damage to cargo caused by Act of God, Public Enemy, Authority of Law, Negligence of the Shipper, Inherent Vice of the Goods, and where Carrier is free from negligence; whereas it is understood that Carrier shall bear the burden of proving freedom from negligence. The measure of damages for any loss of or damage to cargo shall be (i) for goods sold to a customer, the invoice price to the customer; or (ii) for goods not sold to a customer, the destination market value of the goods. Any attempts by Carrier to limit its liability by tariff or other provisions incorporated by reference in a bill of lading or shipping document shall be deemed null and void. Carrier shall not dispose of any product or commodity or take any product for salvage without the express written consent of AFN®. Should Carrier violate the preceding provision, Carrier shall be liable for the full actual loss of the product and no salvage credit will be allotted to Carrier. AFN® or its customer shall submit all cargo claims to Carrier within 9 months from the date of delivery or scheduled delivery. Carrier must acknowledge all claims in writing within 30 days of receipt and such acknowledgement shall be sent to the party submitting the claim. Carrier must pay, decline, or offer settlement on all claims within 60 days of the filing of the claim against Carrier. Failure by Carrier's insurance provider to cover the loss does not relieve Carrier from liability herein. AFN® reserves the right to offset any freight bill due and owing to Carrier by the amount of any outstanding claim(s) where Carrier fails to respond to or pay said claim. Any action to recover a cargo claim must be commenced within two years and one day from the date the party submitting the claim receives a written declination of the claim from Carrier.

G. Carrier shall maintain at all times while this Agreement is in force, insurance in the following types and amounts: Auto Liability up to the statutory amount or higher (in no case less than \$1,000,000) per occurrence for death, bodily injury and damage to persons or property. Cargo Insurance in amount of not less than \$100,000 per occurrence. Worker's Compensation Insurance based on statutory requirements. AFN® must be notified at least 30 days before any cancellation or material changes to Carrier's insurance policies.

Initial after reviewing
and continue to page 3

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H. A Bill of Lading or receipt shall be issued either by Carrier or another party for all shipments hereunder. To the extent the terms or conditions of the Bill of Lading or receipt conflict with this Agreement, then the terms and conditions of this Agreement shall prevail. Carrier may not place a lien on any of the goods in its possession tendered under this Agreement. Carrier hereby waives all rights it may have at equity or by law to place liens on any goods in its possession tendered hereunder.

I. The term of this Agreement shall be for one year from the above effective date. This Agreement shall automatically renew for successive one year periods, unless otherwise terminated. Either party may cancel this Agreement at any time by providing 30 days advance written notice to the non-canceling party. This Agreement will automatically terminate upon the material breach of any of the terms and conditions contained herein.

J. This Agreement is binding on both Parties and shall supersede and negate any and all previous agreements between the Parties. The terms of this Agreement or any subsequent document prepared by AFN® (such as the Rate Confirmation Sheet or the Cargo Claim Form) may not be amended unless agreed to in writing by AFN®. AFN® reserves the exclusive right to update and modify this Agreement at anytime, and such modifications shall be deemed accepted when signed by Carrier. The Parties agree that the terms of this Agreement, including the pricing and compensation for services hereunder, are confidential; and further agree that they will not reveal or disclose to any other party the terms of this Agreement, the agreed-upon pricing, or any other detail of the Parties' business relationship, except as required by law and only then with as much advance written notice to the other party as possible. The Parties agree that this Agreement shall be construed and governed exclusively under the laws of the State of Illinois, and further agree that all disputes arising under this Agreement must be submitted to the State or Federal Courts within Illinois, except AFN® or any other claimant shall have the option of commencing actions to recover cargo claims under Section F above in such other jurisdiction as may be permitted under 49 U.S.C. 14706. Should a court find any of the provisions contained herein unenforceable, the court may strike out those unenforceable provisions and the remaining provisions shall be kept intact.

By: _____

Authorized Agent for AFN®

By: _____

Authorized Agent for Carrier

Date: _____

Date: _____

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Request for Taxpayer Identification Number and Certification

**Give form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
or
Employer identification number

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

Dear Accounts Receivable Representative,

AFN[®] has been making some improvements to its Accounts Payable department to increase the options available for you to receive payments from us. This letter describes those options and offers you the opportunity to update your payment preference with AFN[®]. After reviewing this sheet, please fill out the following sheet to update our records. The following is a list of our new and improved services:

Standard Pay – No Charge

EFT Payment: AFN[®] offers Electronic Fund Transfer (EFT) payments at no charge. This option will prevent checks from being lost or improperly endorsed. EFT Payment is simple to set up. This is the recommended choice if you are going to use a standard pay option. All you need to do is to fill out the attached sheet stating you would like this option and the included fields. It will take us approximately two days to get your bank set up. AFN[®] will then pay all of your bills w/in your terms while you greatly reduce the risk of cash-flow issues. EFT is offered only to accounts in US banks.

Standard Mail: AFN[®] will pay your bills within your terms. Please note that this carries many cash flow risks. With the new Patriot Act we have been experiencing checks being returned for bad endorsements. We have had many carriers call us to complain that they are stamping the checks the same now as they have been for years and now they are getting returned. Please take this into account when you make your decision.

Speedy Pay – See Fee Associated With Each Option:

The following options describe in detail your options for getting paid immediately. Those of you who currently factor our invoices should compare our prices with those of your factor. We are certain that this is a much more cost effective method to increase your cash flow and it allows you to have 100% of the money which is due to you immediately rather than a portion.

Speedy Comcheck (2%): AFN[®] offers payment in full via comcheck as soon as we receive a legible faxed copy of your invoice along with the bills of lading and all appropriate back up. Please mark the area requesting this option and fax the form back to 224-515-7104. All future invoices should also be sent to this number.

Speedy EFT (1.5%): AFN[®] offers payment in full deposited directly into your account within 2 days of your faxing us your bills. Invoices must be received by 1pm in order to assure payment can go out that day. Please mark the area requesting this option and fax the form back to 224-515-7104. All future invoices should also be sent to this number. EFT is offered only to accounts in US banks.

Please note that the first payment issued by AFN[®] to any carrier will be issued on a standard paper check Net 21 calculated from invoice date. After this initial check has been cashed your selected payment terms will be put into effect.

Sincerely,

Chad P. McGinn
CFO
AFN[®], LLC
cmcginn@afnww.com
866-766-8348

