2-13-02

EXPRESS MAIL NO.: EL 501 742 714 US

FORM PTO-1594
1-31-92

02-22-2002

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

101991048

To the Honorable Commissioner of Paten :hed original documents or copy thereof.
Box Assignment, Washington, DC 20231

1. Name of conveying party(ies):

ADS Logistics, LLC 2-11-02

☐Individual(s) ☐Association
☐General Partnership ☐Limited Partnership
☐Corporation-State
☒Other Limited Liability Company
Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies):

Name: Société Générale

Internal Address:

Street Address: 1221 Avenue of the Americas

City New York State NY ZIP 10020

☒ Individual(s) citizenship
☐Association
☐General Partnership
☐Limited Partnership
☒Corporation - France
☐Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☒ Yes ☐ No
(Designation must be a separate document from Assignment)
Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐Assignment ☐Merger
☐Security Agreement ☐Change of Name
☒Other Joinder of Security Agreement - SEE ATTACHED SHEET FOR EXPLANATION.

Execution Date: December 31, 2001

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) See attached schedule

B. Trademark registration No.(s) See attached schedule

Additional numbers attached? ☒ Yes ☐ No

5. Name and address of party to whom correspondence concerning document should be mailed:

PENNIE & EDMONDS LLP
1155 Avenue of the Americas
New York, NY 10036

Attn.: Jennifer A. Hamilton, Esq.

File No.: 10148-0010-999

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41):.....$ 190.00

Please charge to the deposit account listed in Section 8.

8. Deposit account number:
16-1150

02/22/2002 00000066 161150 76186130
01 FC:481 40.00 CH
02 FC:482 150.00 CH

DO NOT USE THIS SPACE

9. Statement and signature.

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Jennifer A. Hamilton Reg. No. Signature February 11, 2002 Date

Total number of pages comprising cover sheet:

**Mail documents to be recorded with required cover sheet information to:**
**Commissioner of Patents & Trademarks, Box Assignment**
**Washington, D.C. 20231**

NY2 - 1273449.1

FEB 1 1 2002

**EXPLANATION OF #3- NATURE OF CONVEYANCE**

A Trademark Agreement, dated September 8, 1999, was recorded in the Patent and Trademark Office on September 14, 1999 at Reel 1957, Frame 535. By the attached document, ADS Logistics LLC joins said agreement as an Obligor and grants a security interest in its intellectual property in favor of Société Générale.

NY2 - 1274106.1

OIPE
FEB 1 1 2002

# TRADEMARK SCHEDULE

| Country | Trademark | Appl./Reg. No. | Appl./Reg. Date |
|---|---|---|---|
| United States | LOMAS | 76/186,130 | Dec. 22, 2000 |
| | LOMAS | 76/186,129 | Dec. 22, 2000 |
| | LOMAS | 2,509,907 | Nov. 20, 2001 |
| | E-TRANZIT | 76/186,064 | Dec. 22, 2000 |
| | E-TRANZIT & Design | 76/186,063 | Dec. 22, 2000 |
| | E-TRANZIT & Design | 76/132,331 | Sept. 19, 2000 |
| | S.C.O.R.E. | 2,393,454 | Oct. 10, 2000 |
| Canada | E-TRANZIT & Design | 1089058 | Jan. 12, 2001 |
| Mexico | E TRANZIT | 468539 | Sept. 15, 2000 |

NY2 - 1275912.1

76,136130

EXPRESS MAIL NO.: EL 501 742 714 US

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Sir:

**DESIGNATION OF DOMESTIC REPRESENTATIVE**

Jonathan E. Moskin, Esq., of PENNIE & EDMONDS LLP, located at 1155 Avenue of the Americas, New York, New York 10036, is hereby designed domestic representative upon whom all notices and processes in proceedings affecting the maintenance and/or registration issuing hereon may be served.

Date: January 10, 2002

Respectfully Submitted,

Société Générale

By: _____

Name: Cynthia A. Jay

Title: Managing Director

NY2 - 1273509.1

**EXECUTION COPY**

# CONSENT AND EIGHTH AMENDMENT TO CREDIT AGREEMENT, AMENDMENT TO MEMBERSHIP INTEREST PLEDGE AGREEMENTS, SUBORDINATION ACKNOWLEDGMENT AND OBLIGOR SECURITY AGREEMENT JOINDER

CONSENT AND EIGHTH AMENDMENT TO CREDIT AGREEMENT, AMENDMENT TO MEMBERSHIP INTEREST PLEDGE AGREEMENTS, SUBORDINATION ACKNOWLEDGMENT AND OBLIGOR SECURITY AGREEMENT JOINDER (this "Agreement") dated as of December 31, 2001, is entered into among Area Transportation Company, an Illinois corporation ("ATC"), Roll & Hold Warehousing & Distribution Corp., an Illinois corporation ("R&H"), ServiceCraft, LLC, a Delaware limited liability company ("SC LLC"), Western Intermodal Services, Ltd., an Illinois corporation ("WISL" and together with ATC, R&H and SC LLC, the "Existing Borrowers"), May Logistics Services, Inc., a California corporation ("MLS" and the "Borrower Funds Administrator"), Freight Connections International, Ltd., an Illinois corporation ("FCI"), Independent Contractor Services, Inc., an Illinois corporation ("ICS"), ADS Logistics, LLC, a Delaware limited liability company ("ADS LLC" and together with ICS, FCI, the Existing Borrowers, MLS and ADS, the "Transaction Parties"), the financial institutions party thereto (the "Lenders"), Societe Generale ("SG") as documentation agent (in such capacity, the "Documentation Agent"), administrative agent (in such capacity, the "Administrative Agent") and the issuing bank (in such capacity, the "Issuing Bank"), General Electric Capital Corporation ("GECC"), as collateral agent (the "Collateral Agent") and LaSalle Bank National Association ("LaSalle"), as co-agent (the "Co-Agent" and together with the Administrative Agent and the Documentation Agent, the "Agents").

## RECITALS

**WHEREAS,** the Existing Borrowers, MLS, the Agents, the Collateral Agent, the Lenders and the Issuing Bank are parties to that certain Amended and Restated Secured Credit Agreement, dated as of September 8, 1999 (as amended, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement");

**WHEREAS,** MLS, the Existing Borrowers, FCI and ICS have requested that the Lenders permit (and the Lenders are willing to permit), on the terms and conditions set forth herein and subject to documentation in form and substance satisfactory to the Administrative Agent in its sole discretion, the reorganization on or prior to January 31, 2002, of ADS and certain Subsidiaries of ADS substantially as set forth in the next Recital (the "Restructuring") and agree to amend the Credit Agreement and each of the two Membership Interest Pledge Agreements (each dated as of September 8, 1999, made by MLS and ADS, respectively, in favor of the Documentation Agent, and collectively referred to as the "Membership Interest Pledge Agreements"), in connection therewith;

**WHEREAS,** (i) ADS will transfer all of its assets (other than its beneficial interest in that certain trust created under that certain trust agreement dated November 19, 1987, known as Trust Number 74-1822 under which St. Paul Trust Company is the trustee, and its

ownership interests in Pacific Western Warehousing & Distribution, LLC, Indiana Stevedoring & Distribution Corporation, ATC, R&H, WISL, FCI and ICS) to ADS LLC, a newly formed wholly-owned Subsidiary of ADS, (ii) ADS will cause each of ATC, R&H, WISL, FCI and ICS to merge into ADS LLC, which shall be the surviving entity, (iii) ADS and MLS will change their capital structures such that (a) the non-voting common stock in ADS will be distributed to MLS shareholders, (b) newly issued non-voting preferred stock of ADS and MLS will be distributed to the MLS shareholders in exchange for such shareholders' Junior Subordinated Notes and (c) MLS will retain 100% of the voting common stock of ADS;

**NOW, THEREFORE,** in consideration of the foregoing and of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the Existing Borrowers, FCI, ICS, MLS, ADS, ADS LLC, the Agents and the Requisite Lenders agree as follows:

SECTION 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Credit Agreement (as amended hereby).

SECTION 2. Consent. Subject to the satisfaction of the conditions precedent set forth in Section 9 hereof, the Requisite Lenders hereby consent to the Restructuring.

SECTION 3. Amendments to Credit Agreement. Subject to the satisfaction of the conditions precedent set forth in Section 9 hereof, the Credit Agreement is hereby amended as follows:

(a) Each reference in the Credit Agreement to "ATC," "R&H" and "WISL" shall be deemed a reference to "ADS LLC."

(b) Section 1.1 is amended as follows:

(i) The definition of "ADS" is amended and restated in its entirety as follows:

"ADS shall mean Alternative Distribution Systems, Inc., a Delaware corporation (successor by merger to ADS MergerCo) and a Subsidiary of MLS, of which MLS owns 100% of the issued and outstanding voting stock."

(ii) The definition of "ADS Equity Investment" is amended by deleting "in each case in consideration of the issuance by MLS to CHS and such Person of Junior Subordinated Notes, certain shares of capital stock of MLS and the ADS Equity Bridge Note, as applicable," in clause (i) and deleting ", in consideration of the issuance by MLS to William Blair of Junior Subordinated Notes and certain shares of capital stock of MLS".

(iii) The definition of "ADS LLC" is inserted in its proper alphabetical place as follows:



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"ADS LLC shall mean ADS Logistics, LLC, a Delaware limited liability company."

(iv) The definition of "ADS LLC Equity Interests" is inserted in its proper alphabetical place as follows:

"ADS LLC Equity Interests" shall mean all of the membership interests, and rights to acquire membership interests, of ADS LLC."

(v) The definition of "Acme Equity Investment" is deleted.

(vi) The definition of "Borrowers" is amended and restated in its entirety as follows:

"Borrowers shall mean ADS LLC and SC LLC."

(vii) The definition of "Change in Ownership" is amended by (x) deleting ", ADS Equity Interests" from clause (c), (y) replacing the "." at the end of clause (c) with ";", and (z) inserting the following new clauses:

"(d) ADS shall cease for any reason to own beneficially and of record less than ninety-nine and nine-tenths of one percent (99.9%) of the ADS LLC Equity Interests;

(e) MLS shall cease for any reason to own beneficially and of record, one-tenth of one percent (0.1%) of the ADS LLC Equity Interests after January 15, 2002; or

(f) MLS shall cease for any reason to own and have the right to exercise 100% of the voting control of ADS."

(viii) The definition of "Consolidated Entity" is amended by deleting "consolidated" and replacing it with "combined".

(ix) The definition of "Consolidated Funded Debt" is amended by deleting "(x) Indebtedness evidenced by the Junior Subordinated Notes so long as no cash interest or principal payments are due and payable thereunder at such time or (y)" from the proviso thereto.

(x) The definition of "Employee Notes" is amended and restated in its entirety as follows:

"Employee Notes shall mean any promissory notes issued to MLS or ADS by its employees in exchange for MLS Equity Interests or ADS Equity Interests (provided that such ADS Equity Interests must be contemporaneously pledged to the Documentation Agent pursuant to a pledge agreement substantially in the form previously delivered to the Documentation Agent by shareholders of ADS), respectively, together



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with any collateral granted to MLS or ADS, respectively, as security for the obligations evidenced thereby."

(xi) The definition of "Equity Sale Proceeds" is amended by inserting in clauses (ii) and (iii), "and ADS Equity Interests" after each reference to "MLS Equity Interests".

(xii) The definition of "Executive Securities Agreements" is amended by deleting "and" at the end of clause (a) and replacing it with "," and inserting "and (c) any agreements in substantially similar form entered into from time to time after December 31, 2001 by and between ADS, CHS and any other Management Investors, and as any of such Executive Securities Agreements may be amended, supplemented or otherwise modified from time to time" at the end of clause (b) (before the ".").

(xiii) The definition of "Guarantors" is amended and restated in its entirety as follows:

"Guarantors shall mean ADS and MLS."

(xiv) The definition of "Heller Document" is inserted in its proper alphabetical place as follows:

"Heller Document - see Section 11.11(h)."

(xv) The definition of "Investor Securities Agreements" is amended by deleting "and" at the end of clause (a) and replacing it with "," and inserting "and (c) any agreements in substantially similar form entered into from time to time after December 31, 2001 by and between ADS, CHS and any successor, assign or transferee of William Blair, and as any such Investors Securities Agreements may be amended, supplemented or otherwise modified from time to time" at the end of clause (b) (before the ".").

(xvi) The definition of "Junior Subordinated Indebtedness" is deleted.

(xvii) The definition of "Junior Subordinated Notes" is deleted.

(xviii) The definition of "Leverage Ratio" is amended by deleting "Junior Subordinated Indebtedness and" from the parenthetical therein.

(xix) The definition of "MLS Merger Documents" is amended by deleting "the Junior Subordinated Notes,".

(xx) The definition of "MLS Pledge Agreement" is amended and restated in its entirety as follows:

"MLS Pledge Agreement shall mean that certain Amended and Restated Pledge Agreement dated as of September 8, 1999 between MLS and the Documentation Agent."



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(xxi) The definition of "Obligor Security Agreement" is amended and restated in its entirety as follows:

"Obligor Security Agreement shall mean that certain Amended and Restated Security Agreement dated as of September 8, 1999 among ATC, R&H, WISL, SC LLC, MLS, ADS, FCI, ICS and the Documentation Agent."

(xxii) The definition of "Related Credit Documents" is amended by inserting at the end thereof (before the "."), "as any such documents may be amended, restated, supplemented or otherwise modified from time to time".

(xxiii) The definition of "Supplemental Contribution" is amended by deleting "Junior Subordinated Notes" and replacing it with "junior subordinated notes issued by MLS pursuant to any Executive Securities Agreements or Investors Securities Agreements".

(xxiv) The definition of "Termination Notes" is amended and restated in its entirety as follows:

"Termination Notes shall mean any and all promissory notes in an aggregate principal amount outstanding at any time not to exceed $1,400,000, issued from time to time by MLS or ADS to its respective former employees in connection with the termination of their employment, in exchange for MLS Equity Interests or ADS Equity Interests (provided that any such ADS Equity Interests shall be immediately retired or cancelled by ADS or held by ADS as treasury stock not to be transferred to any Person under any circumstance) held by such former employees, in form and substance substantially similar to those Termination Notes in existence on June 30, 2001, provided, however, that any Termination Notes issued on or after July 1, 2001, shall be substantially in the form annexed hereto as Exhibit X."

(xxv) The definition of "William Blair Warrants" is amended by (x) inserting after "September 8, 1999" (before the ",") in clauses (a) and (b) "as amended and substituted January __, 2002", (y) deleting "and" at the end of clause (a) and inserting "," in lieu thereof and (z) inserting at the end of clause (b) (before the ".") "and (c) that certain Stock Purchase Warrant issued as of November 30, 2001 by ADS in favor of William Blair".

(c) Section 1.2 is amended by deleting "consolidated basis" in the fifth line and replacing it with "combined basis" and inserting "(to the extent applicable)" after "GAAP".

(d) Section 2.6.1 is amended as follows:

(i) clause (d) is amended by (a) deleting "any and all proceeds from the issuance of any Junior Subordinated Notes after July 16, 2001 (other than the



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issuance, as incentive compensation, of Junior Subordinated Notes to any member of the executive management of any Obligor)" and (b) inserting "(other than in connection with Section 11.21 (g))" after "Equity Sale Proceeds";

(ii) clause (f) is amended by deleting "member of R&H" and replacing it with "member of Convoy Realty".

(e) Section 9.1.1 is amended by deleting "(herein called the "Obligor Security Agreement")".

(f) Section 9.1.3(a) is amended by deleting "(herein called the "MLS Pledge Agreement")".

(g) Section 9.2 is amended by inserting "or its organizational number" after "conducts its business" in clause (b).

(h) Section 9.5 is amended by inserting at the end of the first parenthetical "or ADS Equity Interests (so long as such ADS Equity Interests are contemporaneously pledged, to the Documentation Agent pursuant to a pledge agreement substantially in the form previously delivered to the Documentation Agent by shareholders of ADS) and the transfer to MLS of 0.1% of the ADS LLC Equity Interests".

(i) Section 10.1 is amended by inserting "or limited liability company" after "corporation" in the second line, inserting "or formation" after "incorporation" in the third line, inserting "or limited liability company" after each reference to "corporate", and inserting "or member" after "shareholder".

(j) Section 10.10 is amended by deleting in clause (a) "Junior Subordinated Indebtedness incurred" and replacing it with "Indebtedness under the junior subordinated notes issued by MLS pursuant to any Executive Securities Agreements or Investors Securities Agreements," and inserting in clause (b) "or limited liability company" after "corporate".

(k) Schedules 10.11, 10.13, 10.15 and 10.17 are hereby amended and restated in their entirety as set forth on Annex IV, Annex V, Annex VI and Annex VII, respectively, hereto.

(l) Section 10.26 is amended by (x) replacing each reference to "Amendment Closing Date" with "December 31, 2001" and (y) inserting "or as otherwise permitted under this Agreement or any pledge agreement delivered to the Documentation Agent, by shareholders of ADS under which shares of ADS are pledged" after "Lender Parties".

(m) Schedule 10.26 is amended and restated in its entirety as set forth on Annex I hereto.

(n) Sections 11.1.1, 11.1.2 and 11.1.3 are each amended by deleting each reference to "consolidated and consolidating" and replacing it with "combined and combining".



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(o) Section 11.11 is amended by deleting in clause (f) ", the Junior Subordinated Indebtedness" and "and" (at the end thereof), deleting "." at the end of clause (g) and replacing it with "; and" and adding the following clauses:

"(h) subordinated Indebtedness owing by MLS to CHS, on terms and conditions acceptable to the Administrative Agent in its sole discretion, in connection with the cure of any monetary default under the Master Security Agreement among Heller Financial, Inc. and the Borrowers dated as of December 31, 2001 (the "Heller Document"), provided, that all of the proceeds of such subordinated Indebtedness shall be used by MLS to cure the relevant default under the Heller Document, and provided, further that any interest payable in connection with such subordinated Indebtedness shall be paid in kind; and

(i) in the case of ADS, Indebtedness evidenced by Termination Notes issued by ADS."

(p) Section 11.21 is amended as follows:

(i) clause (d) is amended by (x) inserting in subclause (i) "MLS" before "Contingent Promissory Note", (y) inserting in subclause (ii) "or ADS" after each reference to "MLS" and (z) deleting "and" at the end of clause (d);

(ii) clause (e) is amended and restated in its entirety as follows:

"(e) if no Event of Default shall exist or result therefrom, each Borrower may make distributions to MLS and ADS in order to permit MLS and ADS to repurchase (and pay debt service on Termination Notes, if applicable) and MLS and ADS may repurchase (for cash or by the issuance of Termination Notes), shares of their own capital stock; provided, that (i) each such repurchase is occasioned by the death, permanent disability or termination of employment by an Obligor of the holder of any such instrument so repurchased, for a purchase price specified in the applicable Executive Securities Agreement or Investor Securities Agreement, as the case may be, and (ii) the aggregate amount of all distributions (whether necessary for cash payments to repurchase capital stock of MLS or ADS, or for debt service on Termination Notes) made pursuant to this subsection 11.21(e) shall not exceed $400,000 in any Fiscal Year;"

(iii) the following clauses (f) and (g) are added:

"(f) in connection with an Equity Sale of ADS Equity Interests on or prior to January 31, 2002, MLS may distribute to its shareholders (x) non-voting common stock of ADS in an amount equivalent to 99.9% of the economic interest in ADS (provided that such ADS Equity Interests must be contemporaneously pledged to the Documentation Agent pursuant to a pledge agreement substantially in the form previously delivered to the



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Documentation Agent by shareholders of ADS) and (y) non-voting preferred stock of ADS (provided that such ADS Equity Interests must be contemporaneously pledged to the Documentation Agent pursuant to a pledge agreement substantially in the form previously delivered to the Documentation Agent by shareholders of ADS) and MLS in exchange for such shareholders' junior subordinated notes issued by MLS pursuant to any Executive Securities Agreements or Investors Securities Agreements; and

(g) in connection with a capital contribution by CHS to MLS or ADS in order to cure a monetary default under the Heller Document, MLS may issue to CHS preferred stock, capital stock or warrants in MLS or ADS (provided that such ownership interest in ADS shall be contemporaneously pledged to the Documentation Agent pursuant to a pledge agreement substantially in the form previously delivered to the Documentation Agent by shareholders of ADS)."

(q) Section 11.22 is amended by inserting "and" before clause (c) and deleting clause (d).

(r) Section 11.24 is amended by deleting "corporation" in clause (i) and replacing it with "Person".

(s) Section 11.32 is amended by deleting in clause (b) "the Junior Subordinated Notes or" and ", in the case of the Senior Subordinated Note Documents,".

(t) Section 11.33 is amended by inserting "; and after February 15, 2002, all such accounts shall be maintained with one or more financial institutions which have executed an account control agreement in form and substance satisfactory to the Administrative Agent in its sole discretion" at the end thereof.

(u) Section 11.34 is inserted as follows:

"SECTION 11.34 Holding Company. Not permit ADS to maintain at any time assets other than (i) its ownership interests in ADS LLC, Pacific Western Warehousing & Distribution, LLC and Indiana Stevedoring & Distribution Corporation, (ii) its own treasury stock, (iii) its Employee Notes, and (iv) its beneficial interest in that certain trust created under that certain trust agreement dated November 19, 1987, known as Trust Number 74-1822 under which St. Paul Trust Company is the trustee."

(v) The text of Section 12.1.4 is deleted and replaced with "Intentionally Omitted."

SECTION 4. Amendment to ADS Membership Interest Pledge Agreement. Subject to the satisfaction of the conditions precedent set forth in Section 9 hereof, (a) Schedule I to the Membership Interest Pledge Agreement dated as of September 8, 1999, between ADS and



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the Documentation Agent is amended and restated in its entirety as set forth on Annex II hereto, (b) Section 3(a)(iii)(z) is amended by deleting "capital stock" and replacing it with "membership interests" and (c) the following sentence is inserted immediately before the penultimate sentence of Section 3(a): "The Pledgor represents and warrants that all membership interests listed on Schedule I are uncertificated."

SECTION 5. Amendment to the MLS Pledge Agreement. Subject to the satisfaction of the conditions in Section 9 hereof, Schedule I to the MLS Pledge Agreement is amended and restated in its entirety as set forth on Annex VIII hereto.

SECTION 6. Amendment to Obligor Security Agreement. Subject to the satisfaction of the conditions in Section 9 hereof, the Obligor Security Agreement is amended as follows: (i) Section 6 is amended by inserting the following clause (w):

> "(w) upon acquiring a Commercial Tort Claim (as defined in the Uniform Commercial Code in effect on December 31, 2001 in the State of Illinois), promptly notify the Documentation Agent in writing of the details thereof and grant to the Documentation Agent a security interest therein and in the proceeds thereof in form and substance satisfactory to the Documentation Agent."

and (ii) Schedule V to the Obligor Security Agreement is amended and restated in its entirety as set forth on Annex IX hereto.

SECTION 7. Subordination Acknowledgment. The parties hereto hereby acknowledge and reaffirm the terms and provisions of the Senior Subordination Agreement, agree that the stock purchase warrant described in clause (c) of the definition of William Blair Warrants and all documentation executed and delivered to William Blair in connection therewith constitute Subordinated Credit Documents (as such term is used and defined in the Senior Subordination Agreement), agree that all references therein to "ATC," "R&H," "WISL," "FCI," and "ICS" shall be deemed references to "ADS LLC" and ADS LLC hereby agrees to be bound to all of such terms and provisions as if it had been an original signatory thereto.

SECTION 8. Joinder.

(a) ADS LLC hereby acknowledges and reaffirms the assumption by ADS LLC, pursuant to the terms and provisions of the Merger Documents (as defined below) and Requirements of Law, of all of the Liabilities of ATC, R&H, WISL, FCI and ICS, respectively, under or pursuant to the Credit Agreement and each of the Related Credit Documents.

(b) Each of the Borrowers and Required Lenders hereby acknowledges and agrees that, (x) by its execution and delivery hereof, without any further notice or action of any kind whatsoever on its part or on the part of any other Borrower or Lender Party, ADS LLC shall automatically be joined as a "Borrower" under the Credit Agreement and each of the other Related Credit Documents executed and delivered by R&H, ATC ,WISL, FCI and ICS, respectively, and (y) thereafter, ADS LLC shall be bound by all of the respective terms and provisions thereof, in each case as fully and to the same extent as if ADS LLC had been an



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original party thereto, with each express reference therein to R&H, ATC, WISL, FCI and ICS being deemed for all purposes to constitute a reference to ADS LLC.

(c) As security for the payment and performance in full of the Liabilities under the Credit Agreement, ADS LLC does hereby create and grant to the Documentation Agent, its successors and permitted assigns, for the benefit of the Lenders, their successors and permitted assigns, a continuing security interest in the Collateral of ADS LLC and hereby agrees to be bound by all terms of (x) the Obligor Security Agreement as an "Obligor"(as defined therein) as if it had been an original Obligor thereunder and (y) each of the other Collateral Documents to which any of ATC, R&H, WISL, FCI or ICS were a party, as if it had been an original obligor, pledgor, grantor, mortgagor, or debtor, as the case may be, thereunder.

SECTION 9. Conditions Precedent to Effectiveness. This Agreement shall not be effective unless and until the date (the "Effective Date") when each of the following conditions shall have been satisfied in the sole discretion of the Administrative Agent:

(a) the Administrative Agent shall have received counterparts of this Agreement duly executed by each of the Transaction Parties and the Requisite Lenders and an acknowledgment executed by William Blair and each Guarantor;

(b) the Administrative Agent shall have received payment in full in cash of all fees and expenses of the Administrative Agent and the other Lenders (including fees and expenses of counsel);

(c) the Administrative Agent shall have received an amendment to the Senior Subordinated Note Purchase Agreement in form and substance satisfactory to the Administrative Agent, duly executed by William Blair and each of the Transaction Parties (other than ADS);

(d) the Administrative Agent shall have received an endorsement from Chicago Title Insurance Company (or other documentation from Chicago Title Insurance Company acceptable to the Administrative Agent in its sole discretion) for each Mortgage, in form and substance satisfactory to the Administrative Agent in its sole discretion;

(e) the Administrative Agent shall have received an opinion of counsel to the Transaction Parties, in form and substance satisfactory to the Administrative Agent in its sole discretion;

(f) the Administrative Agent shall have received (x) certified copies of the certificate of formation for ADS LLC, its limited liability company agreement and a certificate of good standing for each jurisdiction in which ADS LLC is authorized to do business and (y) duly executed resolutions and a certificate or incumbency for all Transaction Parties in connection with the Restructuring, in form and substance satisfactory to the Administrative Agent in its sole discretion;

(g) the Administrative Agent shall have received written evidence that (x) the Restructuring has been consummated in accordance with the terms of that certain



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Agreement and Plan of Merger of even date herewith, among ADS LLC, R&H, ATC, WISL, FCI and ICS, in accordance with all Requirements of Law and as contemplated by this Agreement (including, without limitation, the Recitals hereof), (y) such Agreement and Plan of Merger and all documents executed in connection therewith (collectively, the "Merger Documents") are in full force and effect, and (z) none of the parties to any of the documents referred to in clause (y) above, shall have failed to perform in any material respect, any material obligation or covenant required by any of such documents to be performed or complied with by such Person on or before the date hereof.

(h) the Administrative Agent shall have received solvency certificates in form and substance acceptable to the Administrative Agent in its sole discretion from each of ADS LLC, MLS, ADS and SC LLC;

(i) the Administrative Agent shall have received a duly executed pledge agreement, in the form of Annex III hereto, from each shareholder of ADS;

(j) MLS and each shareholder of ADS shall have delivered to the Administrative Agent the certificates representing all ownership interests in ADS pursuant to the Restructuring, and related undated stock powers endorsed in blank (except that such stock powers for Sharon Montford shall be delivered on or prior to February 15, 2002);

(k) the Administrative Agent shall have received a perfection certificate for the Transaction Parties in form and substance satisfactory to the Administrative Agent in its sole discretion;

(l) the Administrative Agent shall have received an amended and substituted Term Loan A Note, Term Loan B Note and Revolving Loan Note for each Lender (as applicable), in form and substance acceptable to the Administrative Agent in its sole discretion;

(m) the Administrative Agent shall have received executed documentation with respect to the Intellectual Property Collateral (as defined in the Obligor Security Agreement) sufficient to protect the Documentation Agent's Liens in all Intellectual Property Collateral, in form and substance satisfactory to the Documentation Agent in its sole discretion;

(n) the Administrative Agent shall have received executed copies of the William Blair Warrant described in clause (c) of the definition of "William Blair Warrants" and all other warrants issued under which ADS Equity Interests may be acquired, all in form and substance satisfactory to the Administrative Agent in its sole discretion; and

(o) the Administrative Agent shall have received all other documents it requested in form and substance satisfactory to the Administrative Agent in its sole discretion.

SECTION 10. Representations and Warranties. Each of the Transaction Parties hereby represents and warrants to the Administrative Agent and to the Lenders as follows:

(a) The Recitals in this Agreement are true and correct in all respects.



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(b) All representations and warranties of each of the Transaction Parties in the Credit Agreement and of each of the Transaction Parties in the Related Credit Documents to which it is a party are incorporated herein in full by this reference and are true and correct in all material respects as of the date hereof.

(c) No Unmatured Event of Default or Event of Default has occurred and is continuing.

(d) Each of the Transaction Parties has the power, and has been duly authorized by all requisite action, to execute and deliver this Agreement and the other documents and agreements executed and delivered in connection herewith to which it is a party. This Agreement has been duly executed by each of the Transaction Parties and the other documents and agreements executed and delivered in connection herewith to which any of the Transaction Parties is a party have been duly executed and delivered by each of the Transaction Parties.

(e) This Agreement is the legal, valid and binding obligation of each of the Transaction Parties and the other documents and agreements executed or delivered in connection herewith to which any of the Transaction Parties is a party are the legal, valid and binding obligations of the Transaction Parties, in each case enforceable against each of the Transaction Parties in accordance with their respective terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar law affecting creditors' rights generally.

(f) The execution, delivery and performance of this Agreement and the other documents and agreements executed and delivered in connection therewith does not and will not (i) violate any law, rule, regulation or court order to which any of the Transaction Parties is subject; (ii) conflict with or result in a breach of the certificate of incorporation, bylaws or other organizational documents of any of the Transaction Parties or any agreement or instrument to which it is party or by which the properties of any of the Transaction Parties is bound; or (iii) result in the creation or imposition of any Lien on any property of any of the Transaction Parties, whether now owned or hereafter acquired, other than Liens in favor of the Documentation Agent.

(g) No consent or authorization of, filing with or other act by or in respect of any Governmental Authority or any other Person is required (other than William Blair) in connection with the execution, delivery or performance by each of the Transaction Parties, or the validity or enforceability, of this Agreement or the other documents or agreements executed or delivered in connection herewith to which any of the Transaction Parties is a party, or the consummation of the transactions contemplated hereby or thereby, or the continuing operations of any of the Transaction Parties following the consummation of such transactions.

(h) There is no pending or, to the knowledge of any of the Transaction Parties after due inquiry, threatened litigation, proceeding, inquiry or other action (i) seeking an injunction or other restraining order, damages or other relief with respect to the transactions contemplated by this Agreement and the other documents and agreements executed or delivered in connection herewith or (ii) which affects or could affect the business, prospects, operations, assets, liabilities or condition (financial or otherwise) of any Transaction Party, except, in the



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case of clause (ii), where such litigation, proceeding, inquiry or other action could not cause a Material Adverse Effect.

(i) The Obligors do not, as of the date hereof, have rights to any Commercial Tort Claim, as such term is defined in the Code (as defined below).

SECTION 11. Account Control Agreements. On or prior to February 15, 2002, the Borrower shall deliver to the Administrative Agent account control agreements executed by each of the Borrowers' depository banks, in form and substance acceptable to the Administrative Agent in its sole discretion.

SECTION 12. Transfer of ADS LLC Equity Interests. On or prior to January 15, 2002, ADS shall transfer 0.1% of the membership interest in ADS LLC to MLS; provided that contemporaneously with such transfer MLS shall pledge to the Documentation Agent all such transferred membership interests under an amendment to the Membership Interest Pledge Agreement dated as of September 8, 1999 between MLS and the Documentation Agent.

SECTION 13. Effect and Construction of Agreement. Except as expressly provided herein, the Credit Agreement and the Related Credit Documents shall remain in full force and effect in accordance with their respective terms, and this Agreement shall not be construed to:

(a) impair the validity, perfection or priority of any Lien or security interest securing the Liabilities;

(b) waive or impair any rights, powers or remedies of any Agent or Lender under the Credit Agreement or any Related Credit Document;

(c) constitute an agreement by any Agent or Lender or require any Agent or Lender to extend the term of the Credit Agreement or the time for payment of any of the Liabilities; or

(d) require any Lender to make any Loans, issue any Letters of Credit, or provide other extensions of credit to any of the Transaction Parties except as set forth in the Credit Agreement as amended hereby.

In the event of any inconsistency between the terms of this Agreement and the Credit Agreement or any of the Related Credit Documents, this Agreement shall govern. Each of the Transaction Parties acknowledges that it has consulted with counsel and with such other experts and advisors as it has deemed necessary in connection with the negotiation, execution and delivery of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring that it be construed against the party causing this Agreement or any part hereof to be drafted. This Agreement shall constitute a Related Credit Document.

SECTION 14. Miscellaneous.

(a) Each of the Transaction Parties agrees to execute such other documents and instruments as the Administrative Agent may reasonably request to implement the provisions of this Agreement.



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(b) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. No other person or entity shall be entitled to claim any right or benefit hereunder, including, without limitation, the status of a third-party beneficiary of this Agreement.

(c) This Agreement, together with the Credit Agreement and the Related Credit Documents, constitutes the entire agreement and understanding among the parties relating to the subject matter hereof, and supersedes all prior proposals, negotiations, agreements and understandings relating to such subject matter. In entering into this Agreement, each of the Transaction Parties acknowledges that it is not relying on any statement, representation, warranty, covenant or agreement of any kind made by any Agent, any Lender, or any employee, agent or professional of any Agent or Lender, except for the express written agreements of the Agents and Lenders set forth herein.

(d) The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or enforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or the remaining provisions of this Agreement in any jurisdiction.

(e) This Agreement may be executed in counterparts and by any party to this Agreement on separate counterparts, all of which, when so executed, shall be deemed an original, but all of such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile transmission shall be deemed to be, and shall be effective as, an original signature hereto.

(f) Any notices with respect to this Agreement shall be given in the manner provided in Section 14.3 of the Credit Agreement.

(g) All representations and warranties of each of the Transaction Parties contained herein shall survive the termination of this Agreement and satisfaction and payment in full in cash of the Liabilities under the Credit Agreement.

(h) No amendment, modification, rescission, waiver or release of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto.

(i) Each of the Transaction Parties hereby authorizes the Documentation Agent to file one or more record or records (as defined in the Uniform Commercial Code in effect in the State of New York, the "Code"), including, without limitation, financing statements, "in lieu" statements and amendments in all jurisdictions and with all filing offices as the Documentation Agent may determine, in its sole discretion, are necessary or advisable to perfect the security interest granted to the Documentation Agent under the Credit Agreement or any of the Related Credit Documents. Such financing statements may describe the Collateral in the same manner as described in the Credit Agreement or any Related Credit Document or may contain an indication or description of collateral that describes such property in any other manner as the Documentation Agent may determine, in its sole discretion, is



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necessary, advisable or prudent to ensure the perfection of the security interest in the Collateral granted to the Documentation Agent under the Credit Agreement or any of the Related Credit Documents, including, without limitation, describing such property as "all assets" or "all personal property."

(j) All fees paid hereunder shall be earned upon receipt.

SECTION 15. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL. The governing law, jurisdiction, venue, service of process and jury trial waiver provisions set forth in Sections 14.6, 14.7 and 14.10 of the Credit Agreement shall apply to any suit, action or proceeding related to this Agreement.



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**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement as of the date first above written.

**BORROWER FUNDS ADMINISTRATOR:**

**MAY LOGISTICS SERVICES, INC.**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**TRANSACTION PARTIES**

**AREA TRANSPORTATION COMPANY**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**ROLL & HOLD WAREHOUSING & DISTRIBUTION CORP.**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**SERVICECRAFT, LLC**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Manager

**WESTERN INTERMODAL SERVICES, LTD.**

By: Krista M. Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**ADS LOGISTICS, LLC**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Manager

**FREIGHT CONNECTIONS INTERNATIONAL, LTD.**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**INDEPENDENT CONTRACTOR SERVICES, INC.**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

**ALTERNATIVE DISTRIBUTION SYSTEMS, INC.**

By: Krista M Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

[SIGNATURE PAGE TO CONSENT AND EIGHTH AMENDMENT]

**LENDERS:**

**SOCIETE GENERALE, NEW YORK BRANCH,**
as Administrative Agent, Documentation Agent and as a Lender

By: _____
Name:
Title: Cynthia A. Jay
Managing Director

**LASALLE BANK NATIONAL ASSOCIATION,**
as Co-Agent and as a Lender

By: _____
Name:
Title:

**GENERAL ELECTRIC CAPITAL CORPORATION**, as Collateral Agent and as a Lender

By: _____
Name:
Title:

**KEY CORPORATE CAPITAL, INC.**, as a Lender

By: _____
Name:
Title:

[SIGNATURE PAGE TO CONSENT AND EIGHTH AMENDMENT]

**LENDERS:**

**SOCIETE GENERALE, NEW YORK BRANCH,**
as Administrative Agent, Documentation Agent and as a Lender

By:_____
Name:
Title:

**LASALLE BANK NATIONAL ASSOCIATION,**
as Co-Agent and as a Lender

By:_____
Name: LISA A. HOPKINS
Title: ASSISTANT VICE PRESIDENT

**GENERAL ELECTRIC CAPITAL CORPORATION**, as Collateral Agent and as a Lender

By:_____
Name:
Title:

**KEY CORPORATE CAPITAL, INC.**, as a Lender

By:_____
Name:
Title:

[SIGNATURE PAGE TO CONSENT AND EIGHTH AMENDMENT]

**LENDERS:**

**SOCIETE GENERALE, NEW YORK BRANCH,**
as Administrative Agent, Documentation Agent and as a Lender

By:_____
Name:
Title:

**LASALLE BANK NATIONAL ASSOCIATION,**
as Co-Agent and as a Lender

By:_____
Name:
Title:

**GENERAL ELECTRIC CAPITAL CORPORATION**, as Collateral Agent and as a Lender

By: Robert Horak
Name: Robert Horak
Title: Duly Authorized Signatory

**KEY CORPORATE CAPITAL, INC.**, as a Lender

By:_____
Name:
Title:

[SIGNATURE PAGE TO CONSENT AND EIGHTH AMENDMENT]

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**HARRIS TRUST AND SAVINGS BANK**, as a Lender

By: Scott F. Geik
Name: Scott F. GEIK
Title: Managing Director

**GREATER BAY CORPORATE FINANCE**, as a Lender

By: _____
Name:
Title:

[SIGNATURE PAGE TO CONSENT AND EIGHTH AMENDMENT]

**ANNEX I**

Schedule 10.26

Capitalization

## SCHEDULE 10.26

## CAPITALIZATION OF OBLIGORS AND SUBSIDIARIES

| ENTITY NAME | AUTHORIZED STOCK | STOCKHOLDER | NUMBER OF SHARES |
|---|---|---|---|
| **Alternative Distribution Systems, Inc.** | 10 Voting Common<br>9,990 Non-Voting Common<br>35,000 Series A Preferred<br>5,000 Series B Preferred | See attached chart* | see chart |
| **ADS Logistics, LLC** | N/A | Alternative Distribution Systems, Inc.** | 100% interest |
| **Pacific Western Warehousing & Distribution LLC** | N/A | Alternative Distribution Systems, Inc.<br>Pacific National Transportation Warehouse Systems, Inc. | 60%<br>40% |
| **May Logistics Services, Inc.** | 25,000 Common<br>35,000 Series A Preferred<br>5,000 Series B Preferred | See attached chart* | see chart |
| **ServiceCraft, LLC** | N/A | May Logistics Services, Inc. | 100% interest |

*ADS and MLS each are party to an Investor Securities Agreement and Executive Securities Agreements with each of their respective shareholders.

**On the day after the effective date of the mergers of ATC, FCI, ICS, R&H and WISL with and into ADS LLC, ADS will transfer 0.1% of its membership interests in ADS LLC to MLS for a de minimis amount of cash. After such transfer, ADS will own 99.9% and MLS will own 0.1% of the membership interests in ADS LLC.



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**ANNEX II**

Schedule I

List of Pledged Units

| Issuer | % Ownership |
|---|---|
| ADS Logistics, LLC | 100% |
| Pacific Western Warehousing & Distribution, LLC | 60% |

**ANNEX III**

Form of Pledge Agreement

See attached.

**ANNEX IV**

Schedule 10.11

[Insurance]

See attached.

**ANNEX V**

Schedule 10.13

## PART I -- MATERIAL INTELLECTUAL PROPERTY RIGHTS

**ADS LLC Trademarks/Servicemarks**

| Application # | Mark | Description | File Date | Issue Date |
|---|---|---|---|---|
| 1. 76/186,063 USA | e-tranzit | Class #35 Transportation, shipping, warehousing and inventory tracking services | 12/22/00 | Pending |
| 2. 76/186,064 USA | e-tranzit | Class #39 Transportation, shipping, warehousing and inventory tracking services | 12/22/00 | Pending |
| 3. 1,089,058 Canada | e-tranzit | International Class #42 | | Pending |
| 4. 468,539 Mexico | e-tranzit | International Class #42 | | Pending |
| 5. 76/186,128 USA | LoMaS | Class #35 Transportation, shipping, warehousing and inventory tracking services | 12/22/00 | Pending |
| 6. 76/186,129 USA | LoMaS | Class #42 Transportation, shipping, warehousing and inventory tracking services | 12/22/00 | Pending |
| 7. 76/186,130 USA | LoMaS | Class #39 Transportation, shipping, warehousing and inventory tracking services | 12/22/00 | Pending |

In addition, ADS LLC has common law rights in the following marks and trade names:

| Mark | Description |
|---|---|
| 1. E-Metalog | Class #35 and #39 Transportation, shipping, warehousing and inventory tracking services, and Class # 42 Transportation, shipping, warehousing and inventory tracking services on a global network |
| 2. E-Meta-Log | Class #35 and #39 Transportation, shipping, warehousing and inventory tracking services, and Class # 42 Transportation, shipping, warehousing and inventory tracking services on a global network |

**PacWest Trademarks/Servicemarks**

| Application # | Mark | Description | File Date | Issue Date |
|---|---|---|---|---|
| 1. 75/438,542 | PACWEST | Transportation and storage devices, namely metals warehousing and delivery of goods by truck and rail. | 2/23/98 | Pending |

**SC LLC Trademarks/Servicemarks**

| Registration # | Mark | Description | File Date |
|---|---|---|---|
| 1. 2,393,454 USA | S.C.O.R.E. | Class #39 Warehouse storage and transportation brokerage services for the goods of others | 10/16/99 |

**Trade names of Obligors and Subsidiaries (unregistered)**

Alternative Distribution Systems, Inc.
ADS Logistics, LLC
Alternative Distribution Systems, LLC
ADS, Inc.
ADS – Integrated Solutions
ADS – LoMaS
Western Intermodal Services, Ltd.
Top Freight Express
Area Transportation Company
Roll & Hold Warehousing & Distribution Systems Corp.
Freight Connection International, Ltd.
Independent Contractor Services, Inc.
Pacific Western Warehousing & Distribution, LLC
May Logistics Services, Inc.
ServiceCraft, LLC
ServiceCraft Corporation
ServiceCraft Distribution Services, Inc.
QDS Quality Delivery System
QCC Quality Coil Carrier

**ADS LLC Patents**

| Application / Patent # | Title of Invention | Country | Status |
|---|---|---|---|
| 1. ,401,129 | TQC Trailer | USA | Issued |

| | | | |
|---|---|---|---|
| 2. ,134,147 | TQC Trailer | Canada | Issued |
| SECTIC 87,686 | TQC Trailer | Mexico | Issued |
| SECTIC 5,906 | Logistics Management System | USA | Issued |

Application #

60/261,074

Confirmation #

1453

**ADS LLC Copyrights**

| Title | Registration # | Country | Status |
|---|---|---|---|
| Logistics Management System | TXU786-914 | USA | Registered |
| LoMaS-Invoicing System | Txu 996-599 | USA | Registered |
| Gross Margin System | Txu996-604 | USA | Registered |
| Tracking System | TXu996-603 | USA | Registered |
| Equipment Mngt System | Txu996-602 | USA | Registered |
| CPS Integration | Txu996-601 | USA | Registered |
| Dispatch System | Txu996-600 | USA | Registered |
| Rate Information | Txu996-486 | USA | Registered |
| Logistics Management System | 481766 | Canada | Registered |
| LoMaS-Rate Information | 491553 | Canada | Registered |
| Invoicing | 491552 | Canada | Registered |

| | | | |
|---|---|---|---|
| Dispatch | 491551 | Canada | Registered |
| CPS | 491550 | Canada | Registered |
| Equipment Mngt. | 491549 | Canada | Registered |
| Tracking | 491546 | Canada | Registered |
| Gross Margin | 491547 | Canada | Registered |
| LoginScreen | 491548 | Canada | Registered |

## PART II -- OTHER INTELLECTUAL PROPERTY RIGHTS

### ADS and ADS LLC Licenses

| Agreement Between | Beginning Date | End Date | Purpose | Fully Executed Copy |
|---|---|---|---|---|
| Add On Systems, Inc. | April 18, 2000 | none | Software for AS/400 | Yes |
| Aldon | 3/11/93 | | Software License Agreement Perpetual license forAS/400 Harmonizer Plus Model F10 | Yes |
| CBA Systems | 10/98 | | Fixed Asset Management System | Yes |
| IBM | | 6/30/02 | Lotus Notes license agreement | Yes |
| IBM | | | Misc. Leases | |
| Innovative Computing Corporation | 11/30/90 | | Master Software License Agreement | No |
| | 3/5/01 | | Addendum to software licensing agreement | Yes |
| | 7/26/01 | Perpetual | #427 Mileage Interface Host Based (Rand McNally) | No |
| | 6/30/00 | Perpetual | Host Based EDI without Premenos | Yes |
| LaSalle National Bank | 4/20/98 | 10 days written notice | Cashpro+ and ACH Origination Serv. Software License Agreement | No |
| MBA | 2/00 | | Perpetual software license agreement | |
| Microsoft | 9-19-01 | | Office '97 Prof and 2000 Prof., Visio, Visio Prof., PowerPoint, Publisher, Project, '98, NT Server | Yes |
| Pegasus | April 27, 2000 | Completion of work | Software | Yes |
| | 9-1-01 | 10/31/02 | 2002 Annual Software Maintenance Agreement Renewals<br>Transflo Software<br>1 AS/400 Image & Cold Server License<br>20 AS/400 Image & Cold Client Licenses<br>1 A/S 400 Transflo | |

| Agreement Between | Beginning Date | End Date | Purpose | Fully Executed Copy |
|---|---|---|---|---|
| | | | Bundle Package including 1 license each for batch scan; index, index validation, import, rendition print, spool file download, inbound fax<br>(i) Workflow Software<br>1 server license<br>15 workflow clients<br>1 workflow initiator | |
| Premenos | 2/23/93 | Automatic renewal: 30-day notice required for cancellation | EDI Software License | Yes |
| Qualcom | 11/18/98 | Amendment #1 | Multi-terminal license to use one copy of QTRACS/WIN software | Yes |
| Rand McNally | 09/26/01 | 09/30/04 | Mile Makers Software License Agreement – 5 users | No |
| | 7/31/01 | | Upgrade to TDM's MileMaker AS400 Resident on Demand System | yes |
| Real Industry Solutions Group | July 28, 2000 | none | AS/400 system LAN/WAN/IOP | No |
| Seagull | 05/18/2001 | | Binding Order Form and Professional Services Order for J Walk<br>Also, J Walk Developer Permanent Authorization Code – Licenses | Yes |
| Seagull | | | Licenses | |
| System Software Associates, | 2/4/97 | | Master Software License Agreement On-going support for the BPCS products | Yes |

| Agreement Between | Beginning Date | End Date | Purpose | Fully Executed Copy |
|---|---|---|---|---|
| Inc. (SSA) BPCS | 4/1/01 | 3/31/02 | Amendment to Master License<br>Terms of Amendment = $4,380.00 for 12 Named Users | No |
| Turn of the Century, LP | 2/26/99 | Upon notice | Patent license agreement | Yes |
| Unbeaten Path International Ltd. (UBI) | 2/17/98 | | Engagement Agreement – Century Date Compliance Services | Yes |
| Unique Computing Solutions, Inc. | July 13, 2001 | Two months from July 13, 2001 or longer upon mutual agreement | Master Consulting Services Agreement | No |

**ServiceCraft Server Software Licenses**

| | | |
|---|---|---|
| Symatrax | Site License | In perpetuity |
| Windows NT 4.0 Server | 9 servers | In perpetuity |
| Windows NT 4.0 Wkstn | 3 servers | In perpetuity |
| Novell Netware 5.1 | 1 server 205 users | In perpetuity |
| ArcServe2000 A/E NT Upgrade | License for 6 Servers | In perpetuity |
| ArcServe2000 A/E NT | License for 6 Servers | In perpetuity |
| ArcServe2000 A/E NT Comp Uprd | License for 6 Servers | In perpetuity |
| ArcServe2000 SQL2000 Agent | License for 1 SQL Server | In perpetuity |
| ArcServe2000 SQL2000 Agent | License for 1 SQL Server | In perpetuity |
| ArcServe2000 Lotus Notes Agent | License for 1 Notes Server | In perpetuity |
| ArcServe2000 NT Agents | License for NT servers | In perpetuity |
| ArcServeIT 6.61 for Novell Netware | License for 1 Novell Server | In perpetuity |
| BackupExec for NT | License for 2 Servers | In perpetuity |
| BackupExec SQL2000 Agent | License for 1 SQL server | In perpetuity |
| Lotus Notes Domino 5 | Server License | Annual (upgrades) |

| | | |
|---|---|---|
| Lotus Notes Clients | 185 Users | Annual (upgrades) |
| Track-It | 300 Users | In perpetuity(support) |
| | | |
| SpyVision CS | 3 Users | In Perpetuity |
| Image Power | Site License | In Perpetuity |
| SpyVision Viewer | 3 Users | In perpetuity |
| Staffware | 9 Users, plus server | In perpetuity |
| Castelle FaxPress Server | Site License | In perpetuity |
| Magellan on AS/400 | 1 AS/400 Server | unknown |
| Rendition Print | 1 server | unknown |
| Inbound Fax | 1 server | unknown |
| | | |
| Norton Antivirus Corporate Edition | Site | Annual (upgrades) |
| Norton ACE for Notes | 1 Notes server | Annual (upgrades) |
| Norton ACE for Novell Netware | 1 NetWare server | Annual (upgrades) |
| | | |
| WhatsUp Gold | 1 server | In perpetuity |
| | | |
| Ceridian Source 550 | Pending | Pending |
| | | |
| Citrix Metaframe 1.8 | 10 Users | In perpetuity |
| Citrix Metaframe 1.8 | 15 Users | In perpetuity |
| Citrix Metaframe 1.8 | 15 Users | In perpetuity |
| | | |
| HRPR Time & Attendance | 7/Site | In perpetuity* |

* Replaced by Ceridian Source 550

**ServiceCraft, LLC. Licensed Software Products**

AS/400 9406-720 Serial #10-1F3CM

| | |
|---|---|
| 5769SS1 | Operating System/400 ,Ver. 4R4 |
| 5769AF1 | AFP Utilities for AS/400 |
| 5769AS1 | WebSphere Application Server for AS/400 |
| 5769BR1 | Backup Recovery and Media Services for AS/400 |
| 5769CB1 | ILE COBOL for AS/400 |
| 5769CM1 | Communications Utilities for AS/400 |
| 5769CX2 | ILE C for AS/400 |
| 5769DG1 | IBM HTTP Server for AS/400 |
| 5769JC1 | AS/400 Toolbox for Java |
| 5769JS1 | Job Scheduler for AS/400 |
| 5769JV1 | AS/400 Developer Kit for Java |
| 5769PM1 | Performance Management/400 |
| 5769PT1 | Performance Tools for AS/400 |
| 5769PW1 | App Dev ToolSet for AS/400 - SEU |
| 5769QU1 | Query for AS/400 |

| | |
|---|---|
| 5769RD1 | OnDemand for AS/400 |
| 5769RG1 | ILE RPG for AS/400 |
| 5769ST1 | DB2 Query Mgr and SQL DevKit for AS/400 |
| 5769TC1 | TCP/IP Connectivity Utilities for AS/400 |
| 5763XD1 | Client Access/400 Optimized for Windows |
| 5769XE1 | Client Access/400 Express for Windows |
| 5763XK1 | Client Access/400 for Windows 3.1 |
| 5769XW1 | Client Access/400 Windows Family Base |
| | DBU 5.0 |
| | LWP805 Handheld Software |
| | LTL400 (Transportation) |
| | CTS/Freitrater 4.5.2 |
| | Informex/UniVerse |
| | Extol (EDI Software) |
| | EZ Print 400 |
| aYWfgm | JD Edwards World A73, Cume 10 (10 Users; expires 1/31/02) |

AS/400 9402-400 Serial #10-2122G

| | |
|---|---|
| 5769SS1 | Operating System/400 |
| 5769CM1 | Communications Utilities for AS/400 |
| 5769DG1 | IBM HTTP SERVER FOR AS/400 |
| 5769PM1 | Performance Management/400 |
| 5769PT1 | Performance Tools for AS/400 |
| 5769PW1 | App Dev ToolSet for AS/400 – SEU |
| 5769QU1 | Query for AS/400 |
| 5769RG1 | ILE RPG for AS/400 |
| 5769ST1 | DB2 Query Mgr and SQL DevKit for AS/400 |
| 5769TC1 | TCP/IP Connectivity Utilities for AS/400 |
| 5763XD1 | Client Access for Windows 95/NT |
| 5769XW1 | AS/400 Client Access Family for Windows |
| | DBU 5.0 |
| | Pathfinder/Hawkeye, Rel. 8.3 |

AS/400 9406-170 Serial #10-2122G

| | |
|---|---|
| 5769SS1 | Operating System/400 |
| 5769CM1 | Communications Utilities for AS/400 |

**ServiceCraft Mitel Switch**

| | | |
|---|---|---|
| Warehouse 16/18 | Proprietary | ID# 22692 |
| Warehouse 20 | Proprietary | ID #22131 |
| Warehouse 67 | Proprietary | ID# 23328 |
| Warehouse 6 | Proprietary | ID# 22706 |
| Warehouse 61 | Proprietary | ID# 24092 |
| Warehouse 1 | Proprietary | ID# 22690 |
| Warehouse 27 | Proprietary | ID# 22171 |

| | | |
|---|---|---|
| Warehouse 10 | Proprietary | ID# 22688 |
| Warehouse 24 | Proprietary | ID# 22691 |

**Repartee**

| | | | |
|---|---|---|---|
| Repartee Dallas | Proprietary | 58949 | |
| Repartee Buena Park | | Proprietary | 69910 |

**ANNEX VI**

Schedule 10.15

BUSINESS LOCATIONS; TRADE NAMES; REAL ESTATE

(a) BUSINESS LOCATIONS

5650 Dolly Avenue, Buena Park, CA

6570 Altura Blvd, Buena Park, CA

4632 Sheila Street, Commerce, CA

3731 Finch Road, Modesto, CA

329 Van Norman Road, Montebello, CA

2801 Giant Road, Richmond, CA

On-Site Jefferson Blanking, 234 S. Holland Drive, Pendergrass, GA

410 Tapestry Trail, Roswell, GA

951 Trails Road, Eldridge, IA

3400 W. 43rd Street, Chicago, IL

935 W. 175th St., Homewood, IL

On-Site Processing Tech., 307 Tech Drive, Burns Harbor, IN

1035 Driftwood Trail, Crown Point, IN

On-Site Ispat Inland, 3210 Watling Street, Mail Code 8-219, East Chicago, IN

3000 Calumet Avenue, Hammond, IN

1745 165th St., Hammond, IN

2721 161st Street, Hammond, IN

2515 S. Holt Road, Indianapolis, IN

1940 Stout Field East Drive, Indianapolis, IN

910 North Meridian, Marion, IN

9200 Calumet Avenue, Suite N300, Munster, IN

6630 Joe Perez Drive, Portage, IN

725 George Nelson Drive, Portage, IN

7200 Riverport Drive, Louisville, KY

102 Enterprise Drive, Wentzville, MO

9925 Brookford Street, Charlotte, NC

2460 Berk Street, Cuyahoga Falls, OH

56 Milford Road, Suite 411, Hudson, OH

8190 Roll & Hold Parkway, Macedonia, OH

On-Site Processing Tech., 7401 Ponderosa Road, Perrysburg, OH

2920 Brecksville Road, Bldg. "B" Richfield, OH

On-Site Valley City Steel, 804 Steel Drive, Valley City, OH

On-Site Liverpool Coil Processing, 880 Steel Drive, Valley City, OH

5151 North Skiatook Road, Suite A, Catoosa, OK

On-Site Standard Register – Allentown, 250 Boulder Drive, Breinigsville, PA

P.O. Box 1491, Havertown, PA

615 Iron City Drive, Room 204, Pittsburgh, PA

520 Cowan Street, Nashville, TN

2993 North Indiana, Suite 3, Brownsville, TX

5800 W. Keist Blvd., Dallas, TX

9640 Clinton, Lot 21C, Gate AA Port of Houston, Houston, TX

6012 South 196th Street, Kent, WA

(b) TRADE NAMES

Alternative Distribution Systems, Inc.
ADS, Inc.
ADS Logistics, LLC
Alternative Distribution Systems, LLC

ADS – Integrated Solutions
ADS – LoMaS
Western Intermodal Services, Ltd.
Top Freight Express
Area Transportation Company
Roll & Hold Warehousing & Distribution Systems Corp.
Freight Connection International, Ltd.
Independent Contractor Services, Inc.
Pacific Western Warehousing & Distribution, LLC
May Logistics Services, Inc.
ServiceCraft, LLC
ServiceCraft Corporation
ServiceCraft Distribution Services, Inc.
QDS Quality Delivery System
QCC Quality Coil Carrier

(i) LOCATIONS; REAL ESTATE

a) Owned Properties – (see attached legal descriptions)

(1) 951 Trails Road, Eldridge, Iowa*

(2) 4632 Sheila Street, Commerce, California

(3) 3400 W. 43rd Street, Chicago, Illinois

(4) 935 W. 175th St., Homewood, Illinois

(5) 725 George Nelson Drive, Portage, Indiana**

NOTE: *ADS LLC owns a portion of this location and leases a portion of this location.

**ADS LLC owns the building and the improvements on the land leased from the Indiana Port Commission in the Industrial Crane Building

b) Leased Properties – (see attached legal descriptions)

5650 Dolly Avenue, Buena Park, CA

6570 Altura Blvd, Buena Park, CA

3731 Finch Road, Modesto, CA

329 Van Norman Road, Montebello, CA

2801 Giant Road, Richmond, CA

410 Tapestry Trail, Roswell, GA

951 Trails Road, Eldridge, IA*

3000 Calumet Avenue, Hammond, IN

1745 165th St., Hammond, IN

2515 S. Holt Road, Indianapolis, IN

1940 Stout Field East Drive, Indianapolis, IN

910 North Meridian, Marion, IN

9200 Calumet Avenue, Suite N300, Munster, IN

6630 Joe Perez Drive, Portage, IN

7200 Riverport Drive, Louisville, KY

102 Enterprise Drive, Wentzville, MO

9925 Brookford Street, Charlotte, NC

56 Milford Road, Suite 411, Hudson, OH

8190 Roll & Hold Parkway, Macedonia, OH

2920 Brecksville Road, Bldg. "B" Richfield, OH

5151 North Skiatook Road, Suite A, Catoosa, OK

615 Iron City Drive, Room 204, Pittsburgh, PA

520 Cowan Street, Nashville, TN

2993 North Indiana, Suite 3, Brownsville, TX

5800 W. Keist Blvd., Dallas, TX

9640 Clinton, Lot 21C, Gate AA Port of Houston, Houston, TX

6012 South 196th Street, Kent, WA

NOTE: *ADS LLC owns a portion of this location and leases a portion of this location

**ANNEX VII**

Schedule 10.17

**SUBSIDIARIES OF OBLIGORS**

| Obligor | Subsidiaries |
| --- | --- |
| May Logistics Services, Inc. | ServiceCraft, LLC<br>Alternative Distribution Systems, Inc. |
| Alternative Distribution Systems, Inc. | ADS Logistics, LLC<br>Pacific Western Warehousing & Distribution, LLC |

**ANNEX VIII**

Schedule I

Listing of Pledged Securities

| Issuer | Certificate Number | Number of Shares | % Ownership |
|---|---|---|---|
| Alternative Distribution Systems, Inc. | 14 | 1 Share of Voting Common Stock | 100% of Voting Common Stock |

**ANNEX IX**

Schedule V

Locations of Collateral

ADS Logistics, LLC, ADS and MLS:

Chief Executive Office:
935 W. 175th St.
Homewood, Illinois 60430-2028

ADS Logistics, LLC:
4632 Sheila Street, Commerce, CA
2801 Giant Road, Richmond, CA
On-Site Jefferson Blanking, 234 S. Holland Drive, Pendergrass, GA
951 Trails Road, Eldridge, IA
935 W. 175th St., Homewood, IL
3400 W. 43rd Street, Chicago, IL
On-Site Processing Tech., 307 Tech Drive, Burns Harbor, IN
1035 Driftwood Trail, Crown Point, IN
On-Site Ispat Inland, 3210 Watling Street, Mail Code 8-219, East Chicago, IN
3000 Calumet Avenue, Hammond, IN
1745 165th St., Hammond, IN
2721 161st Street, Hammond, IN
2515 S. Holt Road, Indianapolis, IN
1940 Stout Field East Drive, Indianapolis, IN
910 North Meridian, Marion, IN
9200 Calumet Avenue, Suite N300, Munster, IN
6630 Joe Perez Drive, Portage, IN
725 George Nelson Drive, Portage, IN
7200 Riverport Drive, Louisville, KY
102 Enterprise Drive, Wentzville, MO
9925 Brookford Street, Charlotte, NC
2460 Berk Street, Cuyahoga Falls, OH
56 Milford Road, Suite 411, Hudson, OH
8190 Roll & Hold Parkway, Macedonia, OH
On-Site Processing Tech., 7401 Ponderosa Road, Perrysburg, OH
2920 Brecksville Road, Bldg. "B" Richfield, OH
On-Site Valley City Steel, 804 Steel Drive, Valley City, OH
On-Site Liverpool Coil Processing, 880 Steel Drive, Valley City, OH
5151 North Skiatook Road, Suite A, Catoosa, OK
P.O. Box 1491, Havertown, PA
615 Iron City Drive, Room 204, Pittsburgh, PA
520 Cowan Street, Nashville, TN
2993 North Indiana, Suite 3, Brownsville, TX
9640 Clinton, Lot 21C, Gate AA Port of Houston, Houston, TX
6012 South 196th Street, Kent, WA

ADS:

935 W. 175th St., Homewood, IL

MLS:

935 W. 175th St., Homewood, IL

ServiceCraft, LLC:

Chief Executive Office:

5650 Dolly Avenue
Buena Park, CA 90621

Other locations:

5650 Dolly Avenue, Buena Park, CA
6570 Altura Blvd, Buena Park, CA
3731 Finch Road, Modesto, CA
410 Tapestry Trail, Roswell, GA
935 W. 175th St., Homewood, IL
On-Site Standard Register – Allentown, 250 Boulder Drive, Breinigsville, PA
5800 W. Keist Blvd., Dallas, TX

## ACKNOWLEDGMENT AND CONSENT

Reference is hereby made to (i) the foregoing Consent and Eighth Amendment to Credit Agreement, Amendment to Membership Interest Pledge Agreements, Subordination Acknowledgment and Obligor Security Agreement Joinder dated as of December 31, 2001 (the "Amendment") among the Existing Borrowers, FCI, ICS, MLS, ADS LLC, the Lenders, the Agents, the Issuing Bank and the Collateral Agent (as each of such terms is defined in the Amendment) and (ii) that certain Amended and Restated Subordination Agreement dated as of September 8, 1999 (as amended, supplemented or otherwise modified from time to time, the "Subordination Agreement") among the Existing Borrowers, FCI, ICS, MLS, each of the Agents and the undersigned, WILLIAM BLAIR MEZZANINE CAPITAL FUND II, L.P., a Delaware limited partnership ("Subordinated Lender").

The Subordinated Lender hereby (i) acknowledges receipt of a copy of the Amendment, (ii) consents to the terms and conditions of the Amendment (including, without limitation, Section 7 thereof), (iii) agrees that ADS LLC shall be deemed an "Obligor" for all purposes under the Subordination Agreement, (iv) agrees that contemporaneously with the exercise by the Subordinated Lender of the warrant described in clause (c) of the definition of "William Blair Warrants," the Subordinated Lender shall pledge to the Documentation Agent all ADS Equity Interests obtained in connection with such exercise, based upon a pledge agreement substantially in the form of the pledge agreement previously delivered to the Documentation Agent by the Subordinated Lender and (v) agrees that neither the Reorganization nor the terms and provisions thereof shall affect in any way the obligations and liabilities of the Subordinated Lender under the Subordination Agreement, all of which obligations and liabilities shall remain in full force and effect and each of which is hereby reaffirmed.

**WILLIAM BLAIR MEZZANINE CAPITAL FUND II, L.P.**

By: William Blair Mezzanine Capital Partners II, LLC, its general partner

By: _____
Name: Timothy J. MacKenzie
Title: Managing Director

Dated as of December 31, 2001



TRADEMARK
REEL: 002448 FRAME: 0806

## ACKNOWLEDGMENT AND CONSENT

Reference is hereby made to (i) the forgoing Consent and Eighth Amendment to Credit Agreement, Amendment to Membership Interest Pledge Agreements, Subordination Acknowledgment and Obligor Security Agreement Joinder dated as of December 31, 2001 (the "Amendment") among the Existing Borrowers, FCI, ICS, MLS, ADS LLC, the Lenders, the Agents, the Issuing Bank and the Collateral Agent (as each of such terms is defined in the Amendment) and (ii) that certain Amended and Restated Guaranty dated as of October 7, 1999 (as amended, supplemented or otherwise modified from time to time, the "Guaranty"), executed by each of the undersigned (each a "Guarantor" and collectively, the "Guarantors"), to and for the benefit of the Documentation Agent (as such term is defined in the Amendment).

Each Guarantor hereby (i) acknowledges receipt of a copy of the Amendment, (ii) consents to the terms and conditions of the Amendment and (iii) agrees that the terms and provisions thereof shall not affect in any way the obligations and liabilities of such Guarantor under the Guaranty or any of the other Related Credit Documents, all of which obligations and liabilities shall remain in full force and effect and each of which are hereby reaffirmed.

**ALTERNATIVE DISTRIBUTION SYSTEMS, INC.**, a Delaware corporation

**MAY LOGISTICS SERVICES, INC.**, a California corporation

By: Krista M. Hatcher
Name: Krista M. Hatcher
Title: Vice President and Assistant Secretary

Dated as of December 31, 2001

[ACKNOWLEDGMENT TO CONSENT AND EIGHTH AMENDMENT]