

OWNER OPERATOR CONTRACT

This AGREEMENT is made BETWEEN:

1301540 Alberta Ltd. o/a Werkman Transport

BOX 10054 MORINVILLE RPO
MORINVILLE, ALBERTA T8R 0A4

(Hereinafter called the "Carrier")

--And--

NAME:

Company Name:

Street or Mailing Address:

City/Province/Postal Code

(Hereinafter called the "Contractor")

WHEREAS the Carrier is in the business of transportation goods for compensation by highway, and WHEREAS the Contractor carrier on business as an independent trucker, and the relationship between carrier and contractor is that of an agreement for services provided and is not to be contracted as that of employer and employee. It is the intention of the parties that the relationship between them be that of a principal Contractor and an independent Sub-Contractor. WHEREAS the parties desire to enter into an agreement with mutual covenants herein contained, the parties covenant and agree as follows:

1. Cargo tendered by the Carrier to the Contractor shall be accepted by the Contractor and shall be transported by the Contractor. The contractor agrees to make him/her available for any requirement requested by the company in addition to hiring qualification such as but not limited to random drug and alcohol testing, additional training, safety meetings etc., the carrier may at their discretion at anytime add or delete a requirement as they deem necessary.
2. The Carrier agrees to pay to the Contractor an amount equal to that set out and prescribed below under the terms of the bill of lading with respect to any cargo tendered to and transported by the Contractor performing the complete transpiration services required by the bill of lading. Where the Contractor provides only a portion of the transportation services required by the bill of lading, the Carrier agrees to pay to the Contractor only that portion of the transportation, which is actually attributable to the services performed by the Contractor.
(A) 75 % of gross revenue, if using Carrier's trailer, paid monthly on the 30th of the month following.
(B) 90 % of gross revenue, if using Contractor's trailer, paid monthly on the 30th of the month following.
The Carrier does not pay GST to the Contractor in accordance with CRA Interlining settlement rules. As the Contractor provides a freight transportation service on behalf of the carrier the carrier remains responsible for invoicing the customer, the services provided by the Contractor to the carrier are zero-rated under the interline settlement rules.
You will receive a spreadsheet via email noting your jobs completed and amount owing for the previous month usually within the first 14 days of the month (depending on cut off dates). Please ensure that you check this over carefully and request any changes or corrections immediately. To ensure that you receive your pay on time please check over your spreadsheet right away and let the office know immediately of any changes/errors or if it's good for printing. *Please note that you will only be paid for paperwork handed in and invoiced for the previous month. If you forget to hand in paperwork it will need to be invoiced and paid in the following month. No exceptions as we can not pay out for paperwork we haven't invoiced the customer for.*
3. Advance for pay are approved within reason based on the following guidelines:
(A) No person(s) shall receive more than 50% allowable of paid work completed.
(B) Only one advance can be outstanding at any given point in time.
(C) All pay advances must be paid back in full from next available pay.
4. It is expressly agreed upon and understood that the Contractor will abide by all rules, regulations and policies as set out in the Werkman Transport Operations Handbook. Any violation of said policies and procedures by the carrier shall render this contract null and void and will terminate the relationship between Contractor and Carrier immediately.

5. Either party may cancel this Agreement upon thirty (30) days' written notice. Carrier agrees to pay Contractor for amounts owing for Services successfully completed up to the date of termination and accepted by the Carrier as being delivered in good condition; and Contractor agrees to pay Carrier for outstanding claims.
6. Contractor reserves the right to refuse any shipment which by reason is deemed to be dangerous or any other character of its contents is liable, in judgment of said Carrier to soil, taint or otherwise damage other merchandise or equipment, or which is economically or operationally impracticable to transport, or which is improperly packaged, wrapped or labelled. The Contractor must inform the Carrier of the situation prior to enacting this Right.
7. The Contractor agrees to pay all licenses, permits and tolls required for proper licensing of their company.
8. The Contractor or his employee shall take instructions directly from the Carrier's dispatcher and both are subject to the dispatcher's direction and control.
9. The vehicular equipment must be maintained in a mechanical condition acceptable to the Carrier and must comply with the Ministry of Transportation and Communications requirements.
10. The Contractor will be responsible for any loss or damage to the Carrier's trailer and any other equipment supplied by Carrier.
11. The Contractor agrees to supply the Carrier with an annual Certificate of Insurance naming 1301540 Alberta Ltd. o/a Werkman Transport with the following minimum requirements: General Liability (minimum of \$2,000,000), Third Party Liability for non-owned trailer (minimum of \$2,000,000), Non-Owned Trailer Coverage (minimum \$150,000), and Cargo Coverage for a minimum of \$32,000 is recommended but not essential as any clean up costs would be covered by the Contractor in said incident.
12. The Contractor when hiring an employee will prove the Carrier's satisfaction that the driver in question meets all of the criteria set out by the Carrier. The employee will be an employee of the Contractor. As such it is the responsibility of the Contractor to ensure compliance with any and all regulations concerning labor in the various jurisdictions through which the Contractor's unit operates. It is expressly agreed and understood that the Contractor accepts complete responsibility for any person operating, traveling in or upon the vehicles. This responsibility includes but is not limited to, any accident, claim or incident caused by an action, in action or omission whether it is deliberate, accidental or through negligence.
13. The Contractor shall provide to the Carrier current drivers abstract for any and all drivers in their employ every 12-month period.
14. The Contractor must have and is responsible for a cellular phone system to remain in contact with dispatch.
15. The Contractor agrees that they are personally responsible for any damage caused by Carrier equipment, against Carrier equipment, against the contents of any load being carried by Contractor vehicle, and including any damage that may be caused during the loading or unloading of goods being carried by Contractor vehicle, in any monetary amount.
16. The Contractor must supply a valid Safety Fitness Certificate to the Carrier prior to commencing work.
17. I further acknowledge that I am an Independent Broker and not an employee of **1301540 Alberta Ltd.** Therefore; I am not covered under **1301540 Alberta Ltd.** Worker's Compensation and must carry my own.

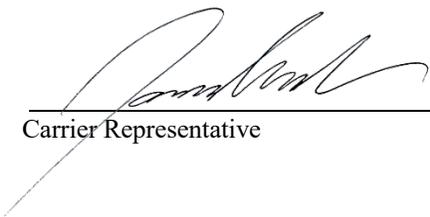
ACKNOWLEDGEMENT

By appending his signature to this agreement, the Contractor agrees to be bound by the terms, conditions and Compensation Package of this agreement and to the terms and conditions enumerated and set out in the Werkman Transport Operations Handbook attached hereto and forming part of this agreement.

IN WITNESS WHEREOF the parties have caused this agreement to be executed:

AT _____ THIS _____ DAY OF _____,
 (City and Province)

 Contractor Representative



 Carrier Representative