

# CONTRACT FOR TRUCKING SERVICE

THIS CONTRACT, made and entered into this 1 day of JANUARY, 2022 by and between Stericycle, Inc., ("Stericycle" or "Shipper"), and Ludtke Pacific LLC, ("Carrier").

Shipper requires transportation services, including the use of motorized carriers, in its operations, in order to meet its distinct needs and the distinct needs of its customers. Carrier is engaged as a third party transportation services provider in the business of arranging and providing for the transportation of property for compensation and has agreed to provide such services to Shipper on the terms and conditions hereinafter set forth.

ACCORDINGLY, Shipper and Carrier agree, as follows:

## General Provisions

This Agreement provides for specified services under the specified rates and conditions set forth herein, which may include motor carriage or such other transportation services agreed upon by the parties. Carrier agrees to provide freight transportation and other services in the jurisdictions specified by Shipper, and Shipper agrees to pay for such services and fulfill its other obligations, in accordance with the provisions of this Agreement. Shipper retains the right to ship freight via other providers of transportation services, and Carrier retains the right to serve other shippers. Unless otherwise agreed, for LTL (less than truckload) shipments, Shipper's freight may be commingled in Carrier's equipment with the freight of other shippers. For any other shipments, Shipper's freight may not be commingled in Carrier's equipment with the freight of other shippers.

### I. Carrier's Obligations:

- (a) Shipper or its authorized representatives shall issue a shipping paper (manifest), bill of lading or freight bill for each shipment, and the terms therein are to be incorporated herein, except to the extent that such terms are contrary to the provisions of this Contract. In the event of any such conflict, the terms of this Contract shall prevail. Carrier shall retain manifests, bills of lading and delivery receipts for a period of at least four (4) years.
- (b) Carrier shall receive from Shipper such quantities of freight as may be tendered for transportation in Shipper's trailers or containers as shown in the Attached Schedule of Charges. Carrier shall provide required transportation equipment to efficiently transport Shipper's freight in compliance with all applicable laws and regulations.
- (c) Carrier shall transport and carry said freight without delay caused by anything within Carrier's control, either via dedicated units of equipment and/or via special transportation services and arrangements, to meet Shipper's distinct needs, as they may be communicated to Carrier from time to time during the term of this Contract. These needs include, but are not limited to, rate and service flexibility and confidentiality of shipment and rate information and information regarding Shipper's customers.
- (d) Carrier agrees to bear the risk of loss, damage or injury to Shipper's property from the time Carrier acknowledges acceptance of such shipment in writing at Shipper's facility or other shipment location designated by Shipper, until the shipment is received at the ultimate destination set forth in the bill of lading. Notwithstanding the foregoing, Carrier shall not be liable for any loss, damage, injury or delay arising out of or resulting from public enemy, authority of law, defects in property, riots, or any other cause beyond Carrier's control.

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- (e) Upon request by Shipper, Carrier will secure delivery appointments for consignees and deliver at such scheduled times. Upon request, Carrier shall report to Shipper the appointment times and delivery times within 24 hours of delivery. Carrier agrees to perform expedited service on specified shipments as directed by Shipper. In the event that the consignment or parts of the consignment has been refused by the consignee, or Carrier is unable to deliver the consignment or parts of the consignment for any reason, Carrier shall immediately notify Shipper by telephone or other electronic communication system in accordance with the instructions for notification given on the face of the bill of lading to request disposition instructions. Said notice shall be confirmed in writing by Carrier, stating the time and date that free time shall expire and the storage charges to be applicable upon expiration of free time. If Shipper's freight or cargo is to be delivered by Carrier to a disposal site, Carrier shall make such delivery only to properly approved disposal sites for the type of material being transported for disposal.
  - (f) Carrier shall obtain all receipts for merchandise required by Shipper. At the request of Shipper, Carrier agrees to provide copies of same to Shipper in sufficient detail to substantiate billing for the services provided. Carrier shall retain such records for three years after delivery of the involved shipments or for such greater period of time as may be required by Federal or State laws, rules, or regulations.
  - (g) Carrier shall assume full responsibility for all State and Federal taxes and assessments arising out of the transportation services provided herein.
  - (h) Carrier shall maintain a copy of this Contract at its primary place of business for three years after the expiration of this Contract.
  - (i) Carrier shall have Stericycle-approved and inventoried spill kits on each vehicle at all times while transporting freight for Shipper.
  - (j) Carrier will mark, label and/or placard equipment according to all Local, State and Federal laws.
  - (k) Carrier shall possess the required Federal, State and local permits to haul all freight tendered to it by Shipper and shall maintain all permits necessary for the transportation of such freight, and shall furnish to Shipper copies or other evidence of such permits upon reasonable request.
  - (l) Carrier agrees to comply with all rules and regulations established by the Interstate Commerce Commission and other Federal or state agencies having jurisdiction over the Transportation Services to be performed hereunder, and shall maintain a satisfactory safety rating with the Department of Transportation.
  - (m) Carrier shall provide documentation of Carrier's participation in a random DOT drug and alcohol pool.
  - (n) Carrier shall be responsible for payment of Hep B vaccinations if Carrier's drivers accept the vaccinations; If Carrier's drivers do not accept the vaccinations, Carrier shall obtain and maintain an appropriate Declination Statement.
  - (o) Carrier shall be responsible for the payment of all training required prior to operating/transporting Stericycle equipment. Training will be conducted by Stericycle employees.
  - (p) Carrier shall provide Shipper with a current copy of the Carrier's Hazardous Materials Registration and a current copy of the Carrier's MCS 90 and/or MCS 82.
  - (q) Carrier represents that it has a current registration with the United States Department of Transportation as a freight carrier and also has all other licenses and registrations required by law for services hereunder. Carrier agrees that, with respect to its operations, equipment and personnel, it shall comply with all applicable Federal and State laws and regulations, including without limitation

all requirements of the Surface Transportation Board, Department of Transportation, Transportation Security Administration and any other agency having jurisdiction over the transportation of shipments and other services hereunder. In the event that new laws or regulations or changes in existing laws or regulations take effect during the term of this Agreement, Carrier will comply with such laws and regulations, and will place particular emphasis on meeting or exceeding laws and regulations dealing with safety and security. Carrier will maintain a DOT safety rating of Satisfactory or the equivalent of such rating under any changed DOT rating system. Carrier will advise Shipper IMMEDIATELY if its safety rating falls below the required status, or if it is found by DOT to be marginal or unfit, or is the subject of an Onsite Comprehensive Investigation, a Notice of Claim, or Operations Out of Service Order. In such event, Shipper may immediately suspend or terminate this Agreement without further liability.

## 2. Independent Contractor:

Carrier and Shipper agree that employees of Carrier, in performing services hereunder, shall be and remain exclusively the employees of Carrier and shall not, for any purpose, be considered employees of Shipper. Shipper shall not be responsible for any act or omission of said employees. Carrier shall in no event be considered an employee or agent of Shipper, but, on the contrary, shall be deemed and treated as an independent contractor of Shipper. Carrier shall be fully responsible for payment of all taxes for unemployment insurance, old age pensions or under any social security law or laws, and any other payments made to any of its employees, as to all employees engaged in the performance of this Agreement; and, Carrier shall indemnify and save harmless Shipper, its successors and assigns, from and against all liability by reason of Carrier's failure to do so. If Carrier makes use of third parties, i.e., agents, servants, and/or Carriers as sub-contractors (hereinafter referred to as subcontractors), Shipper has the right to reject any individual subcontractor(s) and Carrier undertakes to ensure that such sub-contractors perform their obligations in compliance with the provisions of this Agreement and all appendices. This undertaking includes the implementation of appropriate control and monitoring methods. Any appointment of sub-contractors does not release Carrier from its undertakings and obligations resulting from this Agreement and in any event Carrier remains to be fully responsible in the performance of its obligations hereunder.

It is the intention of the parties that the Carrier shall be an independent contractor for Shipper. The Carrier is responsible for supervision of its own employees, payment of salaries for its employees, payment of worker's compensation and other insurance premiums and all pertinent taxes for its own employees.

## 3. Loss, Damage and Delay

Notice of Loss or Damage. Carrier shall notify Shipper within 24 hours after having knowledge of overages, shortages, or damage to or loss of products or goods Carrier handles for Shipper. Carrier shall return overages to Shipper, rather than salvaging them, and will contact Shipper for instructions as to delivery thereof. Carrier shall have no lien on goods tendered hereunder but shall be given full credit for return of overages. Damaged goods may only be returned to Shipper if expressly agreed to by Shipper.

Notice of Delays. In the event of delay in the carriage of Shipper's freight, Carrier shall, at its expense, forthwith advise Shipper, giving an estimate of the delay in delivery anticipated. If the delay is due to equipment failure, Carrier shall promptly take steps to reload the freight in replacement equipment. Delay in delivery shall be deemed to occur when the goods are not delivered on the delivery date or when, failing an agreed time-limit, the actual duration of the services having regard to the circumstances of the case, and in particular, in the case of partial loads, the time required for making up a complete load in the normal way, exceeds the time it would be reasonable to allow a diligent carrier. Timely delivery is of the essence of this Agreement.

4. **Indemnification by Carrier**

Carrier agrees that it shall protect, defend, indemnify and hold harmless Shipper, from and against all liabilities, losses, costs, damages, expenses, claims, attorneys' fees and disbursements of any kind or of any nature whatsoever imposed upon Shipper, whether incurred directly or indirectly by Shipper, by virtue of, or in connection with, or arising out of any:

- (a) failure of Carrier to maintain appropriate licenses to carry out the purposes of this Contract, resulting in the inability to, among other things, ship freight for Shipper;
- (b) claims made by any employees or agents of Carrier or by any operations of Carrier related to Carrier's provisions of Transportation Services to Shipper under the terms of this Contract, including any claim by Carrier personnel that they are Shipper employees for any purpose;
- (c) claims arising from the negligence of Carrier in performing Transportation Services pursuant to the terms of this Contract; or
- (d) other claims arising directly or indirectly out of the transportation of freight on behalf of Shipper by Carrier, including but not limited to claims arising from accidents involving equipment used to transport freight.

The foregoing indemnities shall not apply to the extent that such liability arises from or as a result of any negligent act or omission of Shipper.

5. **Insurance**

- (a) Carrier agrees, at all times during the term of this Agreement, to carry and keep in force public liability, property damage, personal injury and other insurance under such terms as will meet the requirements of this Agreement and of all laws and applicable governmental bodies and agencies. Proof of such insurance shall be provided by Carrier to Shipper on an annual basis and Carrier shall notify Shipper immediately in the event the insurance coverage is reduced or canceled. All such insurance shall include Shipper as an additional insured, certificate holder and loss payee (cargo liability only) and Carrier will provide a waiver of subrogation in favor of Shipper for such insurance. In any event, such insurance shall be maintained in amounts of not less than the following:

	Per Statutory Requirements
Workers' Compensation	
Employer's Liability	\$500,000
Public Liability and Property Damage	Comprehensive general liability, including contractual liability in a combined single limit of \$2,000,000
Automobile Liability	Comprehensive automobile liability insurance in a combined single limit of \$2,000,000 covering owned, hired and non-owned vehicles.
Cargo Liability	\$100,000

Shipper does not represent that the types or minimum coverages set forth above are adequate to protect Carrier's interests. Carrier liability shall not be limited by the amount of Carrier's insurance coverage. Carrier shall be responsible for payment of any deductible amounts under its insurance policies.

## 6. Carrier's Drivers

Carrier shall employ drivers for the provision of transportation services hereunder, all of whom shall:

- (a) Possess a valid Commercial Driver's License (CDL) and a current Medical Examiner's Card (MEC). In this regard,
  - (i) Carrier shall provide a current copy of the drivers' CDL and current copy of the MEC to Shipper for Carrier's drivers prior to Carrier's drivers operating Shipper's equipment.
  - (ii) Carrier shall notify Shipper of any change in Carrier's drivers CDL or MEC status.
  - (iii) Carrier shall provide a current Motor Vehicle Record (MVR) for each of Carrier's drivers prior to operating Shipper's equipment and shall provide an annual MVR to Shipper for each of Carrier's drivers operating Shipper's equipment.
- (b) Remain in compliance at all times with the Federal Motor Carrier Safety Regulations, Hazardous Materials Regulations and applicable D.O.T. Hours of Service Rules.
- (c) Receive training, at a minimum, on the following, prior to operating Shipper's equipment:
  - (i) OSHA's Bloodborne Pathogens and the Shipper's location Exposure Control Plan (initial and annually);
  - (ii) PHMSA's training requirements as required in 49 CFR 172.700 and 172.800 (if applicable); to include any DOT Special Permits issued to Shipper;
  - (iii) Shipper's Spill Contingency Plan (if applicable) and Shipper's spill procedures;
  - (iv) Shipper's Emergency Response procedures (which must be carried on Carrier's vehicle while Carrier is operating Shipper's equipment);
  - (v) Shipper's Contingency Plan (if applicable) and/or Shipper's Emergency Response Contact listing;
  - (vi) Shipper's Vehicle Condition Report, which must be utilized for Shipper's equipment;
  - (vii) Any other training as deemed necessary by Shipper's location;
  - (viii) Original training documentation will be maintained by Shipper and a copy will be maintained by Carrier.
- (d) Be given a road test by Shipper prior to Carrier's drivers operating Shipper's equipment. Copy of documented road test will be given to Carrier's driver.
- (e) Meet the state and federal regulatory permit requirements for the Carrier's drivers and equipment at all times.
- (f) Be offered Hep B vaccinations by Shipper;

## 7. Shipper's Obligations:

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- (a) Shipper shall pay Carrier for the services performed by Carrier as required herein within thirty (30) days of receipt by Shipper of Carrier's invoices and in the amounts set forth under the terms of the Schedule of Charges made a part hereof.
  - (b) Shipper shall use commercially reasonable efforts to keep Carrier advised of equipment required by Carrier.
  - (c) Freight claims shall be filed with the Carrier in writing within nine (9) months of delivery or nine (9) months after a reasonable time for delivery has elapsed. Where claims are not filed and suits not instituted within the time provided by law, if necessary to bring suit, claims will not be paid. Freight claims shall be governed by the provisions of the Carmack Amendment -- 49 U.S.C. 11707.
  - (d) Upon receipt of an invoice or freight bill for amounts due hereunder and an authorized delivery receipt, Shipper shall pay such invoice or freight bill pursuant to the payment terms set forth. No loss of discount or other penalty or charge shall be imposed for late payments. In instances where Shipper uses a third party payment service, Shipper will direct Carrier to present the freight bills directly to such service company and Carrier shall include a copy of the Shipper's bill of lading and any other required documents with the freight bill upon presentment. Invoices and freight bills will be presented or transmitted in an electronic format via EDI or online data entry and will include the actual rates, charges or allowances for the transportation arrangement service provided. Carrier shall not present freight bills for payment until all accessorial for shipment, including, without limitation, origin and destination accessorial, are included in the freight bill.
  - (e) No Liens. Carrier shall have no lien on any shipment or freight transported under this Agreement.
  - (f) Overcharges and Undercharges. Carrier agrees to cancel all transportation charges on shipments for which an original freight bill is not presented to Shipper within 180 days after the date of shipment. Carrier shall not submit a freight bill for additional charges claimed to be due on any shipment after 180 days from the date of the original freight bill. Any claim by Shipper for overcharge on any freight bill must be sent within 180 days from the date of payment of that freight bill. No civil action for collection of undercharge or overcharge claims may be brought unless the required notice of claims within 180 days has been provided, and unless such action is instituted within 18 months after the claim accrues. Where Carrier asserts a timely claim for undercharges, Shipper is not required to contest Carrier's claim within 180 days in order to have the right to defend against a later action for recovery of such charges.

**8. Termination:**

- (a) This Contract shall supersede all previous agreements between the parties and shall remain in effect indefinitely thereafter, but may be canceled by either party on thirty (30) days prior written notice to the other.
- (b) Shipper shall have the right to terminate this Contract immediately if Carrier fails to maintain any of the licenses or permits it requires to lawfully perform its obligations hereunder.
- (c) If either party files a petition in bankruptcy or is adjudicated bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law, then the other party may immediately terminate this Contract on notice.

**9. Other Provisions:**

- (a) This Contract shall not be changed, waived, or modified except by an amendment in writing signed by the parties. This Contract sets forth the entire agreement between the parties with respect to the subject matter of this Contract, and any prior understandings, proposals,

representation, or agreements between the parties shall be deemed to have merged into this Contract. This Contract shall be governed by the laws of the State of Illinois.

- (b) Notices to either party must be in writing and may be sent via postage pre-paid mail or courier to the person and address shown below.
- (c) This Contract shall be binding on and inure to the benefit of the parties hereto, their successors and their legal representatives. Neither of the parties shall assign this Contract, or any interest or right therein, without the prior written consent of the other party, except that Shipper shall have the right to assign this Contract to an affiliated party. Carrier shall not have the right to subcontract the performance of its obligations hereunder without the prior written consent of Shipper.
- (d) In providing service to Shipper, Carrier may have or be provided access to confidential or proprietary information of Shipper, including (but not limited to) all information relating to merchandise, distribution, inventories, operations and procedures, including logistics and supply chain operations and procedures. Carrier shall maintain the confidentiality of such information and shall not disclose such information without Shipper's prior written consent, which may be withheld for any reason, except as required by law and only upon providing Shipper advance notice of its intended disclosure pursuant to law. Carrier shall take all reasonable precautions to prevent disclosure and may use such information only to perform its obligations under this Agreement. Carrier shall not use shipper's name or trade names in its advertising or in any other manner without Shipper's advance written consent. In the event of a breach or threatened breach by Carrier or its agents or representatives of the provisions of this section, Shipper shall be entitled to an injunction restraining Carrier, its agents or representatives, from using or disclosing, in whole or in part, the confidential information.
- (e) Carrier will exercise due diligence in the performance of all responsibilities undertaken under this Agreement. Carrier's service quality will meet or exceed industry standards and freight will be delivered with dispatch in accordance with Shipper's reasonable directives. Multiple service failures will be grounds for termination and/or claims for compensation. If Carrier receives a sealed trailer from Shipper, it will not break the seal from origin to destination unless it receives permission from Shipper, and the freight in a sealed trailer will not be commingled with other cargo without Shipper authorization. Shipper shall have the right, on reasonable notice and during regular business hours, to conduct an audit or inspection of Carrier's facilities and processes to assess Carrier's compliance with the requirements of this Agreement.

IN WITNESS WHEREOF, the parties have caused this CONTRACT to be executed as of the day and year above written.

Lvalke Pacific LLC  
 Carrier  
4059 Bakerview Valley Rd  
 Street  
BELMONT VA 98226  
 City State Zip  
 By: [Signature]  
 Title: OWNER

Kevin Hahn  
 Shipper  
4204 Allendale Street  
 Street  
Colleyville TX 76034  
 City State Zip  
 By: [Signature]  
 Title: VP Global Assets

1/21/2022