



NOTE: All rates and offers as of April 19, 2018, call for updates

**INDEPENDENT CONTRACTOR AGREEMENT
(HEREINAFTER REFERRED TO AS AGREEMENT)**

UNIT NO: _____.

This Agreement made and entered into this ____ day of _____ 2018, at Newmarket, Ontario, by and between **DMR TRUCK INC** hereinafter referred to as CARRIER” and ____ principal place of

business at _____ hereafter referred to as “CONTRACTOR”.

WITNESSETH

WHEREAS, CONTRACTOR has under his ownership or lease, a tractor as described in Schedule “A” attached herein, and

WHEREAS, CARRIER has to enter a contract for service with CONTRACTOR for the transportation of certain commodities and CONTRACTOR desires to contract with CARRIER for the hauling of such commodities.

NOW, THEREFORE, in consideration of the foregoing premises and of mutual premises herein contained, CARRIER and CONTRACTOR agree as follows:

1. LEASE OF EQUIPMENT AND LABOUR

CONTRACTOR shall furnish to CARRIER the tractor as described in Schedule “A” together with driver personnel and all other necessary labor to perform the transportation, loading and unloading on behalf of CARRIER, of such commodities as CARRIER may from time to time make available to CONTRACTOR. All transactions handled hereunder shall be at CONTRACTOR’S sole discretion and control as to the manner and means of performance including, but not limited to, the selection and supervision of its employees. CONTRACTOR shall be solely responsible for all of the terms and conditions of employment pertaining to its employees. CONTRACTOR shall remain free to substitute drivers at any time at its sole discretion but substituted drivers must meet all Provincial, State, and Federal governmental requirements. CONTRACTOR and Contractor’s drivers are required to meet all the conditions of the United States Department of Transportation Drug and Alcohol Testing Program.

CARRIER shall exercise every reasonable effort to furnish to CONTRACTOR, for transportation by CONTRACTOR’S tractor, as much traffic as is reasonable possible so that CONTRACTOR shall be able to keep the tractor in reasonable regular use under the terms of the Agreement. Nothing contained herein shall be construed as imposing any obligation of CARRIER to furnish to CONTRACTOR any specific number of loads of freight for transportation by CONTRACTOR.

2. TERM OF CONTRACT

This agreement shall remain in full force and effect from the effective date, unless sooner termination by action of law or in accordance with the provisions of this Agreement. This Agreement may be terminated by any party without cause upon 10 days written notice. In the event either party commits a fundamental breach of any provision of the Agreement, the other party shall have the right to terminate this Agreement without notice. Carrier may immediately terminate this Agreement in the event CONTRACTOR substantially or repeatedly violates the safety rules or regulations of CARRIER or any government authority or any CONTRACTOR or CONTRACTOR’S driver tests positive on a Drug and Alcohol test. Refusal by CONTRACTOR or CONTRACTOR’S driver to take Drug and Alcohol Test will be cause for immediate termination of AGREEMENT without notice. Carrier will immediately terminate this Agreement if and or when the CONTRACTOR forfeits his/her FAST card to USA or Canadian Customs due to personal decisions including but not limited to illegal activity. Amendments to this Agreement may be proposed in writing by either party hereto and the parties, to whom any amendment proposed must, in writing, accept or reject said amendment within ten (10) days after receipt of said proposed amendment. If CONTRACTOR does not allow 10 business days’ notice of termination of Contract and / or is not available for dispatch during the allotted 10 business day notice the CONTRACTOR shall pay CARRIER \$500.00 in lieu of notice.

3. CARRIER TRAILERS

CARRIER'S trailer furnished to CONTRACTOR for use in performance of the Agreement shall be returned to CARRIER in the same condition as received by CONTRACTOR, reasonable wear and tear expected. Return of CARRIER'S trailer by CONTRACTOR shall be expected in normal transit time.

4. LIMITED USE OF EQUIPMENT

While operating under CARRIER authority, CONTRACTOR will devote the tractor to the service of the CARRIER.

5. WARRANTY OF TITLE

CARRIER and CONTRACTOR warrant that they possess the unrestricted right to enter this Agreement and render full performance hereunder, including the right to lease the tractor free of any liens or encumbrances that would, in any way affect CARRIER'S rights under this agreement.

6. IDENTIFICATION OF EQUIPMENT

CARRIER, at its expense, agrees to furnish necessary identification for the tractor.

7. INSPECTION OF EQUIPMENT

CONTRACTOR warrants that the tractor is complete with all required accessories, is in good, safe and efficient operating condition and complies with all applicable regulations of the Provincial, State, and Federal authorities. CONTRACTOR is to supply CARRIER with all copies of any repair work orders and regularly scheduled maintenance work orders as required by Provincial, State, and Federal authorities. CONTRACTOR is solely responsible for the costs incurred in the inspection of his equipment in order to comply with all Provincial, State, and Federal regulations.

8. STATUS OF PARTIES

It is the intention of the parties to the Agreement that the CONTRACTOR, its employees, agents, or servants shall be and remain "INDEPENDENT CONTRACTORS." This Agreement does not constitute CONTRACTOR as an agent, legal representative, joint venture or partner to CARRIER, for any purposes whatsoever. It being understood between the parties hereto that CONTRACTOR is to act as an INDEPENDENT CONTRACTOR and is no way authorized to make any contract, agreement, warranty or representation on behalf of CARRIER. It is expressly agreed and understood that CONTRACTOR shall not be considered under the provisions of the Agreement or otherwise as having any employee status with CARRIER, or as being entitled to participate in any plans, distributions or benefits extended by CARRIER to its employees. CONTRACTOR further agrees, at its own expense, to make all payments for Government assessments and to make all reports concerning its business, income or employees required by any Government Income Tax, Unemployment Insurance, Business or License Tax, or similar revenue or regulatory acts, whether Federal, State, Provincial, or Municipal and particularly CARRIER assumes no responsibility for the making of any such report, to the making of any payment under the terms of such acts. CARRIER shall not be responsible for withholding Local, State, Provincial, or Federal taxes on behalf of CONTRACTOR'S employees.

9. TAXES, LICENSING, FINES

CONTRACTOR shall pay for U.S. Federal Heavy Use Tax, U.S. Custom's decal, and fuel taxes for the equipment used to fulfill this Agreement.

CARRIER shall make the fuel use tax filings and payments in all states and provinces having such a requirement. CARRIER will assemble the mileage and fuel tax information necessary for all jurisdiction reports. CONTRACTOR shall furnish CARRIER with original fuel receipts acceptable to the

(Con't)

States/Provinces evidencing purchase of adequate fuel for the miles traveled in each State/Province having such a requirement and to the extent that CONTRACTOR fails to do so, CARRIER is authorized to deduct monies due CONTRACTOR an amount equal to the fuel tax due therein. CARRIER shall allow credit up to but not exceeding the total amount of all deficits for bonafide fuel receipts evidencing excess purchases of fuel in any state which allows a refund to CARRIER on such excess purchases. Deductions and credits shall be calculated using a miles per gallon/litre factor not less than the average mpg/mpl of the fleet times the actual tax rate per gallon in each State/Province. CARRIER may pay taxes and fees in bulk and charge CONTRACTOR and other the taxes and fees applicable to the CONTRACTOR.

CARRIER will pay the cost of toll roads when it is the only practical way of movement.

CONTRACTOR will be responsible for the cost of all fines incurred by CARRIER, where CONTRACTOR was the cause of the violation which the fine is being assessed.

10. COST, FEES AND EXPENSES

CONTRACTOR shall pay all costs, expenses incidental to the performance of the Agreement, including but not limited to fuel, maintenance, repairs, and lubrication of CONTRACTOR'S equipment.

11. INSURANCE RESPONSIBILITIES OF PARTIES

CARRIER will provide on behalf of CONTRACTOR public liability, property damage and physical damage insurance in an amount of at least TWO MILLION DOLLARS. Contractor will be charged FIVE HUNDRED DOLLARS (\$500) per month for coverage paid bi-monthly. CONTRACTOR will be subject to a deductible of \$5000 per occurrence.

CONTRACTOR will not have insurance coverage, if his tractor and/or CARRIER'S trailer are not locked, for loss or damage to tractor, trailer, and/or load. CONTRACTOR will be responsible for any and all loss in this case.

CONTRACTOR to have insurance coverage must leave his tractor, trailer and/or load in a secure yard when he is not with the unit. Secure yard meaning DMR's yard, shipper or consignee's yard (delivery receipt or bill of lading must be signed), or your property owned or leased that is secure for parking your unit. Leased areas require a signed contract stating insured coverage due to damage/loss or theft of tractor/trailer and cargo. Failure to comply with above will include but not be limited to immediate termination of contract *for just cause*.

12. INDEMNIFICATION OF CARRIER

CONTRACTOR shall assume liability for and hold CARRIER harmless from any loss or damage incurred as a result of CONTRACTOR'S negligent operations.

13. COMPLIANCE WITH REGULATIONS

CONTRACTOR shall comply with all rules and regulations of all regulatory bodies having jurisdiction over CARRIER'S operations. CONTRACTOR will follow CARRIER procedures and recommendations regarding C-TPAT security and security in general.

14. ACCIDENT REPORTING

CONTRACTOR shall report immediately to CARRIER any and all accidents involving property damage, bodily injury, and cargo damage or loss. Reporting immediately shall be construed to mean as soon after the accident is practical under the circumstances.

15. NO UNAUTHORIZED PASSENGERS

CONTRACTOR agrees and covenants with CARRIER that no person shall ride as a passenger in any tractor assigned to CARRIER, unless authorized by CARRIER.

16. ELD - SATELLITE

CONTACTOR agrees and allows CARRIER to install and monitor an ELD (Electronic Logging Device) which also allows for Satellite Tracking of equipment. This item will be installed and maintained by DMR Truck Inc at no cost to the CONTRACTOR unless unit has been broken purposely tampered with or lost.

17. CONSIDERATION

In payment for services, CARRIER shall not directly pay wages to any CONTRACTOR'S employees. As consideration, CARRIER shall pay CONTRACTOR the following:

1. Mileage Rate: \$1.21 per mile.

The miles paid are practical miles on the mileage between points as shown in PC Miler. The mileage rate is paid where miles driven are loaded or empty.

Contractor will be paid \$30.00 for every load crossing into the United States.

Fuel Surcharge: (AS SHOWN IN SCHEDULE B) On the 1st day of the month the cash price of diesel fuel at Flying J Inc in London, Ontario will determine fuel surcharge for the period from the 1st of the month till the 15th of the month. The price of diesel fuel at Flying J Inc. in London, Ontario on the 16th of the month will determine fuel surcharge for the period of the 16th till the end of the month.

2. The mileage rate and all rates shown shall be in Canadian Funds regardless of where the miles are driven.
3. If CONTRACTOR has to make more than the initial pickup and the initial delivery, CONTRACTOR will be paid \$30.00 for each additional pickup and/or delivery.
4. CONTRACTOR will be paid \$35.00 per hour when CARRIER requests and CONTRACTOR agrees to do cartage work. CONTRACTOR will not be paid for the miles involved while performing such cartage work.
5. CARRIER shall supply to CONTRACTOR a fuel purchase credit card. The credit card's transaction fee will be passed on to CONTRACTOR. CARRIER will deduct from CONTRACTOR'S settlement, the cost of fuel purchases, any cash advances and the transaction fee.
6. CONTRACTOR will be paid waiting time at the rate of \$35.00 per hour when authorized by the dispatcher and when waiting time charges are collectible from the Company responsible.
7. If CONTRACTOR does not pickup or deliver his load unless requested otherwise by dispatch, he will be charged CARRIER'S cost of pickup and/or delivery.
8. If CONTRACTOR is required to layover because CARRIER cannot move him, because of lack of work, and has hours available under the D.O.T. Hours of Service, CARRIER will pay CONTRACTOR after waiting the day of last movement, plus waiting a full 24 hours, \$100.00 for every 24 hours held.
9. CARRIER will withhold five percent (5%) per settlement from CONTRACTOR'S settlement until a sum of \$2,500.00 is accumulated. These monies will be held by CARRIER to offset costs incurred which is CONTRACTOR'S responsibility. Wherever monies are paid out on behalf of CONTRACTOR, CARRIER will again deduct sums from CONTRACTOR'S settlement until the sum of \$2,500.00 is re-established. If CONTRACTOR'S holdback account is a negative amount, the deduction will change from five percent (5%) to seven and a half percent (7.5%) until the amount in the holdback is a positive amount
10. CONTRACTOR will be paid \$25.00 per hour when required to load, unload, or assist to load or unload when authorized by the dispatcher.
11. CONTRACTOR is required to carry a cellular phone so that dispatch can contact the driver.
12. CARRIER will supply CONTRACTOR an Ontario IRP base plate. Contractor is responsible for the sales tax due at time of licensing tractor.

18. TRIP SETTLEMENT AND/OR ADVANCES

CARRIER shall make settlement on the last day of the month for work completed between the 1st and 15th day of the month. CARRIER shall make settlement on the 15th day of the proceeding month for work completed between the 16th and last day of the preceding month. Settlement will be by direct deposit to CONTRACTOR'S bank account.

CARRIER may withhold any revenue owing CONTRACTOR until all necessary documents showing performance of the Agreement are submitted to CARRIER, including signed delivery receipts, Bills of Lading, freight bills, trip reports, signed trip reports showing routes traveled and such other evidence as may be required by any government authority. If CONTRACTOR fails to turn in a Bill of Lading, \$15.00 per missing Bill of Lading will be deducted from the settlement.

19. OBLIGATION UPON TERMINATION AND OR RESIGNATION

In the event of termination of this Agreement by either party CONTRACTOR will deliver to CARRIER any and all Bills of Lading and other forms, advertising materials, and literature, placards, operating authorities and Ontario base plates.

If CONTRACTOR terminates Agreement within six months of the date Agreement is dated, CONTRACTOR will reimburse CARRIER for the cost of Ontario base plate for the months used. All outstanding payments to CONTRACTOR will be held until the fuel tax charges are determined for the quarter by CARRIER or 90 days from termination whichever is greater.

CONTRACTOR will be charged \$100, if the key for CARRIER's trailer lock is not returned at termination.

CONTRACTOR will be charged \$150.00 (US) if an assigned PrePass is not returned at resignation / termination.

If reasonable evidence shows that CONTRACTOR has violated this Agreement, CARRIER may take possession of the commodities being hauled by CONTRACTOR and complete hauling movement. CONTRACTOR shall reimburse CARRIER for any and all reasonable costs, expenses, or damages incurred by CARRIER as result of CARRIER'S taking possession of the commodities and completing the movement.

20. DISCLAIMER OF INTEREST

CARRIER and CONTRACTOR agree that this Agreement is not intended and shall not be construed as having the legal effect of leasing CARRIER'S operation authority to CONTRACTOR. It is further agreed and understood that nothing herein contained is too constructed as vesting in CONTRACTOR any right, title, or interest in or to any of CARRIER'S motor carrier operating rights privileges or authorities.

21. BREACH OF CONTRACT

In the event of a breach of the terms of this Agreement by either party, the breaching party shall be liable for reasonable legal fees expended by the other party in the enforcement of the terms of this Agreement and in the pursuance of any available legal remedy.

22. ENTIRETY

It is understood and agreed between the parties herein that no oral agreements, understandings, or agreements of any kind or character have been entered into. All arrangements and agreements between the parties hereto are incorporated into this Agreement and that Agreement supercedes any previous Agreement entered into between the parties.

23. NOTICE

Notice to either party hereunder shall be deemed to have been given three (3) days after delivery to the Post Office of a registered letter to the parties at their respective addresses.

24. WORKPLACE SAFETY AND INSURANCE COVERAGE

If CONTRACTOR employs any number of worker(s), CONTRACTOR agrees to obtain coverage with The Workplace Safety & Insurance Board (WSIB) and provide the CARRIER with a Certificate of Clearance from the WSIB. CONTRACTOR is responsible for obtaining WSIB coverage for its Employee.

If CONTRACTOR refuses to obtain coverage from the WSIB, CONTRACTOR agrees that he will obtain private coverage that would provide coverage similar to or exceeding the coverage provided by WSIB.

If a private coverage is chosen by CONTRACTOR and is accepted by CARRIER, CONTRACTOR agrees to relinquish all claims against CARRIER, its employees, agents, officers, shippers, customers or assigns bound by a contract to CARRIER, either in tort or in contract, for any losses or damages that arise from the performance of duties in relation to the contract herein, whether such incident occurs on CARRIER'S property or elsewhere. If CONTRACTOR fails to notify CARRIER immediately after the time when the termination, the invalidity or the withdrawal or either WSIB coverage or the private coverage is effected, and CARRIER is held liable for any loss or damage that it otherwise would not have been liable for had the proper coverage in place, CONTRACTOR agrees that CONTRACTOR will compensate CARRIER for all of the loss and/damage that have been imposed on CARRIER there from.

25. MEDICAL EXAMINATION

It is agreed that any medical examination required by CARRIER and/or Federal/Provincial/State legislation or any medical examination required by legislation for the purposes of maintaining a driver's license shall be promptly complied with CONTRACTOR. CARRIER reserves the right to select their own medical examiner or physician.

26. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the Laws of Province of Ontario.

27. NON-DISCLOSURE

CONTRACTOR shall not (either during the continuance of his engagement or at anytime thereafter) disclose any information relating to the private or confidential affairs of CARRIER or relating to any secrets of CARRIER to any person other than for CARRIER'S purposes and without limiting the generality of the foregoing. CONTRACTOR shall not (either during the continuance of this Agreement or at any time thereafter) disclose to any person other than for CARRIER'S purposes and shall not (either during the continuance of this Agreement or at any time thereafter) use for his own purposes or for any purposes other than those of CARRIER'S any such information or secrets he may acquire in relation to the business of CARRIER.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the month and year first above written. CONTRACTOR acknowledges receipt from CARRIER a true copy of the CARRIER'S Rules and Regulations

CONTRACTOR:

CARRIER: DMR TRUCK INC

By: _____.

By: _____.

_____.

_____ Harry H. De Vries Jr. _____.

Print Name:

Print Name: Safety & Recruitment Manager

WITNESS: _____.

Robert H. Bondy
Print Name: President

SCHEDULE A

DESCRIPTION OF TRACTOR FOR PLATE ATTACHMENT

MAKE / MODEL: _____.

YEAR: _____.

COLOR: _____ TARE WT: _____.
(FROM OWNERSHIP)

VIN NO.: _____.

PURCHASE PRICE: \$ _____ . _____ . TRADE IN AMOUNT: \$ _____ . _____ .
(FROM BILL OF SALE) (FROM BILL OF SALE)

DATE OF PURCHASE: _____.
(FROM BILL OF SALE)

OWNERSHIP IN NAME OF: _____.

TRACTOR: LEASED: _____ . OWNED: _____ .

DMR UNIT NO.: _____ **TO BE ARRANGED** _____ .

CELL PHONE NUMBER: _____.

HOME PHONE NUMBER: _____.

E-MAIL ADDRESS: _____.

COLOR REQUEST OF COMPANY DECALS TO BE ATTACHED: _____.

FOR PLATING PURPOSES

- FORWARD COPIES OF:**
- OWNERSHIP (ORINGINAL REQUIRED AT TIME OF PLATING)
 - CURRENT SAFETY (FOR CURRENT YEAR)
 - CURRENT EMISSIONS TEST (MUST NOT HAVE DUPLICATE STAMP)
 - COPY ORIGINAL BILL OF SALE (SIGNED)
 - LETTER OF AUTHORIZATION TO PLATE (DMR WILL ARRANGE)
 - COPY OF ARTICLES OF INCORPORATION (IF TRUCK IN CO. NAME)
 - COPY OF LEASE AGREEMENT (IF LEASED)

SCHEDULE B

PRICE OF DIESEL FUEL PER LITRE (FLYING J - LONDON)	FUEL SURCHARGE	PRICE OF DIESEL FUEL PER LITRE (FLYING J - LONDON)	FUEL SURCHARGE
\$0.70	\$0.005	\$1.16	\$0.235
\$0.71	\$0.010	\$1.17	\$0.240
\$0.72	\$0.015	\$1.18	\$0.245
\$0.73	\$0.020	\$1.19	\$0.250
\$0.74	\$0.025	\$1.20	\$0.255
\$0.75	\$0.030	\$1.21	\$0.260
\$0.76	\$0.035	\$1.22	\$0.265
\$0.77	\$0.040	\$1.23	\$0.270
\$0.78	\$0.045	\$1.24	\$0.275
\$0.79	\$0.050	\$1.25	\$0.280
\$0.80	\$0.055	\$1.26	\$0.285
\$0.81	\$0.060	\$1.27	\$0.290
\$0.82	\$0.065	\$1.28	\$0.295
\$0.83	\$0.070	\$1.29	\$0.300
\$0.84	\$0.075	\$1.30	\$0.305
\$0.85	\$0.080	\$1.31	\$0.310
\$0.86	\$0.085	\$1.32	\$0.315
\$0.87	\$0.090	\$1.33	\$0.320
\$0.88	\$0.095	\$1.34	\$0.325
\$0.89	\$0.100	\$1.35	\$0.330
\$0.90	\$0.105	\$1.36	\$0.335
\$0.91	\$0.110	\$1.37	\$0.340
\$0.92	\$0.115	\$1.38	\$0.345
\$0.93	\$0.120	\$1.39	\$0.350
\$0.94	\$0.125	\$1.40	\$0.355
\$0.95	\$0.130	\$1.41	\$0.360
\$0.96	\$0.135	\$1.42	\$0.365
\$0.97	\$0.140	\$1.43	\$0.370
\$0.98	\$0.145	\$1.44	\$0.375
\$0.99	\$0.150	\$1.45	\$0.380
\$1.00	\$0.155	\$1.46	\$0.385
\$1.01	\$0.160	\$1.47	\$0.390
\$1.02	\$0.165	\$1.48	\$0.395
\$1.03	\$0.170	\$1.49	\$0.400
\$1.04	\$0.175	\$1.50	\$0.405
\$1.05	\$0.180	\$1.51	\$0.410
\$1.06	\$0.185	\$1.52	\$0.415
\$1.07	\$0.190	\$1.53	\$0.420
\$1.08	\$0.195	\$1.54	\$0.425
\$1.09	\$0.200	\$1.55	\$0.430
\$1.10	\$0.205	\$1.56	\$0.435
\$1.11	\$0.210	\$1.57	\$0.440
\$1.12	\$0.215	\$1.58	\$0.445
\$1.13	\$0.220	\$1.59	\$0.450
\$1.14	\$0.225	\$1.60	\$0.455
\$1.15	\$0.230	\$1.61	\$0.460

If the price of fuel goes over \$1.61 per litre, the fuel surcharge will increase \$0.005
for every \$0.01 increase in the cost of fuel