

Individual Program Lease Agreement

This Individual Program Lease Agreement (the "Agreement") is made and entered into this 20 day of May 2015 ("Effective Date"), by and between **Blakley, William Jr.** ("Lessee"), and Element Financial Corp ("EFC" or "Lessor"), a Delaware corporation, with its principal place of business located at 655 Business Center Drive, Horsham, PA 19044.

WHEREAS, EFC is in the business of providing customized leasing programs to various vehicle dealers, fleet operators, and individual owner-operators; and

WHEREAS, Lessee is such an individual owner-operator ("Operator") and, has entered into an Independent Contractor Agreement, or similar agreement, with an approved EFC carrier ("Carrier"), and has otherwise been qualified and approved by Carrier to enter into this Agreement.

WHEREAS, Lessee now wishes to lease from EFC a vehicle or vehicles, ("Vehicle(s)"), as specified in Schedule AB, to be operated solely as part of Carrier's fleet, under the terms and conditions specified herein.

1. **VEHICLES.** Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor the Vehicle(s) for the Lease Term set forth in Schedule AB until completion of this Agreement.
2. **TERM.** The Lease Term shall commence on the first day of the month subsequent to the delivery date of the Vehicle(s) or three (3) days subsequent to written notice to Lessee that the Vehicle(s) is available for delivery, whichever shall occur first ("Commencement Date"). The interim lease term, if applicable, is the period beginning with the Commencement Date and continuing until the 1st day of the following month. Following successful completion of the Lease Term and payment of all payments including the End of Term Payment set forth in Schedule AB, Lessor shall deliver the title to said Vehicle(s) free and clear of all liens and encumbrances.
3. **DELIVERY.** Lessor shall deliver to Lessee and Lessee shall accept delivery of each Vehicle at the Delivery Location set forth in Schedule AB. When delivered to Lessee each Vehicle shall comply with all applicable federal safety standards in effect at the earlier of the manufacture date of the Vehicle(s) or the date hereof. Upon delivery, Lessee or its agent shall sign Schedule AB which shall in addition be used for the purpose of identifying the Vehicles, establishing the Vehicle(s) Delivery Date and documenting Vehicle(s) Condition.

4. **USE AND OPERATION.** Lessee warrants that during the term of this Agreement: (a) Lessee shall use the Vehicle(s) only for providing transportation services for the Carrier identified herein; (b) the Vehicle(s) shall be used only in the Continental United States and Canada and only for the transportation and/or storage of general commodities (the "Products"); (c) the Vehicle(s) shall not be operated by any person other than agents or employees of Lessee, each warranted to be a careful, dependable operator not operating under the influence of alcohol or drugs, with a valid license to operate such Vehicle(s); (d) Lessee shall use each Vehicle designated as a storage Vehicle for storage purposes only; (e) Lessee shall comply with all current and future statutes, regulations, rules, ordinances and orders of any governmental or quasi-governmental entity, including without limitation environmental statutes, regulations, rules, ordinances and orders, affecting the use, operation or maintenance of the Vehicle(s) (collectively "Applicable Laws"); (f) Lessee shall comply with the Vehicle manufacturer's loading limitations and avoid abusive handling and concentrated or excessive loads; and (g) Lessee shall provide Lessor with any Vehicle operation data as may be required by any governmental agency and such data shall be true and accurate.

5. **HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless from: (a) any loss or damage Lessor may sustain as a result of any damage to or loss of any Vehicle(s) due to any cause, including without limitation collision, fire, lightning, theft, explosion, flood, windstorm, or Act of God; (b) any loss or damage to the property, including cargo, of any third person as a result, in whole or in part, of the use or condition of any Vehicle(s); (c) any loss, claim, liability, damages, expense or disbursement, penalty or fine, disposal, remediation or corrective action cost, or forfeiture or seizure that may arise in whole or in part from the use or condition, actual or alleged, of any Vehicle(s) or the failure, actual or alleged, of Lessee to use and maintain any Vehicle(s) as provided under this Agreement and in compliance with Applicable Laws; (d) any claim, lien or liability arising from work performed or for materials supplied in connection with the operation or maintenance of any Vehicle(s); (e) any claim, fine or penalty assessed against EFC or its affiliates arising from Lessee's use of any Vehicle(s), including, but not limited to, traffic citations, equipment violations and toll violations, which Lessee hereby agrees to promptly pay upon receipt thereof. Lessee's duty to indemnify hereunder shall survive termination of this Agreement.

6. **INSURANCE.** Lessee shall at its sole cost and expense procure, and keep in full force and effect from the initial Vehicle Delivery Date until the return of all Vehicle(s), a valid and pre-paid business auto or truckers insurance policy covering hired autos and trailers for bodily injury and property damage liability

including collision and comprehensive coverage for physical damage and a comprehensive general liability policy providing for contractual liability coverage for hold harmless agreements, both satisfactory to Lessor with a combined single limit of one million dollars (\$1,000,000) or, if the Products contain acceptable hazardous materials, a combined single limit of five million dollars (\$5,000,000) per occurrence/twenty-five million dollars (\$25,000,000) aggregate per year, and an environmental impairment liability endorsement equal to the combined single limit per occurrence. Insurance may be provided through the Carrier identified herein, but Lessee shall remain primarily liable for such insurance coverages and to ensure that such coverages remain in full force and effect. Prior to the initial Vehicle Delivery Date, Lessee shall provide to Lessor a valid certificate of insurance, which shall become part of this Agreement, naming Lessor as "Additional Insured" and "Loss Payee," evidencing insurance coverage as set forth herein and requiring thirty (30) days notice to Lessor prior to cancellation or material change. Lessee shall provide Lessor with prompt written notification of any Vehicle(s) that may give rise to claims against Lessor.

7. **SAFETY INSPECTIONS.** Lessee shall be solely responsible for ensuring that each Vehicle is in compliance with all applicable safety regulations. Lessee shall perform and pay for all required safety inspections and shall maintain proper documentation evidencing said inspections. Lessee shall indemnify and hold Lessor harmless from and against any fines, forfeitures, or penalties which may arise from Lessee's non-compliance with the provisions of this Section.
8. **LICENSES.** Lessee, at its sole cost and expense shall procure licenses and registrations required for the lawful operation of each Vehicle in the states or provinces set forth in Schedule AB. Increases in license and registration fees during the Lease Term shall be the responsibility of Lessee and shall be billed to Lessee at the beginning of each license period. If registration or testing is required during the Lease Term, Lessee shall deliver the Vehicle(s) to the test stations during the required testing period and take possession of the Vehicle(s) upon the conclusion of registration and/or testing for the remaining Lease Term.
9. **TAXES.** In addition to the lease and other payments as provided hereunder, Lessee shall pay, or reimburse Lessor for payment of, any and all fees, fines, penalties and sales and use taxes including, but not limited to, value added taxes and personal property taxes or other direct taxes levied against or based upon the price or value of the Vehicle(s) or their use or operation, or levied against or based upon the lease payments paid or to be paid hereunder, and any other taxes levied against or based upon this Agreement or the executing, filing, recording or performance thereof. The term "direct taxes" as used herein shall include all taxes

(except income taxes of Lessor), charges, and fees levied, assessed, or charges by any taxing authority.

10. RATE AND BILLING.

- A. Lessee shall pay Lessor for the use of each Vehicle in advance at the rates as set forth in Schedule AB. Lessor reserves the right to consolidate invoices for Vehicle(s) leased hereunder.
- B. Other charges due Lessor under this Agreement shall be billed to Lessee when incurred. Lessee shall pay all invoices at or before the invoice date without set-off or deduction. If Lessee fails to pay any amount when due, Lessee shall pay a late charge of the lesser of 1 ½% per month (18% per annum compounded monthly) if not paid when due. Payments received by Lessor after the due date shall be applied first to the most recent invoices issued to Lessee without regard to Lessee's instructions. Invoices shall be sent to the Billing Address set forth in Schedule AB or to such other address as Lessee may instruct Lessor in writing. Lessor reserves the right to offset any amount owed Lessee by any amount due Lessor hereunder.
- C. Upon such payment of all such payments and charges due hereunder at the end of the Lease Term, Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances.
- D. Lessee agrees to enroll in settlement deduction program, whereby all amounts due to EFC shall be automatically deducted from Lessee's settlements with Carrier on a weekly basis. Lessee understands EFC shall credit such payments to such lease payments and any other monies due under this Agreement.
- E. Lessee shall also be billed a weekly Refundable Security Deposit Accrual, in the amount set forth in Schedule AB ("Security Deposit Accrual"). Lessor will retain Security Deposit Accruals to insure Lessee's performance of Lessee's obligations. Any Security Deposit Accruals may be comingled and do not earn interest. In the event Lessee satisfies its payment obligations under this Agreement and either acquires title to the Vehicle(s) or returns the Vehicle(s) in acceptable condition pursuant to the terms and conditions set forth in Section 18B, the Security Deposit Accruals will be returned to Lessee within ten (10) business days. In the event Lessee fails to satisfy its payment obligations, the Security Deposit Accruals shall be forfeited by Lessee and applied by Lessor to cover the cost of repairs and maintenance necessary to re-lease or sell the Vehicle(s); to cure any defaults; and to cover any unpaid costs and expenses associated with its Operator – Carrier leasing program. In the event Lessee satisfies its payment obligations, but returns the Vehicle(s) in an unacceptable condition, Lessor may apply all or a part of the Security Deposit Accruals to the cost of repairs and maintenance necessary to re-lease or sell the Vehicle(s) at its then market value, and return the remaining balance of Security Deposit Accrual(s) to Lessee.

11. EVENTS OF DEFAULT. The occurrence of one or more of the following shall constitute an Event of Default: (a) Lessee shall cease using the Vehicle(s) for providing transportations services for the Carrier identified herein; (b) Lessee fails to pay when due any lease payments or any other payment under this Agreement; (c) Lessee fails to perform any other term or condition of this Agreement and such failure remains unremedied for more than ten (10) days after Lessor has requested Lessee to perform; (d) Lessee or any guarantor of Lessee (i) becomes insolvent, (ii) commits an act of bankruptcy, (iii) becomes subject to any voluntary or involuntary bankruptcy proceedings, (iv) makes an assignment for the benefit of creditors, (v) appoints or submits to the appointment of a receiver for all or any of its assets, (vi) admits in writing its inability to pay its debts as they become due, or (vii) enters into any type of voluntary or involuntary liquidation; (e) Lessee defaults under any other agreement with Lessor or any affiliate of Lessor; or (f) any letter of credit, guaranty or other security given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor. given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor.

12. REMEDIES UPON DEFAULT. Upon any Event of Default, Lessor may, at its option and without demand or notice to Lessee, do any one or more of following: (a) pay all amounts required to be paid or perform or cause to be performed all obligations required to be performed by Lessee hereunder and charge Lessee as additional rent the amount paid or the reasonable value of all services performed therefore; (b) take immediate possession of the Vehicles in accordance with the provisions of Section 14; (c) declare the entire balance of lease payments for the remainder of the Lease Term and the End of Term value as set forth in Schedule AB immediately due and payable by acceleration and recover such amount as liquidated damages, the reasonableness of such damages being acknowledged by Lessee; or (d) terminate the Agreement and Lessee's rights hereunder and require Lessee at its sole cost to promptly return the Vehicle(s) to Lessor at such locations as Lessor may designate. It is understood and agreed that in the event Lessee returns the Vehicle(s) or the Vehicle(s) are repossessed by Lessor and the Lessor sells or re-leases the Vehicle(s), Lessee shall have no right to share in any of the sale or lease proceeds. If Lessee is in default of the Agreement or any other agreement with Lessor, Lessee shall be declared in default of all existing agreements between Lessee and Lessor. No termination, repossession or other act by Lessor after default by Lessee shall relieve Lessee from any of its obligations hereunder. In addition, Lessee shall pay to Lessor on demand the unamortized portion of any expense associated with any Vehicle(s) and all fees, costs and expenses incurred by Lessor in enforcing its rights hereunder including, without limitation, reasonable attorney's fees. The remedies provided in favor of Lessor shall be cumulative and in addition to all other remedies provided in the Agreement or existing at law or in equity.

13. **REPOSSESSION.** If an Event of Default has occurred and is continuing, Lessor shall have the right to enter upon any premises where Vehicle(s) are located and take immediate possession of and remove such Vehicle(s) and shall be deemed Lessee's agent for such purposes. If Lessor takes possession of any Vehicle(s) with other property contained in, upon or attached to such Vehicle(s), Lessor may take possession of such property and hold it in Lessor's possession or in public storage for the account and at the expense of Lessee or dispose of such property with no further liability. Lessee will also be responsible for all storage and associated charges related to recovery of Vehicle(s) including repair of Vehicle(s) to its original state at time of the signed Agreement.
14. **LESSEE OWNERSHIP; FINANCIAL CONDITION.** If ownership of Lessee changes, or there is a disposition of a substantial portion of Lessee's assets or a substantial change in Lessee's financial condition at any time during the Agreement term, Lessee shall promptly notify Lessor thereof and Lessor may terminate this Agreement and demand prompt return of the Vehicle(s) or require from Lessee additional financial security or assurances including but not limited to, cash deposits, letters of credit, escrow accounts and guarantees as a condition to maintaining this Agreement in full force and effect. If Lessor terminates the Agreement, Lessee shall pay all outstanding invoices and other charges set forth herein.
15. **WARRANTY.** Lessee acknowledges receipt of each Vehicle in good and satisfactory condition. **LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES AS TO ANY MATTER WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE WITH RESPECT TO ANY VEHICLE(S), MAINTENANCE OR REPAIR WORK.** Lessor shall make available to Lessee the warranty benefits provided by the Vehicle's manufacturer.
16. **LIMITATION OF LIABILITY.** Lessor shall not be liable in connection with the Agreement for incidental, special, indirect, consequential or exemplary damages of any kind, including without limitation, lost profits and business interruption damages, suffered by Lessee or any other party. Lessee shall indemnify and hold Lessor harmless from and against all claims arising out of any such losses or damages. No right of Lessor under this section may be waived unless in writing and signed by a corporate officer of Lessor.
17. **LESSEE'S PAYMENT OBLIGATION.** Upon the termination of the Agreement for any reason whatsoever, Lessee's payment obligations under the Agreement shall not cease until all payments and charges due hereunder have been paid in full. For any Vehicle(s) lost, stolen totally destroyed or determined by Lessor to be damaged beyond reasonable cost of repair, Lessee shall pay Lessor the remaining balance due under this Agreement including the End of Term value as set forth in Schedule AB. There shall be no abatement of lease

payments and charges until said Vehicle has been returned to Lessor properly repaired, replaced, or Lessor is compensated as provided herein.

18. TERMINATION AND PURCHASE.

A. Purchase Option. Upon successful completion of all terms and conditions of the Agreement, including payment of all lease payments and charges due hereunder, Lessee shall have the option of purchasing the Vehicle(s). In order to exercise such option, Lessee shall notify Lessor at least thirty (30) days prior to the date of termination of the lease of his intent to purchase the vehicle. The purchase price shall be the End of Term value as stated in Schedule AB. Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances. Upon payment of the purchase price, Lessee shall immediately transfer said title out of the name of Lessor.

B. Return Option. If Lessee fails to purchase the Vehicle(s) as provided herein, upon completion of the Agreement, Lessee shall return said Vehicle(s), at Lessee's sole cost and expense, to such location as specified by Lessor. Upon such return, the Vehicle(s) shall be: (a) cleaned or steam-cleaned as applicable and treated with respect to rust, corrosion and appearance in accordance with manufacturer's recommendations and consistent with the best practices of dealers in used equipment similar to the Vehicles; (b) free of all advertising and insignia placed thereon by Lessee; and, (c) mechanically and structurally sound, capable of performing the functions for which it was originally designed and able to operate within the original specifications and tolerances with no loss of power and, if applicable, no excessive emission of exhaust at ignition or starting of the machinery.

19. ASSIGNMENT. Lessee shall not sublet the Vehicle(s) nor assign or transfer this Agreement without Lessor's prior written permission, in which event Lessee's obligations under this Agreement shall continue in full force and effect.

20. TITLE/FINANCING STATEMENTS. Lessor shall retain title to said Vehicles during the term of this Agreement. Lessee nonetheless hereby grants to Lessor a security interest in each Vehicle to secure the payment and performance of Lessee's obligations under this Agreement. Lessee acknowledges that this Agreement grants security interest in each Vehicle and the proceeds received therefrom as set forth and enforceable under the Uniform Commercial Code ("UCC"). Lessee hereby authorizes Lessor or its agents or assigns to sign and execute on its behalf any and all UCC forms, amendments and statements required to perfect the security interest granted herein.

21. LESSOR IDENTIFICATION. Lessor reserves to itself, its successors and

assigns, at all times during the Lease Term, the right to place and maintain in one or more locations upon each Vehicle Lessor's or its designee's name, logo, or similar designation.

22. **LIENS AND ALTERATION.** Lessee shall keep each Vehicle free from any liens, claims or encumbrances and Lessee shall not, without Lessor's prior written consent, make or suffer any changes, alterations, or improvements in or to said Vehicle or remove therefrom any parts, accessories, attachments or other equipment. All Vehicle alterations and improvements shall become the property of Lessor upon the termination of this Agreement.
23. **NOTICES.** All notices given pursuant to this Agreement shall be in writing and may be hand delivered or mailed by registered or certified mail, return receipt requested. Notices sent by facsimile or electronic mail with confirmation of actual receipt will also meet any requirement for written notice under this Agreement. All notices shall be delivered or sent to the address for each party set forth herein, or to such other address as either party notifies the other of in accordance with the terms of this provision. Notices shall be deemed to have been given upon receipt or refusal to accept by the party to which the notice is delivered or sent. Notices shall be sent to the following person/address:

To Lessor:

Element Financial Corp.
Attn: **Element Trans Asset Trust**
655 Business Center Drive
Horsham, PA 19044

With a copy to:

Attn: _____

To Lessee:

Blakley, William Jr.
608 W 4th St
Siler City, NC 27344

24. **RELATIONSHIP BETWEEN LESSEE AND LESSOR.** Lessee and Lessor each represents and warrants to the other that it is an independent contractor with no authority to contract for the other or in any way to bind or to commit the other to any agreement of any kind or to assume any liabilities of

any nature in the name of or on behalf of the other. Under no circumstances shall either party, or any of its employees, hold itself out as or be considered an agent employee, joint venturer, or partner of the other, and neither party shall have any duty to provide or maintain any insurance or other employee benefits on behalf of the other or its employees.

25. **GOVERNING LAW.** This Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of laws provision. Any action or litigation of any kind whatsoever in connection with this Agreement shall be adjudicated in a court of competent jurisdiction located in Pennsylvania. The Lessee hereby consents to the jurisdiction of such courts and to service of process by any means authorized by Pennsylvania or Federal law and hereby waives the right to transfer the venue of any such litigation or action.
26. **ADVERTISING.** Neither party shall use the name of or refer to the other party or any of its affiliates directly or indirectly in any advertisement, news release or professional or trade publication without receiving prior written approval from the other party.
27. **NON-WAIVER.** Failure by either party to insist upon the other party's performance under this Agreement or to exercise any rights or privilege herein shall not be a waiver of any of the rights or privileges provided for in this Agreement.
28. **ASSIGNMENT/MODIFICATION OF AGREEMENT.** Lessor may without notifying Lessee, sell, assign or transfer this Agreement and its interest in the Vehicle(s). In that event, the new owner (and any subsequent owners) will have the same rights and benefits that Lessor now has, but will not have to perform any of Lessor's obligations. Lessee agrees that the new owner will not be subject to any claims, defenses or set-offs that Lessee may have against Lessor. If Lessee is given notice of a new owner of this Agreement, Lessee agrees to respond to any requests about this Agreement and, if directed by Lessor, to pay the new owner all lease payments and other amounts due under this Agreement. No amendment or modification of the terms of this Agreement shall be binding unless in writing and signed by the Parties.
29. **SEVERABILITY.** If any of the provisions of this Agreement are held to be unenforceable or invalid by any arbitrator or court or tribunal of competent jurisdiction, the validity and enforceability of the remaining provisions shall not be affected thereby and the rights and obligations of the parties under this Agreement shall be reduced only so much as necessary to remove the illegality.

30. **ENTIRE AGREEMENT.** This Agreement, including all referenced documents and appendices, constitute the entire agreement of the parties with reference to the subject matter hereof, and there are no other agreements of any kind, including written or oral, between the parties. The terms of this Agreement may not be changed, waived or modified except by written agreement signed by both parties specifically stating that such writing is an amendment to this Agreement.

Signature Page to Follow

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement in duplicate, each copy for all purposes to be deemed an original, as of the date first above written. Lessee agrees to be bound by an electronic copy of this Agreement and the electronic copy shall be considered the original and shall be the binding agreement for purposes of any enforcement action hereunder.

Blakley, William Jr.

(Lessee)

X William Blakley
Signed

Element Financial Corp.

(Lessor)

[Signature]
Signed

X William Blakley Jr.
Printed

Robert Davis

Printed

X O/D
Title

Agent

Title

SCHEDULE AB

Carrier:	Celadon
Lease Number:	ELE-OO-06442
Lessee Name:	Blakley, William Jr. & Blakeley, Helen
SSN:	313-74-4235

Payment Type	Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
Lease Payment	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$652.04	260	0	TRAC - \$65000
Security Deposit Accrual	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$7.96	260	0	

Terms:	Weekly
Start Date:	June 3, 2015
End Date:	May 27, 2020
Title:	Lessor Holds Title Until Completion of Lease

If End of Term Option is selected as TRAC then:

Upon the expiration of the Lease Term and return of the Vehicle(s) on or before the expiration of the Lease Term pursuant to the terms and conditions of the Agreement, a "Terminal Rent Adjustment" shall be paid in the amount of the difference between (a) the net proceeds realized by Lessor from the sale of the Vehicle(s), after deduction of (i) the expenses of such sale, if any, and (ii) all sums due hereunder as of the expiration of the Lease Term (the "Realized Value") and (b) the End of Term value ("TRAC Amount") for such Vehicle(s) set forth in Schedule AB. If the Realized Value of such Vehicle(s) is less than the TRAC Amount, Lessee shall pay the Terminal Rent Adjustment to Lessor. If the Realized Value of such Equipment is greater than the TRAC Amount, Lessor shall retain the Terminal Rent Adjustment. For such Vehicles not sold within thirty (30) days of the expiration of the Lease Term, Lessee shall upon receipt of Lessor's invoice pay Lessor a Terminal Rent Adjustment in the amount of such Vehicle(s) TRAC Amount. Lessor shall reimburse Lessee in the amount of the Realized Value (up to the TRAC Amount) for any such Vehicle(s) subsequently sold.

If any Vehicle(s) is not returned in the condition required by the Lease Agreement, Lessee shall purchase the Vehicle(s) for the TRAC Amount with payment in full due on or before the expiration of the Lease Agreement.

Lessee certifies to Lessor

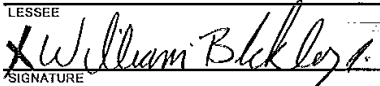
- 1) Lessee intends that more than 50 percent of the use of the Vehicle(s) is to be in its trade or business; and
- 2) Lessee has been advised and agrees that **LESSEE WILL NOT BE TREATED AS THE OWNER OF THE VEHICLE FOR FEDERAL INCOME TAX PURPOSES.**

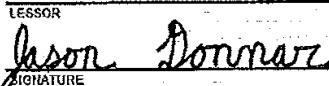
Lessee agrees to indemnify Lessor pursuant to the Indemnity provisions of the Agreement for any claims, losses, costs, damages, and expenses, including legal fees, of whatsoever kind and nature, resulting from Lessee's breach of the above representation and certification.

This Schedule AB dated as of **May 20, 2015** is hereby made part of that certain Individual Program Lease Agreement date **May 20, 2015** ("Agreement") between Element Financial Corp. ("Lessor") and **Blakley, William Jr. & Blakeley, Helen** ("Lessee").

All of the terms and conditions of the Agreement are incorporated and made a part hereof.

A photocopy, facsimile copy, scanned copy or other electronic copy of this document shall be accepted as a legal binding agreement.

Blakley, William Jr. & Blakeley, Helen
 LESSEE

 SIGNATURE
Blakley, William Jr. & Blakeley, Helen
 NAME
May 20, 2015
 DATE

Element Financial Corp.
 LESSOR

 SIGNATURE
Jason Donnar
 NAME
May 20, 2015
 DATE

SCHEDULE AB (continued)

Carrier:	Celadon
Lease Number:	ELE-OO-06442
Lessee Name:	Blakley, William Jr. & Blakeley, Helen
SSN:	313-74-4235

Payment Type	Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
Lease Payment	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$652.04	260	0	TRAC - \$65000
Security Deposit Accrual	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$7.96	260	0	

Terms:	Weekly
Start Date:	June 3, 2015
End Date:	May 27, 2020
Title:	Lessor Holds Title Until Completion of Lease

TRAC**\$65,000.00**

***At end of lease payment period, this amount must also be paid to receive title to Vehicle(s).

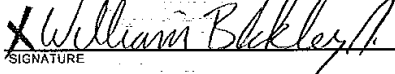
Insurance Payments

	Payment	Term
Physical Damage Insurance	\$104.00	260
Bobtail/NTL Insurance	\$8.08	260
Total Insurance Payment	\$112.08	260

Total Weekly Payment	\$772.08	260
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Blakley, William Jr. & Blakeley, Helen

LESSEE



SIGNATURE

Blakley, William Jr. & Blakeley, Helen

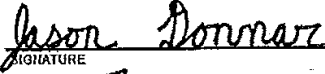
NAME

May 20, 2015

DATE

Element Financial Corp.

LESSOR



SIGNATURE

Jason Donnar

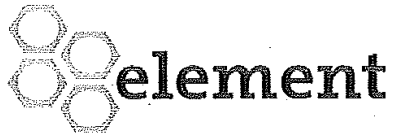
NAME

May 20, 2015

DATE

0071-OLS v20150820

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SETTLEMENT DEDUCTION AGREEMENT

This Settlement Deduction Agreement ("Agreement") is entered into this 20 day of May, 20 15 ("Effective Date"), by and between Blakley, William Jr. ("Contractor") and Element Financial Corp. ("Lessor"), a Delaware corporation, with its principal place of business located at 655 Business Center Drive, Horsham, PA 19044.

WHEREAS, Contractor purchased or is leasing from Lessor a tractor identified below and intends to operate said tractor pursuant to an agreement with Carrier; and

WHEREAS, the parties hereto desire to set forth their agreement with respect to deductions from Contractor's settlement payments from Celadon ("Carrier") and subsequent forwarding of such deductions to Lessor *or Lessor's servicing agent* for application to amounts due and owing Lessor by Contractor.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Contractor hereby expressly requests and authorizes Carrier to (a) deduct from settlements otherwise due Contractor from Carrier the weekly amount reflected below (the "Deductions") when available, and (b) thereafter remit to Lessor such amounts on a weekly basis. Contractor hereby authorizes such fee to be deducted from Contractor's settlement payments on a weekly basis. Contractor shall provide Carrier with a copy of this Agreement.

Contractor and Lessor acknowledge that Carrier provides settlement deductions to Contractor and Lessor as a convenience to both. In the event that sufficient funds are not available to make the deductions as scheduled, Contractor and Lessor understand that Carrier is under no obligation to make any remittances on Contractor's behalf, and that defaults and/or penalties in obligations may occur. To the extent that monies due Contractor become available at a later date, Contractor authorizes Carrier to withhold sufficient funds at that time to cover unsatisfied, scheduled deduction requests. Contractor and Lessor understand that this deduction will be last in priority relative to all other deductions from Contractor's settlements.

2. Contractor and Lessor agree to indemnify and hold harmless Carrier for and from any and all claims or disputes arising out of or related to the obligations of Contractor or Lessor pursuant to the purchase or lease of the Tractor, including but not limited to deficiencies between amounts withheld from settlement payments otherwise due Contractor and Contractor's payment obligations to Lessor.

Carrier shall have no liability for failure to remit any such payments to Lessor, or for remitting amounts which do not meet Contractor's obligations of payment to Lessor.

3. Contractor and Lessor acknowledge and agree that settlement deductions pursuant to this Request for Deductions may only be discontinued by Contractor in the event the agreement between Carrier and Contractor is terminated and upon Contractor's thirty (30) day advance written notice to Carrier and Lessor.

This Request for Deductions is entered into by the authorized representatives of the parties and as of the date indicated below.

LESSOR

By: Jason Donnar
Title: Agent

CONTRACTOR

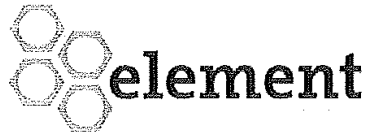
By: William Blekley
Title: O/O (Owner Operator)

Contractor's Weekly Payment Amount: \$ 772.08

Weekly Truck Payment:	\$	<u>652.04</u>
Weekly Fee Payment:	\$	<u>7.96</u>
Additional Weekly Fees:	\$	<u>112.08</u>

Tractor Identification:

Year 2016
Make International
Model LoneStar
VIN 3HSCXAPR6GN750126



Individual Program Lease Agreement

This Individual Program Lease Agreement (the "Agreement") is made and entered into this 20 day of May 2015 ("Effective Date"), by and between Blakeley, Helen ("Lessee"), and Element Financial Corp ("EFC" or "Lessor"), a Delaware coporation, with its principal place of business located at 655 Business Center Drive, Horsham, PA 19044.

WHEREAS, EFC is in the business of providing customized leasing programs to various vehicle dealers, fleet operators, and individual owner-operators; and

WHEREAS, Lessee is such an individual owner-operator ("Operator") and, has entered into an Independent Contractor Agreement, or similar agreement, with an approved EFC carrier ("Carrier"), and has otherwise been qualified and approved by Carrier to enter into this Agreement.

WHEREAS, Lessee now wishes to lease from EFC a vehicle or vehicles, ("Vehicle(s)"), as specified in Schedule AB, to be operated solely as part of Carrier's fleet, under the terms and conditions specified herein.

1. **VEHICLES.** Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor the Vehicle(s) for the Lease Term set forth in Schedule AB until completion of this Agreement.
2. **TERM.** The Lease Term shall commence on the first day of the month subsequent to the delivery date of the Vehicle(s) or three (3) days subsequent to written notice to Lessee that the Vehicle(s) is available for delivery, whichever shall occur first ("Commencement Date"). The interim lease term, if applicable, is the period beginning with the Commencement Date and continuing until the 1st day of the following month. Following successful completion of the Lease Term and payment of all payments including the End of Term Payment set forth in Schedule AB, Lessor shall deliver the title to said Vehicle(s) free and clear of all liens and encumbrances.
3. **DELIVERY.** Lessor shall deliver to Lessee and Lessee shall accept delivery of each Vehicle at the Delivery Location set forth in Schedule AB. When delivered to Lessee each Vehicle shall comply with all applicable federal safety standards in effect at the earlier of the manufacture date of the Vehicle(s) or the date hereof. Upon delivery, Lessee or its agent shall sign Schedule AB which shall in addition be used for the purpose of identifying the Vehicles, establishing the Vehicle(s) Delivery Date and documenting Vehicle(s) Condition.

4. **USE AND OPERATION.** Lessee warrants that during the term of this Agreement: (a) Lessee shall use the Vehicle(s) only for providing transportation services for the Carrier identified herein; (b) the Vehicle(s) shall be used only in the Continental United States and Canada and only for the transportation and/or storage of general commodities (the "Products"); (c) the Vehicle(s) shall not be operated by any person other than agents or employees of Lessee, each warranted to be a careful, dependable operator not operating under the influence of alcohol or drugs, with a valid license to operate such Vehicle(s); (d) Lessee shall use each Vehicle designated as a storage Vehicle for storage purposes only; (e) Lessee shall comply with all current and future statutes, regulations, rules, ordinances and orders of any governmental or quasi-governmental entity, including without limitation environmental statutes, regulations, rules, ordinances and orders, affecting the use, operation or maintenance of the Vehicle(s) (collectively "Applicable Laws"); (f) Lessee shall comply with the Vehicle manufacturer's loading limitations and avoid abusive handling and concentrated or excessive loads; and (g) Lessee shall provide Lessor with any Vehicle operation data as may be required by any governmental agency and such data shall be true and accurate.
5. **HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless from: (a) any loss or damage Lessor may sustain as a result of any damage to or loss of any Vehicle(s) due to any cause, including without limitation collision, fire, lightning, theft, explosion, flood, windstorm, or Act of God; (b) any loss or damage to the property, including cargo, of any third person as a result, in whole or in part, of the use or condition of any Vehicle(s); (c) any loss, claim, liability, damages, expense or disbursement, penalty or fine, disposal, remediation or corrective action cost, or forfeiture or seizure that may arise in whole or in part from the use or condition, actual or alleged, of any Vehicle(s) or the failure, actual or alleged, of Lessee to use and maintain any Vehicle(s) as provided under this Agreement and in compliance with Applicable Laws; (d) any claim, lien or liability arising from work performed or for materials supplied in connection with the operation or maintenance of any Vehicle(s); (e) any claim, fine or penalty assessed against EFC or its affiliates arising from Lessee's use of any Vehicle(s), including, but not limited to, traffic citations, equipment violations and toll violations, which Lessee hereby agrees to promptly pay upon receipt thereof. Lessee's duty to indemnify hereunder shall survive termination of this Agreement.
6. **INSURANCE.** Lessee shall at its sole cost and expense procure, and keep in full force and effect from the initial Vehicle Delivery Date until the return of all Vehicle(s), a valid and pre-paid business auto or truckers insurance policy covering hired autos and trailers for bodily injury and property damage liability

including collision and comprehensive coverage for physical damage and a comprehensive general liability policy providing for contractual liability coverage for hold harmless agreements, both satisfactory to Lessor with a combined single limit of one million dollars (\$1,000,000) or, if the Products contain acceptable hazardous materials, a combined single limit of five million dollars (\$5,000,000) per occurrence/twenty-five million dollars (\$25,000,000) aggregate per year, and an environmental impairment liability endorsement equal to the combined single limit per occurrence. Insurance may be provided through the Carrier identified herein, but Lessee shall remain primarily liable for such insurance coverages and to ensure that such coverages remain in full force and effect. Prior to the initial Vehicle Delivery Date, Lessee shall provide to Lessor a valid certificate of insurance, which shall become part of this Agreement, naming Lessor as "Additional Insured" and "Loss Payee," evidencing insurance coverage as set forth herein and requiring thirty (30) days notice to Lessor prior to cancellation or material change. Lessee shall provide Lessor with prompt written notification of any Vehicle(s) that may give rise to claims against Lessor.

7. **SAFETY INSPECTIONS.** Lessee shall be solely responsible for ensuring that each Vehicle is in compliance with all applicable safety regulations. Lessee shall perform and pay for all required safety inspections and shall maintain proper documentation evidencing said inspections. Lessee shall indemnify and hold Lessor harmless from and against any fines, forfeitures, or penalties which may arise from Lessee's non-compliance with the provisions of this Section.
8. **LICENSES.** Lessee, at its sole cost and expense shall procure licenses and registrations required for the lawful operation of each Vehicle in the states or provinces set forth in Schedule AB. Increases in license and registration fees during the Lease Term shall be the responsibility of Lessee and shall be billed to Lessee at the beginning of each license period. If registration or testing is required during the Lease Term, Lessee shall deliver the Vehicle(s) to the test stations during the required testing period and take possession of the Vehicle(s) upon the conclusion of registration and/or testing for the remaining Lease Term.
9. **TAXES.** In addition to the lease and other payments as provided hereunder, Lessee shall pay, or reimburse Lessor for payment of, any and all fees, fines, penalties and sales and use taxes including, but not limited to, value added taxes and personal property taxes or other direct taxes levied against or based upon the price or value of the Vehicle(s) or their use or operation, or levied against or based upon the lease payments paid or to be paid hereunder, and any other taxes levied against or based upon this Agreement or the executing, filing, recording or performance thereof. The term "direct taxes" as used herein shall include all taxes

(except income taxes of Lessor), charges, and fees levied, assessed, or charges by any taxing authority.

10. RATE AND BILLING.

- A. Lessee shall pay Lessor for the use of each Vehicle in advance at the rates as set forth in Schedule AB. Lessor reserves the right to consolidate invoices for Vehicle(s) leased hereunder.
- B. Other charges due Lessor under this Agreement shall be billed to Lessee when incurred. Lessee shall pay all invoices at or before the invoice date without set-off or deduction. If Lessee fails to pay any amount when due, Lessee shall pay a late charge of the lesser of 1 ½% per month (18% per annum compounded monthly) if not paid when due. Payments received by Lessor after the due date shall be applied first to the most recent invoices issued to Lessee without regard to Lessee's instructions. Invoices shall be sent to the Billing Address set forth in Schedule AB or to such other address as Lessee may instruct Lessor in writing. Lessor reserves the right to offset any amount owed Lessee by any amount due Lessor hereunder.
- C. Upon such payment of all such payments and charges due hereunder at the end of the Lease Term, Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances.
- D. Lessee agrees to enroll in settlement deduction program, whereby all amounts due to EFC shall be automatically deducted from Lessee's settlements with Carrier on a weekly basis. Lessee understands EFC shall credit such payments to such lease payments and any other monies due under this Agreement.
- E. Lessee shall also be billed a weekly Refundable Security Deposit Accrual, in the amount set forth in Schedule AB ("Security Deposit Accrual"). Lessor will retain Security Deposit Accruals to insure Lessee's performance of Lessee's obligations. Any Security Deposit Accruals may be comingled and do not earn interest. In the event Lessee satisfies its payment obligations under this Agreement and either acquires title to the Vehicle(s) or returns the Vehicle(s) in acceptable condition pursuant to the terms and conditions set forth in Section 18B, the Security Deposit Accruals will be returned to Lessee within ten (10) business days. In the event Lessee fails to satisfy its payment obligations, the Security Deposit Accruals shall be forfeited by Lessee and applied by Lessor to cover the cost of repairs and maintenance necessary to re-lease or sell the Vehicle(s); to cure any defaults; and to cover any unpaid costs and expenses associated with its Operator – Carrier leasing program. In the event Lessee satisfies its payment obligations, but returns the Vehicle(s) in an unacceptable condition, Lessor may apply all or a part of the Security Deposit Accruals to the cost of repairs and maintenance necessary to re-lease or sell the Vehicle(s) at its then market value, and return the remaining balance of Security Deposit Accrual(s) to Lessee.

11. **EVENTS OF DEFAULT.** The occurrence of one or more of the following shall constitute an Event of Default: (a) Lessee shall cease using the Vehicle(s) for providing transportations services for the Carrier identified herein; (b) Lessee fails to pay when due any lease payments or any other payment under this Agreement; (c) Lessee fails to perform any other term or condition of this Agreement and such failure remains unremedied for more than ten (10) days after Lessor has requested Lessee to perform; (d) Lessee or any guarantor of Lessee (i) becomes insolvent, (ii) commits an act of bankruptcy, (iii) becomes subject to any voluntary or involuntary bankruptcy proceedings, (iv) makes an assignment for the benefit of creditors, (v) appoints or submits to the appointment of a receiver for all or any of its assets, (vi) admits in writing its inability to pay its debts as they become due, or (vii) enters into any type of voluntary or involuntary liquidation; (e) Lessee defaults under any other agreement with Lessor or any affiliate of Lessor; or (f) any letter of credit, guaranty or other security given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor. given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor.

12. **REMEDIES UPON DEFAULT.** Upon any Event of Default, Lessor may, at its option and without demand or notice to Lessee, do any one or more of following: (a) pay all amounts required to be paid or perform or cause to be performed all obligations required to be performed by Lessee hereunder and charge Lessee as additional rent the amount paid or the reasonable value of all services performed therefore; (b) take immediate possession of the Vehicles in accordance with the provisions of Section 14; (c) declare the entire balance of lease payments for the remainder of the Lease Term and the End of Term value as set forth in Schedule AB immediately due and payable by acceleration and recover such amount as liquidated damages, the reasonableness of such damages being acknowledged by Lessee; or (d) terminate the Agreement and Lessee's rights hereunder and require Lessee at its sole cost to promptly return the Vehicle(s) to Lessor at such locations as Lessor may designate. It is understood and agreed that in the event Lessee returns the Vehicle(s) or the Vehicle(s) are repossessed by Lessor and the Lessor sells or re-leases the Vehicle(s), Lessee shall have no right to share in any of the sale or lease proceeds. If Lessee is in default of the Agreement or any other agreement with Lessor, Lessee shall be declared in default of all existing agreements between Lessee and Lessor. No termination, repossession or other act by Lessor after default by Lessee shall relieve Lessee from any of its obligations hereunder. In addition, Lessee shall pay to Lessor on demand the unamortized portion of any expense associated with any Vehicle(s) and all fees, costs and expenses incurred by Lessor in enforcing its rights hereunder including, without limitation, reasonable attorney's fees. The remedies provided in favor of Lessor shall be cumulative and in addition to all other remedies provided in the Agreement or existing at law or in equity.

13. **REPOSSESSION.** If an Event of Default has occurred and is continuing, Lessor shall have the right to enter upon any premises where Vehicle(s) are located and take immediate possession of and remove such Vehicle(s) and shall be deemed Lessee's agent for such purposes. If Lessor takes possession of any Vehicle(s) with other property contained in, upon or attached to such Vehicle(s), Lessor may take possession of such property and hold it in Lessor's possession or in public storage for the account and at the expense of Lessee or dispose of such property with no further liability. Lessee will also be responsible for all storage and associated charges related to recovery of Vehicle(s) including repair of Vehicle(s) to its original state at time of the signed Agreement.
14. **LESSEE OWNERSHIP; FINANCIAL CONDITION.** If ownership of Lessee changes, or there is a disposition of a substantial portion of Lessee's assets or a substantial change in Lessee's financial condition at any time during the Agreement term, Lessee shall promptly notify Lessor thereof and Lessor may terminate this Agreement and demand prompt return of the Vehicle(s) or require from Lessee additional financial security or assurances including but not limited to, cash deposits, letters of credit, escrow accounts and guarantees as a condition to maintaining this Agreement in full force and effect. If Lessor terminates the Agreement, Lessee shall pay all outstanding invoices and other charges set forth herein.
15. **WARRANTY.** Lessee acknowledges receipt of each Vehicle in good and satisfactory condition. **LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES AS TO ANY MATTER WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE WITH RESPECT TO ANY VEHICLE(S), MAINTENANCE OR REPAIR WORK.** Lessor shall make available to Lessee the warranty benefits provided by the Vehicle's manufacturer.
16. **LIMITATION OF LIABILITY.** Lessor shall not be liable in connection with the Agreement for incidental, special, indirect, consequential or exemplary damages of any kind, including without limitation, lost profits and business interruption damages, suffered by Lessee or any other party. Lessee shall indemnify and hold Lessor harmless from and against all claims arising out of any such losses or damages. No right of Lessor under this section may be waived unless in writing and signed by a corporate officer of Lessor.
17. **LESSEE'S PAYMENT OBLIGATION.** Upon the termination of the Agreement for any reason whatsoever, Lessee's payment obligations under the Agreement shall not cease until all payments and charges due hereunder have been paid in full. For any Vehicle(s) lost, stolen totally destroyed or determined by Lessor to be damaged beyond reasonable cost of repair, Lessee shall pay Lessor the remaining balance due under this Agreement including the End of Term value as set forth in Schedule AB. There shall be no abatement of lease

payments and charges until said Vehicle has been returned to Lessor properly repaired, replaced, or Lessor is compensated as provided herein.

18. TERMINATION AND PURCHASE.

A. Purchase Option. Upon successful completion of all terms and conditions of the Agreement, including payment of all lease payments and charges due hereunder, Lessee shall have the option of purchasing the Vehicle(s). In order to exercise such option, Lessee shall notify Lessor at least thirty (30) days prior to the date of termination of the lease of his intent to purchase the vehicle. The purchase price shall be the End of Term value as stated in Schedule AB. Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances. Upon payment of the purchase price, Lessee shall immediately transfer said title out of the name of Lessor.

B. Return Option. If Lessee fails to purchase the Vehicle(s) as provided herein, upon completion of the Agreement, Lessee shall return said Vehicle(s), at Lessee's sole cost and expense, to such location as specified by Lessor. Upon such return, the Vehicle(s) shall be: (a) cleaned or steam-cleaned as applicable and treated with respect to rust, corrosion and appearance in accordance with manufacturer's recommendations and consistent with the best practices of dealers in used equipment similar to the Vehicles; (b) free of all advertising and insignia placed thereon by Lessee; and, (c) mechanically and structurally sound, capable of performing the functions for which it was originally designed and able to operate within the original specifications and tolerances with no loss of power and, if applicable, no excessive emission of exhaust at ignition or starting of the machinery.

19. ASSIGNMENT. Lessee shall not sublet the Vehicle(s) nor assign or transfer this Agreement without Lessor's prior written permission, in which event Lessee's obligations under this Agreement shall continue in full force and effect.

20. TITLE/FINANCING STATEMENTS. Lessor shall retain title to said Vehicles during the term of this Agreement. Lessee nonetheless hereby grants to Lessor a security interest in each Vehicle to secure the payment and performance of Lessee's obligations under this Agreement. Lessee acknowledges that this Agreement grants security interest in each Vehicle and the proceeds received therefrom as set forth and enforceable under the Uniform Commercial Code ("UCC"). Lessee hereby authorizes Lessor or its agents or assigns to sign and execute on its behalf any and all UCC forms, amendments and statements required to perfect the security interest granted herein.

21. LESSOR IDENTIFICATION. Lessor reserves to itself, its successors and

assigns, at all times during the Lease Term, the right to place and maintain in one or more locations upon each Vehicle Lessor's or its designee's name, logo, or similar designation.

22. **LIENS AND ALTERATION.** Lessee shall keep each Vehicle free from any liens, claims or encumbrances and Lessee shall not, without Lessor's prior written consent, make or suffer any changes, alterations, or improvements in or to said Vehicle or remove therefrom any parts, accessories, attachments or other equipment. All Vehicle alterations and improvements shall become the property of Lessor upon the termination of this Agreement.
23. **NOTICES.** All notices given pursuant to this Agreement shall be in writing and may be hand delivered or mailed by registered or certified mail, return receipt requested. Notices sent by facsimile or electronic mail with confirmation of actual receipt will also meet any requirement for written notice under this Agreement. All notices shall be delivered or sent to the address for each party set forth herein, or to such other address as either party notifies the other of in accordance with the terms of this provision. Notices shall be deemed to have been given upon receipt or refusal to accept by the party to which the notice is delivered or sent. Notices shall be sent to the following person/address:

To Lessor:

Element Financial Corp.
Attn: **Element Trans Asset Trust**
655 Business Center Drive
Horsham, PA 19044

With a copy to:

Attn: _____

To Lessee:

Blakeley, Helen
813 Sheffield Dr.
Silver City, NC 27344

24. **RELATIONSHIP BETWEEN LESSEE AND LESSOR.** Lessee and Lessor each represents and warrants to the other that it is an independent contractor with no authority to contract for the other or in any way to bind or to commit the other to any agreement of any kind or to assume any liabilities of

any nature in the name of or on behalf of the other. Under no circumstances shall either party, or any of its employees, hold itself out as or be considered an agent employee, joint venturer, or partner of the other, and neither party shall have any duty to provide or maintain any insurance or other employee benefits on behalf of the other or its employees.

25. **GOVERNING LAW.** This Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of laws provision. Any action or litigation of any kind whatsoever in connection with this Agreement shall be adjudicated in a court of competent jurisdiction located in Pennsylvania. The Lessee hereby consents to the jurisdiction of such courts and to service of process by any means authorized by Pennsylvania or Federal law and hereby waives the right to transfer the venue of any such litigation or action.
26. **ADVERTISING.** Neither party shall use the name of or refer to the other party or any of its affiliates directly or indirectly in any advertisement, news release or professional or trade publication without receiving prior written approval from the other party.
27. **NON-WAIVER.** Failure by either party to insist upon the other party's performance under this Agreement or to exercise any rights or privilege herein shall not be a waiver of any of the rights or privileges provided for in this Agreement.
28. **ASSIGNMENT/MODIFICATION OF AGREEMENT.** Lessor may without notifying Lessee, sell, assign or transfer this Agreement and its interest in the Vehicle(s). In that event, the new owner (and any subsequent owners) will have the same rights and benefits that Lessor now has, but will not have to perform any of Lessor's obligations. Lessee agrees that the new owner will not be subject to any claims, defenses or set-offs that Lessee may have against Lessor. If Lessee is given notice of a new owner of this Agreement, Lessee agrees to respond to any requests about this Agreement and, if directed by Lessor, to pay the new owner all lease payments and other amounts due under this Agreement. No amendment or modification of the terms of this Agreement shall be binding unless in writing and signed by the Parties.
29. **SEVERABILITY.** If any of the provisions of this Agreement are held to be unenforceable or invalid by any arbitrator or court or tribunal of competent jurisdiction, the validity and enforceability of the remaining provisions shall not be affected thereby and the rights and obligations of the parties under this Agreement shall be reduced only so much as necessary to remove the illegality.

30. **ENTIRE AGREEMENT.** This Agreement, including all referenced documents and appendices, constitute the entire agreement of the parties with reference to the subject matter hereof, and there are no other agreements of any kind, including written or oral, between the parties. The terms of this Agreement may not be changed, waived or modified except by written agreement signed by both parties specifically stating that such writing is an amendment to this Agreement.

Signature Page to Follow

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement in duplicate, each copy for all purposes to be deemed an original, as of the date first above written. Lessee agrees to be bound by an electronic copy of this Agreement and the electronic copy shall be considered the original and shall be the binding agreement for purposes of any enforcement action hereunder.

Blakeley, Helen

(Lessee)

X Helen Blakeley
Signed

X Helen Blakeley
Printed

X O/O
Title

Element Financial Corp.

(Lessor)

[Signature]
Signed

Robert Davis

Printed

Agent
Title

SCHEDULE AB

Carrier:	Celadon
Lease Number:	ELE-OO-06442
Lessee Name:	Blakley, William Jr. & Blakeley, Helen
SSN:	313-74-4235

Payment Type	Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
Lease Payment	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$652.04	260	0	TRAC - \$65000
Security Deposit Accrual	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$7.96	260	0	

Terms:	Weekly
Start Date:	June 3, 2015
End Date:	May 27, 2020
Title:	Lessor Holds Title Until Completion of Lease

If End of Term Option is selected as TRAC then:

Upon the expiration of the Lease Term and return of the Vehicle(s) on or before the expiration of the Lease Term pursuant to the terms and conditions of the Agreement, a "Terminal Rent Adjustment" shall be paid in the amount of the difference between (a) the net proceeds realized by Lessor from the sale of the Vehicle(s), after deduction of (i) the expenses of such sale, if any, and (ii) all sums due hereunder as of the expiration of the Lease Term (the "Realized Value") and (b) the End of Term value ("TRAC Amount") for such Vehicle(s) set forth in Schedule AB. If the Realized Value of such Vehicle(s) is less than the TRAC Amount, Lessee shall pay the Terminal Rent Adjustment to Lessor. If the Realized Value of such Equipment is greater than the TRAC Amount, Lessor shall retain the Terminal Rent Adjustment. For such Vehicles not sold within thirty (30) days of the expiration of the Lease Term, Lessee shall upon receipt of Lessor's invoice pay Lessor a Terminal Rent Adjustment in the amount of such Vehicle(s) TRAC Amount. Lessor shall reimburse Lessee in the amount of the Realized Value (up to the TRAC Amount) for any such Vehicle(s) subsequently sold.

If any Vehicle(s) is not returned in the condition required by the Lease Agreement, Lessee shall purchase the Vehicle(s) for the TRAC Amount with payment in full due on or before the expiration of the Lease Agreement.

Lessee certifies to Lessor

- 1) Lessee intends that more than 50 percent of the use of the Vehicle(s) is to be in its trade or business; and
- 2) Lessee has been advised and agrees that **LESSEE WILL NOT BE TREATED AS THE OWNER OF THE VEHICLE FOR FEDERAL INCOME TAX PURPOSES.**

Lessee agrees to indemnify Lessor pursuant to the Indemnity provisions of the Agreement for any claims, losses, costs, damages, and expenses, including legal fees, of whatsoever kind and nature, resulting from Lessee's breach of the above representation and certification.

This Schedule AB dated as of **May 20, 2015** is hereby made part of that certain Individual Program Lease Agreement date **May 20, 2015** ("Agreement") between Element Financial Corp. ("Lessor") and **Blakley, William Jr. & Blakeley, Helen** ("Lessee").

All of the terms and conditions of the Agreement are incorporated and made a part hereof.

A photocopy, facsimile copy, scanned copy or other electronic copy of this document shall be accepted as a legal binding agreement.

Blakley, William Jr. & Blakeley, Helen

LESSEE

Helen Blakley
SIGNATURE

Blakley, William Jr. & Blakeley, Helen

NAME

May 20, 2015

DATE

Element Financial Corp.

LESSOR

Jason Donnar
SIGNATURE

Jason Donnar
NAME

May 20, 2015

DATE

0071-OLS v20150820

CLD000230

SCHEDULE AB (continued)

Carrier:	Celadon
Lease Number:	ELE-OO-06442
Lessee Name:	Blakley, William Jr. & Blakeley, Helen
SSN:	313-74-4235

Payment Type	Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
Lease Payment	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$652.04	260	0	TRAC - \$65000
Security Deposit Accrual	780826	2016	International	LoneStar	3HSCXAPR6GN750126	\$7.96	260	0	

Terms:	Weekly
Start Date:	June 3, 2015
End Date:	May 27, 2020
Title:	Lessor Holds Title Until Completion of Lease

TRAC**\$65,000.00**

***At end of lease payment period, this amount must also be paid to receive title to Vehicle(s).

Insurance Payments

	Payment	Term
Physical Damage Insurance	\$104.00	260
Bobtail/NTL Insurance	\$8.08	260
Total Insurance Payment	\$112.08	260

Total Weekly Payment	\$772.08	260
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Blakley, William Jr. & Blakeley, Helen

LESSEE



SIGNATURE

Blakley, William Jr. & Blakeley, Helen

NAME

May 20, 2015

DATE

Element Financial Corp.

LESSOR



SIGNATURE

Jason Donnar

NAME

May 20, 2015

DATE

0071-OLS v20150820

CLD000231



Individual Program Lease Agreement

This **Individual Program Lease Agreement** (the "Agreement") is made and entered into this 18 day of August 2015 ("Effective Date"), by and between **Smith, Kimberly Lynn** ("Lessee"), and Element Financial Corp ("EFC" or "Lessor"), a Delaware corporation, with its principal place of business located at 655 Business Center Drive, Horsham, PA 19044.

WHEREAS, EFC is in the business of providing customized leasing programs to various vehicle dealers, fleet operators, and individual owner-operators; and

WHEREAS, Lessee is such an individual owner-operator ("Operator") and, has entered into an Independent Contractor Agreement, or similar agreement, with an approved EFC carrier ("Carrier"), and has otherwise been qualified and approved by Carrier to enter into this Agreement.

WHEREAS, Lessee now wishes to lease from EFC a vehicle or vehicles, ("Vehicle(s)"), as specified in Schedule AB, to be operated solely as part of Carrier's fleet, under the terms and conditions specified herein.

1. **VEHICLES.** Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor the Vehicle(s) for the Lease Term set forth in Schedule AB until completion of this Agreement.
2. **TERM.** The Lease Term shall commence on the first day of the month subsequent to the delivery date of the Vehicle(s) or three (3) days subsequent to written notice to Lessee that the Vehicle(s) is available for delivery, whichever shall occur first ("Commencement Date"). The interim lease term, if applicable, is the period beginning with the Commencement Date and continuing until the 1st day of the following month. Following successful completion of the Lease Term and payment of all payments including the End of Term Payment set forth in Schedule AB, Lessor shall deliver the title to said Vehicle(s) free and clear of all liens and encumbrances.
3. **DELIVERY.** Lessor shall deliver to Lessee and Lessee shall accept delivery of each Vehicle at the Delivery Location set forth in Schedule AB. When delivered to Lessee each Vehicle shall comply with all applicable federal safety standards in effect at the earlier of the manufacture date of the Vehicle(s) or the date hereof. Upon delivery, Lessee or its agent shall sign Schedule AB which shall in addition be used for the purpose of identifying the Vehicles, establishing the Vehicle(s) Delivery Date and documenting Vehicle(s) Condition.

4. **USE AND OPERATION.** Lessee warrants that during the term of this Agreement: (a) Lessee shall use the Vehicle(s) only for providing transportation services for the Carrier identified herein; (b) the Vehicle(s) shall be used only in the Continental United States and Canada and only for the transportation and/or storage of general commodities (the "Products"); (c) the Vehicle(s) shall not be operated by any person other than agents or employees of Lessee, each warranted to be a careful, dependable operator not operating under the influence of alcohol or drugs, with a valid license to operate such Vehicle(s); (d) Lessee shall use each Vehicle designated as a storage Vehicle for storage purposes only; (e) Lessee shall comply with all current and future statutes, regulations, rules, ordinances and orders of any governmental or quasi-governmental entity, including without limitation environmental statutes, regulations, rules, ordinances and orders, affecting the use, operation or maintenance of the Vehicle(s) (collectively "Applicable Laws"); (f) Lessee shall comply with the Vehicle manufacturer's loading limitations and avoid abusive handling and concentrated or excessive loads; and (g) Lessee shall provide Lessor with any Vehicle operation data as may be required by any governmental agency and such data shall be true and accurate.

5. **HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless from: (a) any loss or damage Lessor may sustain as a result of any damage to or loss of any Vehicle(s) due to any cause, including without limitation collision, fire, lightning, theft, explosion, flood, windstorm, or Act of God; (b) any loss or damage to the property, including cargo, of any third person as a result, in whole or in part, of the use or condition of any Vehicle(s); (c) any loss, claim, liability, damages, expense or disbursement, penalty or fine, disposal, remediation or corrective action cost, or forfeiture or seizure that may arise in whole or in part from the use or condition, actual or alleged, of any Vehicle(s) or the failure, actual or alleged, of Lessee to use and maintain any Vehicle(s) as provided under this Agreement and in compliance with Applicable Laws; (d) any claim, lien or liability arising from work performed or for materials supplied in connection with the operation or maintenance of any Vehicle(s); (e) any claim, fine or penalty assessed against EFC or its affiliates arising from Lessee's use of any Vehicle(s), including, but not limited to, traffic citations, equipment violations and toll violations, which Lessee hereby agrees to promptly pay upon receipt thereof. Lessee's duty to indemnify hereunder shall survive termination of this Agreement.

6. **INSURANCE.** Lessee shall at its sole cost and expense procure, and keep in full force and effect from the initial Vehicle Delivery Date until the return of all Vehicle(s), a valid and pre-paid business auto or truckers insurance policy covering hired autos and trailers for bodily injury and property damage liability

including collision and comprehensive coverage for physical damage and a comprehensive general liability policy providing for contractual liability coverage for hold harmless agreements, both satisfactory to Lessor with a combined single limit of one million dollars (\$1,000,000) or, if the Products contain acceptable hazardous materials, a combined single limit of five million dollars (\$5,000,000) per occurrence/twenty-five million dollars (\$25,000,000) aggregate per year, and an environmental impairment liability endorsement equal to the combined single limit per occurrence. Insurance may be provided through the Carrier identified herein, but Lessee shall remain primarily liable for such insurance coverages and to ensure that such coverages remain in full force and effect. Prior to the initial Vehicle Delivery Date, Lessee shall provide to Lessor a valid certificate of insurance, which shall become part of this Agreement, naming Lessor as "Additional Insured" and "Loss Payee," evidencing insurance coverage as set forth herein and requiring thirty (30) days notice to Lessor prior to cancellation or material change. Lessee shall provide Lessor with prompt written notification of any Vehicle(s) that may give rise to claims against Lessor.

7. **SAFETY INSPECTIONS.** Lessee shall be solely responsible for ensuring that each Vehicle is in compliance with all applicable safety regulations. Lessee shall perform and pay for all required safety inspections and shall maintain proper documentation evidencing said inspections. Lessee shall indemnify and hold Lessor harmless from and against any fines, forfeitures, or penalties which may arise from Lessee's non-compliance with the provisions of this Section.
8. **LICENSES.** Lessee, at its sole cost and expense shall procure licenses and registrations required for the lawful operation of each Vehicle in the states or provinces set forth in Schedule AB. Increases in license and registration fees during the Lease Term shall be the responsibility of Lessee and shall be billed to Lessee at the beginning of each license period. If registration or testing is required during the Lease Term, Lessee shall deliver the Vehicle(s) to the test stations during the required testing period and take possession of the Vehicle(s) upon the conclusion of registration and/or testing for the remaining Lease Term.
9. **TAXES.** In addition to the lease and other payments as provided hereunder, Lessee shall pay, or reimburse Lessor for payment of, any and all fees, fines, penalties and sales and use taxes including, but not limited to, value added taxes and personal property taxes or other direct taxes levied against or based upon the price or value of the Vehicle(s) or their use or operation, or levied against or based upon the lease payments paid or to be paid hereunder, and any other taxes levied against or based upon this Agreement or the executing, filing, recording or performance thereof. The term "direct taxes" as used herein shall include all taxes

(except income taxes of Lessor), charges, and fees levied, assessed, or charges by any taxing authority.

10. RATE AND BILLING.

- A. Lessee shall pay Lessor for the use of each Vehicle in advance at the rates as set forth in Schedule AB. Lessor reserves the right to consolidate invoices for Vehicle(s) leased hereunder.
- B. Other charges due Lessor under this Agreement shall be billed to Lessee when incurred. Lessee shall pay all invoices at or before the invoice date without set-off or deduction. If Lessee fails to pay any amount when due, Lessee shall pay a late charge of the lesser of 1 ½% per month (18% per annum compounded monthly) if not paid when due. Payments received by Lessor after the due date shall be applied first to the most recent invoices issued to Lessee without regard to Lessee's instructions. Invoices shall be sent to the Billing Address set forth in Schedule AB or to such other address as Lessee may instruct Lessor in writing. Lessor reserves the right to offset any amount owed Lessee by any amount due Lessor hereunder. **In addition, ancillary fees and charges payable to third parties have been agreed to by Lessee and such third parties and shall be set forth on Schedule AB. Such ancillary fees and charges are for the benefit of such third parties. EFC is not responsible for the amounts being charged by such third parties.**
- C. Upon such payment of all such payments and charges due hereunder at the end of the Lease Term, Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances.
- D. Lessee agrees to enroll in settlement deduction program, whereby all amounts due to EFC shall be automatically deducted from Lessee's settlements with Carrier on a weekly basis. Lessee understands EFC shall credit such payments to such lease payments and any other monies due under this Agreement.

- 11. EVENTS OF DEFAULT.** The occurrence of one or more of the following shall constitute an Event of Default: (a) Lessee shall cease using the Vehicle(s) for providing transportations services for the Carrier identified herein; (b) Lessee fails to pay when due any lease payments or any other payment under this Agreement; (c) Lessee fails to perform any other term or condition of this Agreement and such failure remains unremedied for more than ten (10) days after Lessor has requested Lessee to perform; (d) Lessee or any guarantor of Lessee (i) becomes insolvent, (ii) commits an act of bankruptcy, (iii) becomes subject to any voluntary or involuntary bankruptcy proceedings, (iv) makes an assignment for the benefit of creditors, (v) appoints or submits to the appointment of a receiver for all or any of its assets, (vi) admits in writing its inability to pay its debts as they become due, or (vii) enters into any type of voluntary or involuntary liquidation; (e) Lessee defaults under any other agreement with Lessor or any affiliate of

Lessor; or (f) any letter of credit, guaranty or other security given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor. given to secure the performance of this Agreement shall expire, terminate or become worthless in the opinion of Lessor.

12. **REMEDIES UPON DEFAULT.** Upon any Event of Default, Lessor may, at its option and without demand or notice to Lessee, do any one or more of following: (a) pay all amounts required to be paid or perform or cause to be performed all obligations required to be performed by Lessee hereunder and charge Lessee as additional rent the amount paid or the reasonable value of all services performed therefore; (b) take immediate possession of the Vehicles in accordance with the provisions of Section 14; (c) declare the entire balance of lease payments for the remainder of the Lease Term and the End of Term value as set forth in Schedule AB immediately due and payable by acceleration and recover such amount as liquidated damages, the reasonableness of such damages being acknowledged by Lessee; or (d) terminate the Agreement and Lessee's rights hereunder and require Lessee at its sole cost to promptly return the Vehicle(s) to Lessor at such locations as Lessor may designate. It is understood and agreed that in the event Lessee returns the Vehicle(s) or the Vehicle(s) are repossessed by Lessor and the Lessor sells or re-leases the Vehicle(s), Lessee shall have no right to share in any of the sale or lease proceeds. If Lessee is in default of the Agreement or any other agreement with Lessor, Lessee shall be declared in default of all existing agreements between Lessee and Lessor. No termination, repossession or other act by Lessor after default by Lessee shall relieve Lessee from any of its obligations hereunder. In addition, Lessee shall pay to Lessor on demand the unamortized portion of any expense associated with any Vehicle(s) and all fees, costs and expenses incurred by Lessor in enforcing its rights hereunder including, without limitation, reasonable attorney's fees. The remedies provided in favor of Lessor shall be cumulative and in addition to all other remedies provided in the Agreement or existing at law or in equity.
13. **REPOSSESSION.** If an Event of Default has occurred and is continuing, Lessor shall have the right to enter upon any premises where Vehicle(s) are located and take immediate possession of and remove such Vehicle(s) and shall be deemed Lessee's agent for such purposes. If Lessor takes possession of any Vehicle(s) with other property contained in, upon or attached to such Vehicle(s), Lessor may take possession of such property and hold it in Lessor's possession or in public storage for the account and at the expense of Lessee or dispose of such property with no further liability. Lessee will also be responsible for all storage and associated charges related to recovery of Vehicle(s) including repair of Vehicle(s) to its original state at time of the signed Agreement.
14. **LESSEE OWNERSHIP; FINANCIAL CONDITION.** If ownership of

Lessee changes, or there is a disposition of a substantial portion of Lessee's assets or a substantial change in Lessee's financial condition at any time during the Agreement term, Lessee shall promptly notify Lessor thereof and Lessor may terminate this Agreement and demand prompt return of the Vehicle(s) or require from Lessee additional financial security or assurances including but not limited to, cash deposits, letters of credit, escrow accounts and guarantees as a condition to maintaining this Agreement in full force and effect. If Lessor terminates the Agreement, Lessee shall pay all outstanding invoices and other charges set forth herein.

15. **WARRANTY.** Lessee acknowledges receipt of each Vehicle in good and satisfactory condition. **LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES AS TO ANY MATTER WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE WITH RESPECT TO ANY VEHICLE(S), MAINTENANCE OR REPAIR WORK.** Lessor shall make available to Lessee the warranty benefits provided by the Vehicle's manufacturer.
16. **LIMITATION OF LIABILITY.** Lessor shall not be liable in connection with the Agreement for incidental, special, indirect, consequential or exemplary damages of any kind, including without limitation, lost profits and business interruption damages, suffered by Lessee or any other party. Lessee shall indemnify and hold Lessor harmless from and against all claims arising out of any such losses or damages. No right of Lessor under this section may be waived unless in writing and signed by a corporate officer of Lessor.
17. **LESSEE'S PAYMENT OBLIGATION.** Upon the termination of the Agreement for any reason whatsoever, Lessee's payment obligations under the Agreement shall not cease until all payments and charges due hereunder have been paid in full. For any Vehicle(s) lost, stolen totally destroyed or determined by Lessor to be damaged beyond reasonable cost of repair, Lessee shall pay Lessor the remaining balance due under this Agreement including the End of Term value as set forth in Schedule AB. There shall be no abatement of lease payments and charges until said Vehicle has been returned to Lessor properly repaired, replaced, or Lessor is compensated as provided herein.
18. **TERMINATION AND PURCHASE.**
 - A. Purchase Option. Upon successful completion of all terms and conditions of the Agreement, including payment of all lease payments and charges due hereunder, Lessee shall have the option of purchasing the Vehicle(s). In order to exercise such option, Lessee shall notify Lessor at least thirty (30) days prior to the date of termination of the lease of his intent to purchase the vehicle. The purchase price shall be the End of Term value as stated in

Schedule AB. Lessor shall deliver title to said Vehicle(s) free and clear of all liens and encumbrances. Upon payment of the purchase price, Lessee shall immediately transfer said title out of the name of Lessor.

- B. Return Option. If Lessee fails to purchase the Vehicle(s) as provided herein, upon completion of the Agreement, Lessee shall return said Vehicle(s), at Lessee's sole cost and expense, to such location as specified by Lessor. Upon such return, the Vehicle(s) shall be: (a) cleaned or steam-cleaned as applicable and treated with respect to rust, corrosion and appearance in accordance with manufacturer's recommendations and consistent with the best practices of dealers in used equipment similar to the Vehicles; (b) free of all advertising and insignia placed thereon by Lessee; and, (c) mechanically and structurally sound, capable of performing the functions for which it was originally designed and able to operate within the original specifications and tolerances with no loss of power and, if applicable, no excessive emission of exhaust at ignition or starting of the machinery.
19. **ASSIGNMENT.** Lessee shall not sublet the Vehicle(s) nor assign or transfer this Agreement without Lessor's prior written permission, in which event Lessee's obligations under this Agreement shall continue in full force and effect.
20. **TITLE/FINANCING STATEMENTS.** Lessor shall retain title to said Vehicles during the term of this Agreement. Lessee nonetheless hereby grants to Lessor a security interest in each Vehicle to secure the payment and performance of Lessee's obligations under this Agreement. Lessee acknowledges that this Agreement grants security interest in each Vehicle and the proceeds received therefrom as set forth and enforceable under the Uniform Commercial Code ("UCC"). Lessee hereby authorizes Lessor or its agents or assigns to sign and execute on its behalf any and all UCC forms, amendments and statements required to perfect the security interest granted herein.
21. **LESSOR IDENTIFICATION.** Lessor reserves to itself, its successors and assigns, at all times during the Lease Term, the right to place and maintain in one or more locations upon each Vehicle Lessor's or its designee's name, logo, or similar designation.
22. **LIENS AND ALTERATION.** Lessee shall keep each Vehicle free from any liens, claims or encumbrances and Lessee shall not, without Lessor's prior written consent, make or suffer any changes, alterations, or improvements in or to said Vehicle or remove therefrom any parts, accessories, attachments or other equipment. All Vehicle alterations and improvements shall become the property of Lessor upon the termination of this Agreement.

23. **NOTICES.** All notices given pursuant to this Agreement shall be in writing and may be hand delivered or mailed by registered or certified mail, return receipt requested. Notices sent by facsimile or electronic mail with confirmation of actual receipt will also meet any requirement for written notice under this Agreement. All notices shall be delivered or sent to the address for each party set forth herein, or to such other address as either party notifies the other of in accordance with the terms of this provision. Notices shall be deemed to have been given upon receipt or refusal to accept by the party to which the notice is delivered or sent. Notices shall be sent to the following person/address:

To Lessor:

Element Financial Corp.
Attn: Element Trans Asset Trust
655 Business Center Drive
Horsham, PA 19044

With a copy to:

Attn: _____

To Lessee:

Smith, Kimberly Lynn
5775 Ortega View Way #16
Jacksonville, FL 32244

24. **RELATIONSHIP BETWEEN LESSEE AND LESSOR.** Lessee and Lessor each represents and warrants to the other that it is an independent contractor with no authority to contract for the other or in any way to bind or to commit the other to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of the other. Under no circumstances shall either party, or any of its employees, hold itself out as or be considered an agent employee, joint venturer, or partner of the other, and neither party shall have any duty to provide or maintain any insurance or other employee benefits on behalf of the other or its employees.
25. **GOVERNING LAW.** This Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of laws provision. Any action or litigation of any kind whatsoever in connection with this Agreement shall be adjudicated in a court of competent jurisdiction located in Pennsylvania. The Lessee hereby consents to the jurisdiction of such courts and to service of process by any means authorized by Pennsylvania or Federal

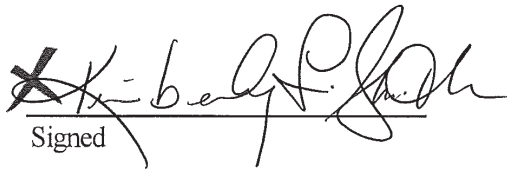
law and hereby waives the right to transfer the venue of any such litigation or action.

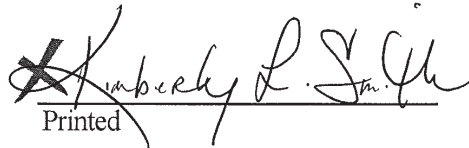
26. **ADVERTISING.** Neither party shall use the name of or refer to the other party or any of its affiliates directly or indirectly in any advertisement, news release or professional or trade publication without receiving prior written approval from the other party.
27. **NON-WAIVER.** Failure by either party to insist upon the other party's performance under this Agreement or to exercise any rights or privilege herein shall not be a waiver of any of the rights or privileges provided for in this Agreement.
28. **ASSIGNMENT/MODIFICATION OF AGREEMENT.** Lessor may without notifying Lessee, sell, assign or transfer this Agreement and its interest in the Vehicle(s). In that event, the new owner (and any subsequent owners) will have the same rights and benefits that Lessor now has, but will not have to perform any of Lessor's obligations. Lessee agrees that the new owner will not be subject to any claims, defenses or set-offs that Lessee may have against Lessor. If Lessee is given notice of a new owner of this Agreement, Lessee agrees to respond to any requests about this Agreement and, if directed by Lessor, to pay the new owner all lease payments and other amounts due under this Agreement. No amendment or modification of the terms of this Agreement shall be binding unless in writing and signed by the Parties.
29. **SEVERABILITY.** If any of the provisions of this Agreement are held to be unenforceable or invalid by any arbitrator or court or tribunal of competent jurisdiction, the validity and enforceability of the remaining provisions shall not be affected thereby and the rights and obligations of the parties under this Agreement shall be reduced only so much as necessary to remove the illegality.
30. **ENTIRE AGREEMENT.** This Agreement, including all referenced documents and appendices, constitute the entire agreement of the parties with reference to the subject matter hereof, and there are no other agreements of any kind, including written or oral, between the parties. The terms of this Agreement may not be changed, waived or modified except by written agreement signed by both parties specifically stating that such writing is an amendment to this Agreement.

Signature Page to Follow

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement in duplicate, each copy for all purposes to be deemed an original, as of the date first above written. Lessee agrees to be bound by an electronic copy of this Agreement and the electronic copy shall be considered the original and shall be the binding agreement for purposes of any enforcement action hereunder.

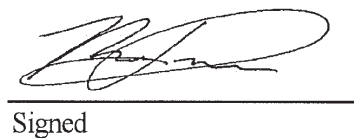
Smith, Kimberly Lynn
(Lessee)

~~X~~ 
Signed

~~X~~ 
Printed

~~X~~ go
Title

Element Financial Corp.
(Lessor)


Signed

Robert Davis
Printed

Agent
Title

SCHEDULE AB

Carrier:	Celadon
Lease Number:	ELE-OO-10297
Lessee Name:	Smith, Kimberly Lynn
SSN:	428-27-6434

Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
	2015	Peterbilt	579	1XPBD49X2FD285305	\$615.49	260	0	FPOCUST - \$1
	2015	Peterbilt	579	1XPBD49X2FD285305	\$4.51	260	0	

Terms:	Weekly
Start Date:	September 1, 2015
End Date:	August 25, 2020
Title:	Lessor Holds Title Until Completion of Lease

If End of Term Option is selected as TRAC then:

Upon the expiration of the Lease Term and return of the Vehicle(s) on or before the expiration of the Lease Term pursuant to the terms and conditions of the Agreement, a "Terminal Rent Adjustment" shall be paid in the amount of the difference between (a) the net proceeds realized by Lessor from the sale of the Vehicle(s), after deduction of (i) the expenses of such sale, if any, and (ii) all sums due hereunder as of the expiration of the Lease Term (the "Realized Value") and (b) the End of Term value ("TRAC Amount") for such Vehicle(s) set forth in Schedule AB. If the Realized Value of such Vehicle(s) is less than the TRAC Amount, Lessee shall pay the Terminal Rent Adjustment to Lessor. If the Realized Value of such Equipment is greater than the TRAC Amount, Lessor shall retain the Terminal Rent Adjustment. For such Vehicles not sold within thirty (30) days of the expiration of the Lease Term, Lessee shall upon receipt of Lessor's invoice pay Lessor a Terminal Rent Adjustment in the amount of such Vehicle(s) TRAC Amount. Lessor shall reimburse Lessee in the amount of the Realized Value (up to the TRAC Amount) for any such Vehicle(s) subsequently sold.

If any Vehicle(s) is not returned in the condition required by the Lease Agreement, Lessee shall purchase the Vehicle(s) for the TRAC Amount with payment in full due on or before the expiration of the Lease Agreement.

Lessee certifies to Lessor

- 1) Lessee intends that more than 50 percent of the use of the Vehicle(s) is to be in its trade or business; and
- 2) Lessee has been advised and agrees that **LESSEE WILL NOT BE TREATED AS THE OWNER OF THE VEHICLE FOR FEDERAL INCOME TAX PURPOSES.**

Lessee agrees to indemnify Lessor pursuant to the Indemnity provisions of the Agreement for any claims, losses, costs, damages, and expenses, including legal fees, of whatsoever kind and nature, resulting from Lessee's breach of the above representation and certification.

This Schedule AB dated as of **August 18, 2015** is hereby made part of that certain Individual Program Lease Agreement date **August 18, 2015** ("Agreement") between Element Financial Corp. ("Lessor") and **Smith, Kimberly Lynn** ("Lessee").

All of the terms and conditions of the Agreement are incorporated and made a part hereof.

A photocopy, facsimile copy, scanned copy or other electronic copy of this document shall be accepted as a legal binding agreement.

Smith, Kimberly Lynn

LESSEE

Kimberly Lynn Smith

SIGNATURE

Smith, Kimberly Lynn

NAME

August 18, 2015

DATE

Element Financial Corp.

LESSOR

Jason Donnar

SIGNATURE

Jason Donnar

NAME

August 18, 2015

DATE

SCHEDULE AB (continued)

Carrier:	Celadon
Lease Number:	ELE-OO-10297
Lessee Name:	Smith, Kimberly Lynn
SSN:	428-27-6434

Unit	Year	Make	Model	VIN	Payment	Term	Down	End of Term
	2015	Peterbilt	579	1XPBD49X2FD285305	\$615.49	260	0	FPOCUST - \$1
	2015	Peterbilt	579	1XPBD49X2FD285305	\$4.51	260	0	

Terms:	Weekly
Start Date:	September 1, 2015
End Date:	August 25, 2020
Title:	Lessor Holds Title Until Completion of Lease

FPOCUST**\$1.00**

***At end of lease payment period, this amount must also be paid to receive title to Vehicle(s).

Insurance Payments

	Payment	Term
Physical Damage Insurance	\$104.00	260
Bobtail/NTL Insurance	\$8.08	260
Total Insurance Payment	\$112.08	260

Total Weekly Payment	\$732.08	260
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Smith, Kimberly Lynn

LESSEE

SIGNATURE

Smith, Kimberly Lynn

NAME

August 18, 2015

DATE

Element Financial Corp.

LESSOR

SIGNATURE

Jason Donnar

NAME

August 18, 2015

DATE



SETTLEMENT DEDUCTION AGREEMENT

This Settlement Deduction Agreement ("Agreement") is entered into this 18 day of August, 20 15 ("Effective Date"), by and between Smith, Kimberly Lynn ("Contractor") and Element Financial Corp. ("Lessor"), a Delaware corporation, with its principal place of business located at 655 Business Center Drive, Horsham, PA 19044.

WHEREAS, Contractor purchased or is leasing from Lessor a tractor identified below and intends to operate said tractor pursuant to an agreement with Carrier; and

WHEREAS, the parties hereto desire to set forth their agreement with respect to deductions from Contractor's settlement payments from Celadon ("Carrier") and subsequent forwarding of such deductions to Lessor *or Lessor's servicing agent* for application to amounts due and owing Lessor by Contractor.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Contractor hereby expressly requests and authorizes Carrier to (a) deduct from settlements otherwise due Contractor from Carrier the weekly amount reflected below (the "Deductions") when available, and (b) thereafter remit to Lessor such amounts on a weekly basis. Contractor hereby authorizes such fee to be deducted from Contractor's settlement payments on a weekly basis. Contractor shall provide Carrier with a copy of this Agreement.

Contractor and Lessor acknowledge that Carrier provides settlement deductions to Contractor and Lessor as a convenience to both. In the event that sufficient funds are not available to make the deductions as scheduled, Contractor and Lessor understand that Carrier is under no obligation to make any remittances on Contractor's behalf, and that defaults and/or penalties in obligations may occur. To the extent that monies due Contractor become available at a later date, Contractor authorizes Carrier to withhold sufficient funds at that time to cover unsatisfied, scheduled deduction requests. Contractor and Lessor understand that this deduction will be last in priority relative to all other deductions from Contractor's settlements.

2. Contractor and Lessor agree to indemnify and hold harmless Carrier for and from any and all claims or disputes arising out of or related to the obligations of Contractor or Lessor pursuant to the purchase or lease of the Tractor, including but not limited to deficiencies between amounts withheld from settlement payments otherwise due Contractor and Contractor's payment obligations to Lessor.

Carrier shall have no liability for failure to remit any such payments to Lessor, or for remitting amounts which do not meet Contractor's obligations of payment to Lessor.

3. Contractor and Lessor acknowledge and agree that settlement deductions pursuant to this Request for Deductions may only be discontinued by Contractor in the event the agreement between Carrier and Contractor is terminated and upon Contractor's thirty (30) day advance written notice to Carrier and Lessor.

This Request for Deductions is entered into by the authorized representatives of the parties and as of the date indicated below.

LESSOR

By: Jason Donnar
Title: Agent

CONTRACTOR

By: X 
Title: O/O (Owner Operator)

Contractor's Weekly Payment Amount: \$ 732.08

Weekly Truck Payment: \$ 615.49

Weekly Fee Payment: \$ 4.51

Additional Weekly Fees: \$ 112.08

Tractor Identification:

Year 2015

Make Peterbilt

Model 579

VIN 1XPBD49X2FD285305