LEASE SERIAL NO. 342

EQUIPMENT LEASE AGREEMENT BETWEEN OWNER AND CARRIER

(FOR USE ONLY WHERE OWNER DRIVER OR FURNISHES DRIVER FOR EQUIPMENT)

Zigi Freight Inc./DBA: Royal 3 Inc. US DOT# 2828543, MC# 944686, hereafter referred as CARRIER and **Pro Star Truck Leasing LLC.** hereafter referred as Owner, hereby enter into and agree to be bound by Equipment Lease Agreement set forth in the following numbered paragraph:

1. **OWNER, CARRIER and relationship defined**. OWNER as used herein means any person defined as "OWNER" in 49C.F.R 1057.2 (d) and any contractor, agent, employee or driver of OWNER. CARRIER as used herein means any person defined as "authorized carrier" in 49C.F.R. 1057.2 (a). The relationship between OWNER and CARRIER shall be that of independent contractor. CARRIER's "exclusive possession, control, use and complete responsibility for operation" of the EQUIPMENT as set forth below shall be confined to the minimum extent necessary to meet the requirements of applicable Federal and State laws and for no other purpose whatsoever. CARRIER shall have no right under this agreement or otherwise to control the manner, means or methods utilized by OWNER for the accomplishment of the results of this agreement. It is understood that OWNER shall direct and control OWNER's operation in all respects including, but not limited to, such matters as rejection or selection of loads, days and time of operation routes of travel empty miles, repair of equipment, purchase of fuel and other supplies, selection, discipline and discharge of OWNER's drivers and other employees. This agreement was entered into and shall be interpreted under the laws of State of Illinois, including but not limited to the States laws and interpretations respecting workers compensation coverage regardless of where the injury or death may occur.

2. **Equipment**. OWNER represents to CARRIER that OWNER holds title to and/or has authority to lease the items of equipment (herein called EQUIPMENT) described herein. For the duration of the lease, OWNER leases EQUIPMENT unto CARRIER for CARRIER's exclusive possession, control, use and complete responsibility for operation. EQUIPMENT is leased to CARRIER in order that CARRIER may utilize EQUPMENT in the transportation of property for hire. OWNER shall furnish and pay a competent, reliable and physically fit operator or driver, together with any necessary helpers to operate EQUIPMENT as part of the consideration hereof. OWNER represents: that the driver or operator furnished for said EQUIPMENT is familiar with and will obey all applicable state and federal laws and regulations; that the furnishing of said operator or driver will not result in a violation of any of said laws or regulations; that driver or operator will cooperate with

CARRIER in achieving compliance with said laws and regulations and will promptly file with CARRIER all log sheets, physical examination certificates, accident reports and other reports, documents and data required by law or by CARRIER and that OWNER will comply with all state weight, length and height laws and will not accept loads in excess of the limits allowed by state through which EQUIPMENT must travel.

Duration of Lease.

This AGREEMENT is to become effective 01 – 18 - 2017 , and shall remain in effect

for a period of one year from such date, and from year to year thereafter, subject to the right of either party

hereto to cancel or terminate the AGREEMENT at any time with written notice of one party or the other.

IN WITNESS WHEREOF, this agreement has been entered into and executed by duly authorized

representatives of LESSOR and LESSEE.

(OWNER) (CARRIER REP)

3.

4. **Rental.** CARRIER agrees to pay OWNER for the use of EQUIPMENT **12%** of trip revenue. Adjusted trip revenues are defined as CARRIER'S scheduled charges for transportation, including detention charges, but detention charges do not become due and payable to OWNER, until they are verified and beyond dispute by the shipper or consignee obligated to pay such charges after which OWNER portion of such detention charges shall be paid within fifteen (15) days after submission by OWNER to CARRIER of whichever of the following items respecting the use an operation of said EQUIPMENT are involved: (1) bills of lading or shipping orders, (2)delivery receipts, (3) log sheets, (4) trip manifests and/or scale certificates, (5)detention reports when they result in undisputed detention charges, (6) mileage reports, (7) interline papers, (8) fuel purchase receipts, (9) state or federal inspection reports, (10) accident reports, (11) any toll receipts which are involved in CARRIER'S tariff charges, (12) loss and/or damage reports, and (13) upon termination of this Lease, all identification devices and other property furnished by CARRIER to OWNER, and (14) where the EQUIPMENT has been trip-leased with

prior approval of CARRIER, the CARRIER shall pay OWNER fifteen (15) days after submission of all necessary documents and other paperwork identifying the trip-lease rental payable to OWNER. If OWNER's revenue is based on a percentage of trip revenues, CARRIER shall identify to OWNER at the time of settlement the amount of the rated freight bill. At the time of the settlement, OWNER shall have the right to examine copies of Carrier's tariff and currently effective copy of the rated freight bill (subject to CARRIER's right to examine copies of CARRIER's tariff and a currently effective copy of Household Goods Mileage Guide; delete names of

shippers and consignees) At the time of settlement, CARRIER may deduct from the OWNER's compensation the following: advances, telephone and other communication charges respecting OWNER, shortage, loss and/or spillage of cargo caused by OWNER, inspections fees, any of OWNER'S costs of operation paid by, or owed to CARRIER, pick-up and delivery charges, amounts authorized by OWNER and ROYAL3 CARRIER will provide OWNER with a written explanation and itemization of any such deductions before settlement. OWNER agrees and acknowledges that under the terms hereof OWNER is being fully and fairly compensated for fuel cost increase in accordance with law.

5.Receipts for Possession of EQUIPMENT. Upon taking possession of EQUIPMENT, CARRIER shall furnish OWNER a receipt for such possession stating the date and hour when possession is taken by CARRIER. When possession of EQUIPMENT is surrendered by CARRIER to OWNER, OWNER shall furnish a similar receipt to CARRIER and at the same time remove and return to CARRIER all identification devices and other property furnished by CARRIER to OWNER. OWNER hereby agrees to indemnify and save CARRIER harmless from any and all claims, suits, losses, fines or other costs, damages or expenses including reasonable attorney fees arising out of OWNER "failure to remove CARRIER" identification devices and other property from the EQUIPMENT.

6.Inspection of EQUIPMENT. OWNER warrants that EQUIPMENT is complete with all required accessories and is in good, safe and efficient operation condition and shall be so maintained at OWNER'S expense throughout the duration of the Lease. OWNER agrees to submit EQUIPMENT for CARRIER's inspection at the time CARRIER takes possession and periodically thereafter as required by CARRIER and to furnish to CARRIER all necessary information and documents of title and registration so as to enable CARRIER to correctly identify the EQUIPMENT.

7.Identification. Carrier agrees to furnish identification for EQUIPMENT, OWNER agrees to permit CARRIER to identify EQUIPMENT and display such identification thereon (except as specified herein) in the manner required by CARRIER and by all applicable laws or regulations. OWNER further agrees to completely conceal such identification each time EQUIPMENT is not operated directly in the service of CARRIER including, but not limited to, non-dispatched bobtails, mechanical failures, towing and mechanical testing of EQUIPMENT. OWNER further

agrees to permit and assist CARRIER in removing all such identification immediately upon written notification of the termination of the Lease by either party.

8.Costs of operation. OWNER shall have the duty to keep EQUIPMENT in good state of repair and to pay for all repairs on said EQUIPMENT and to pay for all other costs of operation of EQUIPMENT which shall include, but not be limited to the following: fuel; fuel taxes; empty and loaded mileage; permits of all types; tolls (except those included in CARRIER's tariff charges); ferries; disputed detention charges; base plates and licenses minus any recoverable and/or transferable portion of such items available to CARRIER; maintenance costs; lubricants; tires including changing and/or repair; wages and remuneration of operators, drivers and helpers; public liability and property damage insurance on EQUIPMENT while not being operated in the service of CARRIER; payments for injury or damages to operator, driver and helpers and to EQUIPMENT, whether the same occur while the EQUIPMENT is being operated in the service of the CARRIER or otherwise; workers compensation, unemployment insurance, social security or other similar taxes, insurance or benefits on operator, driver and helpers and in connection with any of the foregoing costs of operation, OWNER shall make all payroll, tax or other deductions required; axle, weight or other type of taxes, fees or exactions required of or on said EQUIPMENT or the use or operation thereof, including all reports connected with such matters; shortage, loss and/or damages to cargo caused by fault or neglect of OWNER which are not covered by the CARRIER'S insurance which damages shall include, but not be limited to the deductible portion of the CARRIER's insurance policies; and fines and penalties arising out of use of said EQUIPMENT, except fines and penalties levied for violations which are beyond OWNER'S control. In the event CARRIER is called upon to pay any of OWNER's costs of operation, such payment shall be considered a charge-back item to OWNER and CARRIER is hereby authorized to reimburse itself for the exact amount of such charge-back item out of any monies due or becoming due to OWNER and CARRIER shall provide OWNER with those documents necessary to determine the validity of the charge-back.

9.Insurance. CARRIER shall furnish and pay the cost of public liability, property damage and cargo insurance for the protection of the public as required by all federal and state laws and regulations. OWNER is required to obtain and pay for all other insurance coverage, including, but not limited to: all required, as well as any optional insurance coverage for public liability and property damage respecting the use of EQUIPMENT while not being operated in the service of CARRIER or otherwise; all required as well as any optional insurance coverage for collision, fire, theft or other occurrences or catastrophe respecting said EQUIPMENT; and all required as well as optional overall (umbrella) type of insurance coverage respecting OWNER'S liability arising out of the use and operation of said EQUIPMENT or the actions of OWNER, his operators, drivers or helpers.

10.Record of use of EQUIPMENT. OWNER will cooperate with CARRIER in the preparation, receipt, preservation and submission of those documents necessary for CARRIER to secure payment of trip revenues and of all manifests, bills of landing, delivery receipts, weigh bills, freight bills, log sheets and other paperwork and records respecting the lading and use of said EQUIPMENT in accordance with all applicable laws and regulations. OWNER's settlement check may be held at CARRIER's administrative offices if required paperwork is not submitted to CARRIER after advance notification.

11.Escrow Funds. OWNER shall be required to deposit with CARRIER, the sum of $1,000 which escrow funds may be applied on payment to CARRIER for the following items: additional unauthorized costs and charges to Zigi freight Inc./Royal 3 Inc.; permit costs incurred prior to sixth month anniversary. CARRIER shall account to OWNER for all transactions involving said escrow funds on each settlement sheet between OWNER and CARRIER. OWNER has a right to demand an accounting from CARRIER of transactions involving said escrow fund. At the termination of this agreement, CARRIER shall make all proper deductions from said escrow funds and make a final accounting to OWNER of all final deductions from said escrow funds and return the balance of said escrow funds to OWNER within forty-five (45) days of the termination of this agreement.

12.Assignment and Subleasing. Neither party may assign this lease. CARRIER, either directly or through OWNER acting on behalf of CARRIER, may sublease EQUIPMENT when permitted by applicable laws or regulations. CARRIER shall be considered as OWNER for purposes of any such subleasing. Subleasing without CARRIER'S prior approval, knowledge and consent is unauthorized. If OWNER enters into an unauthorized sublease, OWNER and his unauthorized sub-lease agree to assume all responsibility for and hold CARRIER harmless from any claims whatsoever whether for public liability, property damage, cargo loss or otherwise, and CARRIER shall not be required to pay anything to OWNER in connection with any unauthorized sublease. OWNER shall pay CARRIER 12 % (as agreed upon) of the OWNER's sublease where CARRIER's trailer is being pulled by OWNER's tractor. Any other type of subleasing arrangement is unauthorized. If OWNER enters into an unauthorized sublease, OWNER and unauthorized sublease agree to assume all responsibility for and hold CARRIER harmless from any claims what-so-ever whether for public liability, property damage, cargo loss or otherwise and CARRIER shall not be required to pay anything to OWNER in connection with any sublease.

13.Agreement and Copies. The foregoing agreement plus any attachments or otherwise constitutes the complete agreement between OWNER and CARRIER and no contractor, employee or agent of either party shall have the authority to alter or vary the terms hereof or to make any representations or commitments not included herein. Where applicable herein, the singular shall include the plural and the masculine shall include the feminine or neuter or vice versa. This

agreement shall be executed in at least three copies, each of which shall be considered an original. One executed copy known as CARRIER'S copy shall be retained by CARRIER. One executed copy known as an OWNER'S copy shall be retained by OWNER. One executive copy known as EQUIPMENT copy shall be carried on EQUIPMENT during the period of this agreement, unless a statement as provided in 49 C.F.R. 1057.11 (c) (2) is carried on EQUIPMENT instead.

IN WITNESS WHEREOF, the CARRIER and OWNER do hereby sign this Agreement on this 01 – 18 - 2017 at 01:00 **pm**, which date and hour shall be the effective date of this Agreement.

BRATISLAV KOVACEVIC

NAME OF OWNER

Zigi Freight Inc./DBA: Royal 3 Inc.
6850 W 63Rd Street
Chicago,IL 60638

OWNER'S SIGNATURE

CARRIER REPRESENTATIVE SIGNATURE

Appendix A.

This agreement shall remain into effect until

FEDERAL ID NUMBER: 46-2470286

U.S. D.O.T. NUMBER: 2828543

OWNER furnished CARRIER evidence of Public Liability and Property Damage Insurance in amounts equivalent to minimum requirements prescribed for authorized carriers in P.U.C.O. Administrative Orders and supplements thereto and superseding orders thereof, said insurance being described as follows:

Insurance Company

National Continental Insurance
Zurich American Insurance Company
Lexington Insurance Company
Crum & Forster Specialty Insurance

Policy Number:

CIL0005477485-7

Name and address of issuing agency:

Cottingham & Butler, Inc.

800 Main Street

Dubuque IA 52001

Policy Expires:

3/15/2019

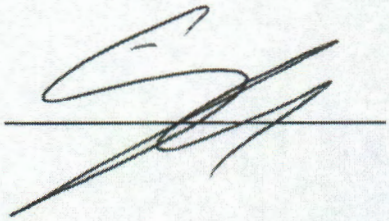
EQUIPMENT DESCRIPTON

Make	Model	Year	Serial VIN Number	Unit
VOLVO	VNL	2007	4V4NC9GH27N448030	334
VOLVO	VNL	2011	4V4NC9EJ6BN294274	335
VOLVO	VNL	2007	4V4NC9GH97N448025	339
VOLVO	VNL	2007	4V4NC9GH57N447972	340
VOLVO	VNL	2007	4V4NC9GH47N456694	341
VOLVO	VNL	2005	4V4NC9GH55N383302	342
VOLVO	VNL	2007	4V4NC9GH07N448012	348
VOLVO	VNL	2007	4V4NC9GH17N447970	349
VOLVO	VNL	2007	4V4NC9GH67N448032	350
VOLVO	VNL	2007	4V4NC9GH17N447967	351
VOLVO	VNL	2008	4V4NC9GH18N484521	352
VOLVO	VNL	2008	4V4NC9GH58N484523	353
VOLVO	VNL	2007	4V4NC9GH97N448008	1216

RECEIPT BY CARRIER

The undersigned CARRIER hereby acknowledges the receipt of the said EQUIPMENT above described from OWNER this 01 -18 - 2017 at 01:00 pm

Zigi Freight Inc./ DBA:Royal 3 INC. representative:



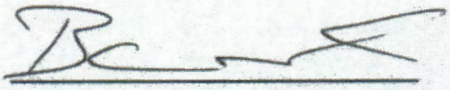
RECEIPT BY OWNER

The undersigned OWNER hereby acknowledges the receipt of the EQUIPMENT above described from CARRIER in acceptable condition this 01 -18 - 2017 at 01:00 pm

Patricio Kovacevic

(PRINT OWNER'S NAME)

By OWNER:



(OWNER'S SIGNATURE)