

## SETTLEMENT AGREEMENT

This Agreement covers all understandings between John Allen Griffith, (hereinafter referred to as "Griffith" a term which includes Griffith's successors, assigns, beneficiaries, personal representatives, heirs and attorneys), and Schilli Transportation Services, Inc., Wabash Valley Transportation Inc., WVT of Texas Inc., Schilli Distribution Services, Inc., Schilli Leasing, Inc., and Schilli Specialized, Inc. (hereinafter referred to as "Schilli Companies" a term which includes each and every officer, director, employee, agent, parent corporation(s) or subsidiary, affiliate and division, their successors, owners, vendors, assigns, beneficiaries, servants, legal representatives, insurers and heirs).

1. Without admitting to any liability or validity of any of the charges or claims stated or referenced herein, Griffith and the Schilli Companies have voluntarily agreed that all such matters should be resolved through settlement, and now wish to fully and finally resolve and settle all such and related matters, claims and controversies between them.

2. In consideration of the promises outlined herein, Griffith agrees as follows:

A. To settle any and all claims and actions of any nature whatsoever between Griffith and Schilli Companies, and all claims against Atlantic Inland Carriers, Inc., Saint Transportation, Inc., Dynamic Trucking, Inc., and Dynamic Trucking, L.L.C. and release and forever discharge said entities of and from any and all manner of actions, causes of actions, suits, rights to attorney fees, debts, claims and demands whatsoever in law or equity by reason of any matter, cause or thing whatsoever, and particularly, but without limitation of the foregoing general terms, by reason of any claims or actions arising from Griffith's previous employment or separation from employment with Atlantic Inland Carriers, Inc., which include, but are not limited to, any and all matters related to the transactions or matters which are the subject matter of the following proceedings:

- i. John A. Griffith v. Schilli Transportation Services, Inc., et al., now pending as case no. 2004-STA-00025 before the Honorable Richard E. Huddleston, Administrative Law Judge for the U. S. Department of Labor;
- ii. John A. Griffith v. Atlantic Inland Carriers, Inc. previously pending as case no. 04-010 before the Administrative Review Board of the U. S. Department of Labor;
- iii. John A. Griffith v. United States Investigative Services d/b/a DAC Services, Atlantic Inland Carriers, Inc., Schilli Transportation Services, Inc., Wabash Valley Transportation, Inc. d.b.a. Combined Schilli Companies, Schilli Specialized Inc., d/b/a/ Combined Schilli Companies, WVT of Texas Inc., Saint Transportation, Inc., Dynamic Trucking, Inc., Dynamic Trucking, L.L.C., Schilli Distribution Services, Inc. and Schilli Leasing, Inc., now pending as case 04-CV-01173 in the United States District Court for the District of Minnesota.

B. This release also includes, without limitation, any claims that Griffith has, or may have, from the beginning of time to the date of this agreement against Schilli Companies, Atlantic Inland Carriers, Inc., Saint Transportation, Inc., Dynamic Trucking, Inc., and Dynamic Trucking, L.L.C. from any alleged violation of any and all federal, state, or local laws, including the Employee Retirement Income Security Act of 1974, the Civil Rights Acts of 1866, 1871, 1964, and 1991, the Rehabilitation Act of 1973, the Fair Labor Standards Act, the Equal Pay Act of 1963, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, the Occupational Safety and Health Act, the Immigration Reform and Control Act of 1986, the Americans with Disabilities Act, the Age Discrimination in Employment Act of 1967, and the Older Workers' Benefit Protection Act. This is not a complete list, and Griffith waives and releases all similar rights and claims under all other federal, state and local discrimination provisions and all other statutory and common law causes of action against the Schilli Companies, Atlantic Inland Carriers, Inc., Saint Transportation, Inc., Dynamic Trucking, Inc., and Dynamic Trucking, L.L.C. and their affiliates not specifically named herein.

C. To waive any right to employment he may have with Schilli Companies and not to apply for employment with Schilli Companies, or any entity presently or any time hereafter affiliated with any of the Schilli Companies, or entities created, formed or to be formed by Schilli Companies in the future.

D. Not to disclose the contents of this Agreement to anyone except the attorneys representing Griffith in this matter, financial advisors, tax advisors, or as otherwise allowed by law.

E. To file a motion to dismiss case no. 2004-STA-00025 with prejudice with the Honorable Richard E. Huddleston, Administrative Law Judge for the U. S. Department of Labor; To withdraw his request to the United States Department, Office of the Solicitor, for enforcement of the decision of the final decision and order of the Administrative Review Board in case no. 04-010; To dismiss Atlantic Inland Carriers, Inc., Schilli Companies, Saint Transportation, Inc., Dynamic Trucking, Inc., and Dynamic Trucking, L.L.C., with prejudice from case no 04-CV-01173 in the United States District Court for the District of Minnesota. Nothing in this agreement shall be construed as releasing United States Investigative Services d.b.a. DAC Services, USIS Consumer Services or any entity not specifically released herein from any claim that Griffith may have including, but not limited to, those set forth in case no. 04-CV-01173 in the United States District Court for the District of Minnesota.

F. That Griffith is solely and entirely responsible for the payment of any and all taxes, which may be found to be due on the amounts paid hereunder, and to indemnify and hold Schilli Companies harmless against any claim for such taxes or related penalties or interest.

3. For and in consideration for the promises made by Griffith herein, and without any admission of liability, Schilli Companies agrees:

A. To pay Griffith and his attorneys, Taylor and Associates, Ltd. the total sum of \$ 118,000.00 according to the schedule set forth in Exhibit A hereto. The first payment shall not

be due until the later of the due date set forth on Exhibit A hereto or within 15 days after an Administrative Law Judge of the United States Department of Labor, enters a recommended decision and order approving this settlement agreement (to the extent of his jurisdiction). All subsequent payments shall not be due until the later of the due dates set forth on Exhibit A hereto, or within 15 days after an Administrative Law Judge of the United States Department of Labor, enters a recommended decision and order approving this settlement agreement (to the extent of his jurisdiction). Schilli Companies shall issue Griffith an IRS form 1099, showing disbursement due hereunder. All payments due hereunder shall be mailed on or before the date due to Paul O. Taylor, 900 West 128<sup>th</sup> Street, Suite 102, Burnsville, MN 55337, or to such other address as Taylor & Associates, Ltd. may designate in the future. No interest shall accrue on any of the amounts due hereunder.

B. That Schilli Companies and all entities named herein make no representation about the tax consequences of the payments to Griffith and his attorneys, and Griffith agrees to indemnify and hold harmless each of these entities for any costs, fines, or penalties that may be assessed as a result of these payments.

C. That Schilli Transportation Services, Inc., Wabash Valley Transportation Inc., WVT of Texas Inc., Schilli Distribution Services, Inc., Schilli Leasing, Inc., and Schilli Specialized, Inc. are each jointly and severally liable for the payments due to Griffith and Taylor & Associates, Ltd. hereunder.

D. To execute a confession of judgment in the form of Exhibit B hereto. Griffith agrees that he will not record the confession of judgment unless Schilli Companies default in the payment of any of the obligations to make payments to Griffith and/or Taylor & Associates, Ltd. under paragraph 2 of this agreement. In the event Griffith causes the confession of judgment to be recorded as a result of default, in a court of competent jurisdiction, Griffith agrees to credit all amounts paid pursuant to this agreement against the judgment amount recorded.

E. Schilli Companies agree to forever release and discharge Griffith from any and all claims, demands, causes of action, and liabilities of any kind whatsoever (upon any legal or equitable theory, whether contractual, common-law, statutory, federal, state, local, or otherwise), whether known or unknown, which Schilli Companies ever had, now has or hereafter can, shall or may have against Griffith up to and including the date of the execution of this Agreement.

F. To the extent they have not already done so, Schilli Companies agrees to report to USIS Consumer Services, d/b/a DAC Services only the following information concerning Griffith, which is listed on his current DAC report, as of the date of this agreement:

|                      |                               |
|----------------------|-------------------------------|
| Period of service:   | 10/2001 to 12/2003            |
| Eligible for rehire: | Yes.                          |
| Reason for leaving:  | Voluntarily resigned.         |
| Status:              | Company Driver                |
| Driver's Experience: | Over the road. Single Driver. |
| Equipment Operated:  | Van                           |

|                           |                                       |
|---------------------------|---------------------------------------|
| Loads Hauled:             | General commodity.                    |
| Work Record:              | Satisfactory.                         |
| Accident/Incident Record: | No DOT recordable accidents/incidents |

G. If a prospective employer contacts Schilli Companies to obtain information about Griffith, Schilli Companies will provide only the following information concerning Griffith:

- i. That he worked for Atlantic Inland Carriers, Inc. from October 2001 to December 2003;
- ii. Positions held and/or duties performed; and
- iii. Any other information that Schilli Companies may be obligated by law to disclose, including, but not limited to alcohol and drug testing results required by United States Department of Transportation.

H. Schilli Companies agree not to disclose the contents of this Agreement to anyone except their attorneys, tax advisers, officers, directors and managers, or as compelled by force of law.


4. In the event that any of the parties hereto commences an action for damages to enforce the provisions of the Agreement, the prevailing party in any such action shall be entitled to an award of its reasonable attorney's fees and all costs including appellate fees and costs, incurred in connection therewith as determined by the court in any such action.

5. Griffith and Schilli Companies agree that this Settlement Agreement is entered into knowingly and voluntarily, after having the opportunity to fully discuss it with an attorney. Having had the opportunity to obtain the advice of legal counsel to review, comment upon, and redraft this agreement, the parties agree that this Agreement shall be construed as if the parties jointly prepared it so that any uncertainty or ambiguity shall not be interpreted against any one party and in favor of the other.

6. This Agreement supersedes all prior agreements and understandings between Griffith and Schilli Companies. No cancellation, modification, amendment, deletion, addition, or other changes in this Agreement or any provision hereof or any right herein provided shall be effective for any purpose unless specifically set forth in a subsequent written agreement signed by Griffith and an authorized representative of Schilli Companies.

7. Should any provision of this Agreement be declared or determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement and all other valid provisions shall survive and continue to bind the parties.

DATE: August 20, 2004

  
John A. Griffith

Schilli Transportation Services, Inc.

By: Ben D. Scalle

DATE: August 13, 2004

Its: President

Wabash Valley Transportation Inc.

By: Ben D. Scalle

DATE: August 13, 2004

Its: President

WVT of Texas Inc.

By: Ben D. Scalle

DATE: August 13, 2004

Its: President

Schilli Distribution Services, Inc.

By: George Berd

DATE: August 13, 2004

Its: General Manager

Schilli Leasing, Inc.

By: \_\_\_\_\_

DATE: August 13, 2004

Its: President

Schilli Specialized, Inc.

By: Ben D. Scalle

DATE: August 13, 2004

Its: President

DATE: August \_\_, 2004

John A. Griffith

Schilli Transportation Services, Inc.

By: Ben D. Scelle

DATE: August 13, 2004

Its: President

Wabash Valley Transportation Inc.

By: Ben D. Scelle

DATE: August 13, 2004

Its: President

WVT of Texas Inc.

By: Ben D. Scelle

DATE: August 13, 2004

Its: President

Schilli Distribution Services, Inc.

By: George Borden

DATE: August 13, 2004

Its: General Manager

Schilli Leasing, Inc.

By: [Signature]

DATE: August 13, 2004

Its: President

Schilli Specialized, Inc.

By: Ben D. Scelle

DATE: August 13, 2004

Its: PRESIDENT

EXHIBIT "A"

| <u>DUE DATE</u>   | <u>AMOUNT DUE</u> |
|-------------------|-------------------|
| September 2, 2004 | \$ 25,000.00      |
| October 1, 2004   | 15,500.00         |
| November 1, 2004  | 15,500.00         |
| December1, 2004   | 15,500.00         |
| January 3, 2005   | 15,500.00         |
| February 1, 2005  | 15,500.00         |
| March 1, 2005     | 15,500.00         |

EXHIBIT "B"

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF INDIANA

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John Griffith and Paul O. Taylor,

Plaintiffs,

vs.

Schilli Transportation Services, Inc., Wabash Valley  
Transportation Inc., WVT of Texas Inc., Schilli Distribution  
Services, Inc., Schilli Leasing, Inc., and Schilli Specialized, Inc.,

Defendants.

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CONFESSION OF JUDGMENT

The undersigned Defendants, Schilli Transportation Services, Inc., Wabash Valley Transportation Inc., WVT of Texas Inc., Schilli Distribution Services, Inc., Schilli Leasing, Inc., and Schilli Specialized, Inc. do hereby admit, acknowledge and confess that there is actually and justly due from Defendants to John Griffith and Paul O. Taylor, the principal sum of ONE HUNDRED EIGHTEEN THOUSAND Dollars (\$118,000), as more fully set forth in the Settlement Agreement between the parties dated August \_\_, 2004.

In the event that Defendants fail to make timely payments due on the dates set forth in the Settlement Agreement, Plaintiffs may apply to the Clerk of the U.S. District Court by ex parte Affidavit, upon five (5) calendar days' notice to Defendants, sent by U. S. Certified Mail, Return Receipt Requested, to enter judgment against Defendants in the amount of ONE HUNDRED EIGHTEEN THOUSAND dollars (\$118,000,000), less any amounts already paid by Defendants. Defendants further agree that they will not oppose the entry or docketing of such judgment if said payment is not timely made and will not assert any other defense, set-off or counterclaim which might otherwise be available to it. Any judgment entered herein will be against Defendants (jointly and severally).

IN WITNESS WHEREOF, Schilli Transportation Services, Inc., Wabash Valley Transportation Inc., WVT of Texas Inc., Schilli Distribution Services, Inc., Schilli Leasing, Inc., and Schilli Specialized, Inc. have executed this Confession of Judgment as of the \_\_\_\_\_ day of August 2004.



WVT of Texas, Inc.

\_\_\_\_\_

By:

Its: \_\_\_\_\_

STATE OF INDIANA )

) ss.

COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn on oath, states that he/she has read the foregoing Confession of Judgment and know the contents thereof; that he/she understands the contents thereof; and that the Confession of Judgment is true of his/her own knowledge.

\_\_\_\_\_ further acknowledges that he/she signed and executed the Confession of Judgment willingly and for the purposes therein expressed; that at the time of the execution of the Confession of Judgment he/she was 18 years or more of age, of sound mind, and under no constraint, duress or undue influence.

\_\_\_\_\_

NAME

Subscribed and sworn to before me this

\_\_\_\_\_ day of August 2004.

\_\_\_\_\_

Notary Public

Wabash Valley Transportation, Inc.

\_\_\_\_\_

By:

Its: \_\_\_\_\_

STATE OF INDIANA            )  
  ) ss.

COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn on oath, states that he/she has read the foregoing Confession of Judgment and know the contents thereof; that he/she understands the contents thereof; and that the Confession of Judgment is true of his/her own knowledge.

\_\_\_\_\_ further acknowledges that he/she signed and executed the Confession of Judgment willingly and for the purposes therein expressed; that at the time of the execution of the Confession of Judgment he/she was 18 years or more of age, of sound mind, and under no constraint, duress or undue influence.

\_\_\_\_\_

NAME

Subscribed and sworn to before me this

\_\_\_\_\_ day of August 2004.

\_\_\_\_\_

Notary Public

Schilli Transportation Services, Inc.

\_\_\_\_\_  
By:

Its: \_\_\_\_\_

STATE OF INDIANA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn on oath, states that he/she has read the foregoing Confession of Judgment and know the contents thereof; that he/she understands the contents thereof; and that the Confession of Judgment is true of his/her own knowledge.

\_\_\_\_\_ further acknowledges that he/she signed and executed the Confession of Judgment willingly and for the purposes therein expressed; that at the time of the execution of the Confession of Judgment he/she was 18 years or more of age, of sound mind, and under no constraint, duress or undue influence.

\_\_\_\_\_  
NAME

Subscribed and sworn to before me this  
\_\_\_\_\_ day of August 2004.

\_\_\_\_\_  
Notary Public

Schilli Specialized, Inc.

\_\_\_\_\_  
By:

Its: \_\_\_\_\_

STATE OF INDIANA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn on oath, states that he/she has read the foregoing Confession of Judgment and know the contents thereof; that he/she understands the contents thereof; and that the Confession of Judgment is true of his/her own knowledge.

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\_\_\_\_\_  
NAME

Subscribed and sworn to before me this  
\_\_\_\_\_ day of August 2004.

\_\_\_\_\_  
Notary Public

Schilli Leasing, Inc.

\_\_\_\_\_  
By:

Its: \_\_\_\_\_

STATE OF INDIANA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

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\_\_\_\_\_  
NAME

Subscribed and sworn to before me this  
\_\_\_\_\_ day of August 2004.

\_\_\_\_\_  
Notary Public

Schilli Distribution Services, Inc.

\_\_\_\_\_  
By:

Its: \_\_\_\_\_

STATE OF INDIANA            )  
  ) ss.

COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn on oath, states that he/she has read the foregoing Confession of Judgment and know the contents thereof; that he/she understands the contents thereof; and that the Confession of Judgment is true of his/her own knowledge.

\_\_\_\_\_ further acknowledges that he/she signed and executed the Confession of Judgment willingly and for the purposes therein expressed; that at the time of the execution of the Confession of Judgment he/she was 18 years or more of age, of sound mind, and under no constraint, duress or undue influence.

\_\_\_\_\_  
NAME

Subscribed and sworn to before me this  
\_\_\_\_\_ day of August 2004.

\_\_\_\_\_  
Notary Public