**OWNER OPERATOR CONTRACT**

AGREEMENT made this day of

BETWEEN:

--And--

NAME:

Company Name:

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) 16.50 % of gross revenue, if using Carrier’s authorities & plus insurance, contract pay 30 days from the date of received all the necessary paperwork as; POD, Log book, Trip record, Fuel receipt etc

(B) 5 % of gross revenue using Carrier’s trailer or $900.00 monthly charges using Carrier’s trailer. Whichever is more?

(C) 12 % Weekly charges for dispatch, if using own authorities.

(D) 1 % of gross revenue cash advance after 30 days & 15 % of gross revenue hold back until invoices are paid.

(E) All or any bad debt will be charged back to the contractor after 90 days, if paid in advance.

1. Upon acceptance of cargo from the Carrier, the Contractor covenants and agrees to indemnify and save the Carrier harmless from any and all claims, judgments to orders against the Carrier arising from breaches of bill of lading which may occur between the time the cargo is accepted by the Contractor and delivery is made and accepted either by the Carrier or the Consignee(s) named in the bill of lading.
2. (a) The Contractor shall be responsible for any and all claims, judgments, orders and fines for negligence, breach of contract and/or breaches of applicable statutes set forth by the carrier and or Provincial or State regulatory bodies, arising out of the operation of any vehicular equipment licensed to the Carrier and shall indemnify and save the carrier harmless there from Further to this, if any contractor receives a fine which may be detrimental to the carriers performance record , the carrier has the right to defend the charge and deduct from the Contractor all legal expenses.

1. So long as any vehicular equipment owned by the Contractor is licensed in the name of the Carrier, the Contractor covenants and agrees to confirm to all rules and regulation set forth by the carrier an/or Provincial and State regulatory bodies, including but not limited to hours of service regulations, drug and alcohol policy, Highway Traffic Act, National Safety Code, etc. The contractor shall operate at all times in a safe and courteous manner.

(c) Fees and expenses incurred in connection with the transfer, placing and obtaining of permits, for any vehicular equipment transferred, shall be the sole responsibility of the contractor.

1. In regards to fuel purchasing and reporting. It is the joint responsibility of the carrier and contractor to accurately report to the IFTA mileage traveled and fuel purchased in IFTA jurisdictions, the contractor agrees to provide the carrier with copies of fuel receipts and accurate mileage traveled. The carrier will calculate and remit fuel taxes on behalf of the contractor. The carrier may deduct from the Contractor any fuel tax liability occurring from erroneous mileage reporting and /or purchasing of non-tax paid fuel.
2. (a) In order to satisfy the Contractor of its ability to comply with its covenants of indemnity, the carrier shall obtain policies of insurance with coverage for which the contractor must qualify and/or continue to qualify for.
3. With respect to the contractor and/or his approved alternate driver, the contractor agrees that reporting for duty under the influence of alcohol or drugs or the consumption of or possession of alcohol while on duty shall automatically render the insurance coverage null and void for physical damage to the vehicular equipment.

(C) The Contractor agrees that the use of unauthorized alternate drivers shall render the insurance coverage null and void for physical damage to the vehicular equipment.

1. It is expressly agreed upon and understood that the Contractor has no authority to solicit and/or transport any cargo other that as an agent for the Carrier and, as such, is strictly limited to transporting such cargo as it is tendered to the Carrier. Transportation of cargo other than as tendered to the contractor by the carrier shall render insurance coverage for physical damage to the vehicular equipment described null and void.
2. The Contract, as principal owner of the vehicular equipment and personally undertakes to guarantee to take full responsibility for any and all debts and liabilities incurred by himself and any approved alternate driver who may operate the described vehicular equipment while in the performance of the duties and obligation of this contract.
3. It shall be the responsibility of the contractor to complete and submit the necessary forms as required provided by the Carrier’s policies as presently set out which policies may be amended from time to time as deemed necessary by the Carrier.
4. The terms of this agreement shall come in force fully on the date on which final approval is granted by the designated representative of the Carrier at the Carrier’s head office.

Compensation Package

The Contractor agrees to pay:

1. The full amount of the insurance paid by the Carrier, on behalf of the contractor for equipment listed herein.

1. The Contractor agrees to give 30 days written notice in advance to terminate this contract.

3. All hold back monies will be held for a period of 90 days after you’re last designated pay date. Without sufficient notice of termination, given by the Contractor, any monies owing will be held for an additional 30 days. This will allow any cargo claims or other possible claims to be filed with company.

1. The Contractor agrees to pay all licenses, permits and tolls required for proper licensing of the company.

5. The Contractor or his employee shall take instructions directly from the Carrier’s dispatcher or his designate and both are subject to the dispatcher or his designates’ direction and control.

6. 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. The Contractor Must supplies the Carrier with monthly maintenance reports and a safety certificate upon request.

7. The Contractor will be responsible for any loss or damage to the Carrier’s trailer and any other equipment supplied by Carrier that is under the insurance deductible.

8. (A) The Contractor or his employee is responsible to ensure that bills of lading are properly issued and those valid receipts are duly received for all goods delivered.

1. The Contractor or his employee shall deliver to the Carrier a bill of lading for every shipment carried.

9. The Contractor or his employee shall not permit any passenger to ride in the vehicular equipment, without authorization and a waiver signed prior to such an occurrence.

10. 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.

11. 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.

12. The Contractor shall explain to the carrier’s satisfaction any delayed departures or arrivals.

13. The Contractor shall provide to the Carrier current drivers abstract every 12-month period.

14. The Contractor must have and is responsible for a paging or cellular phone system or satellite charges.

15. The Contractor shall be responsible to supply securing devices including, but not limited to, chains, binders, load bars etc.

16. The Contractor agrees to comply with all applicable municipal, provincial, federal and Interstate Commerce Commission rules or regulations or the directives of the Carrier regarding drug and alcohol testing.

The Contractor agrees that reporting for duty under the influence of alcohol or drugs or the consumption of or possession of alcohol while on duty shall automatically render the insurance coverage null and void for physical damage to the vehicle.

Under this Agreement, the Contractor is responsible for the cost of the pre-employment drug test for the Contractor and any driver, working for the Contactor, under the Terms of this Agreement. The Carrier shall be responsible for the costs of the Contractor and any driver(s) working for the Contractor under the Carries drug and/or alcohol-testing program.

\*\*\* 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 to the Schedules attached hereto and forming part of this agreement.

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

AT MISSISSAUGA, ON THIS DAY OF , 20

(City and Province)

Contractor Witness

THIS AGREEMENT is hereby authorized and approved as set out above by:

DATED AT MISSISSAUGA, ONTARIO

Carrier

**ACKNOWLEDGEMENT**

I, the undersigned do hereby acknowledge that **2151328 Ontario Inc**. has made me aware of their insurance coverage policy. I am personally responsible for any damage caused by my vehicle, against my vehicle, against the contents of any load being carried by my vehicle, and including any damage that may be caused during the loading or unloading of goods being carried by my vehicle, in any monetary amount up to the deductible.

I further acknowledge that I will save **2151328 Ontario Inc**. harmless from any and all Claims or causes of action arising in connection with any damaged caused up to the amount of the deductible.

I further acknowledge that I must report immediately to **2151328 Ontario Inc**. any and all Moving violations, under the Highway Traffic Act, brought against my designated driver or me.

I further acknowledge that I am an Independent Broker and not an employee of **2151328 Ontario Inc**. Therefore; I am not covered under **2151328 Ontario Inc**. Workman’s Compensation and must carry my own. If **2151328 Ontario Inc** paid WSIB or any other claim behalf of me, I am personally responsible to pay back to **2151328 Ontario Inc** WSIB premium or any other claim as long as **2151328 Ontario Inc** give me proof that payment made behalf of me or my company.

DATE:

Contractor Name & Sign

**CONTRACTOR EQUIPMENT**

**TRACTOR**

**Name of**

**Make**

**Model**

**Year**

**V. I. N.**

**License #**

**Color**

**Weight**

**Purchase Price**

**TRAILER**

**Name of**

**Make**

**Model**

**Year**

**V.I. N.**

**License #**

**Color**

**Weight**

**Purchase Price**