

Appendix "A" – Contractor Compensation

Contractor with Tractor & Trailer

Tridem Reefer	87% of shipment revenue	87% of shipment revenue Less: \$550.00 per statement lease \$0.055 / mile for trailer maintenance
Tandem Reefer	87% of shipment revenue	87% of shipment revenue Less: \$460.00 per statement lease \$0.04 / mile for trailer maintenance
Multi-Temp Tridem Reefer	87% of shipment revenue	87% of single-temp shipments 81% of multi-temp shipments Less: \$550.00 per statement lease \$0.055/mile for trailer maintenance

Plus: Contractor receives 100% of Fuel Surcharge

This is remuneration for providing equipment and a driver, as well as accepting the associated responsibilities as outlined within the contract. Above includes any additional revenue received by Professional Carriers Inc. for accessorial charges such as temperature control and fuel surcharge.

Tolls	Included in the percentage of rate
Loading & Unloading	Included in the percentage of rate
Extra Drops	Paid at the same percentage as the revenue split
Detention and Layover	Paid at the same percentage as the revenue split
Fuel	Actual Price as negotiated with the fuel company
Fuel Surcharge	Contractor receives 100% of Fuel Surcharge
Insurance Premiums	\$9,400 per year over 20 pays of \$470.00 each. (Four pays off in Jan & Feb if here all year).
Trailer Tracking	\$17.50 per month service charge. The Tracking Unit remains the property of Professional Carriers Inc. and failure to return would result in a deduction of \$525.00.

Accident Insurance Deductible Schedule - Deductibles are applied per line of coverage affected by claim to a maximum of \$7500.00.

<u>Lines of Coverage*</u>	<u>Deductibles**</u>
PLPD (Public Liability/Property Damage)	\$ 2,500.00
Equipment	\$ 2,500.00
Cargo	\$ 2,500.00
CGL (non-auto liabilities)	\$ 2,500.00
DPCPD (Direct Comp/No Fault)-when at fault	\$ 2,500.00

*Maximum PLPD coverage - \$3,000,000.00

Maximum Cargo coverage - \$350,000.00

**Maximum deductible - \$7500.00

Cargo Claim Deductible \$2,500.00

License Professional Carriers Inc pays licensing cost up front and rebills broker total cost on a per statement basis. All efforts are made upon contract termination to recover this cost but all shortfalls are the broker's responsibility.

- Annual cost range \$2,500 – \$3,500 depending upon unit value.

Performance Bond None

Voluntary Maintenance Reserve Will be deducted and held in reserve if requested by the contractor.

Drug Testing Fees are non-refundable and are paid upfront by contractor. Costs per driver and/or broker are currently:

Pre employment drug test \$75.00 + HST

Yearly administration fee \$90.00 + HST

Communication Professional Carriers has chosen to maintain voice communication with their brokers and drivers (instead of satellite communication); therefore brokers must provide cell phone equipped with a voice messaging service.

Decals & Paint No paint required – solid colors preferred.

Professional Carriers Inc.'s decals to be installed on both tractor side doors and the roof wind deflector, and on the trailer sides and rear door, per the company's specifications. Decals are purchased at contractor cost.



Contractor (Tractor & Trailer): Contractor is responsible for all trailer costs, including reefer fuel and maintenance.

Contractor (Tractor Only) Pay Package

Professional Carriers Inc is responsible to pay for:

- normal scheduled and shop required trailer maintenance
- 90 day inspection and greasing costs.

The contractor will be responsible to pay for:

- Repair of driver caused damages (other than those covered by insurance) such as flat spotted tires, etc.
- temperature control fuel (to be full at pick up and return)
- non shop required maintenance including :
 - minor enroute repairs (labour only)
 - outside trailer washes (to be kept presentable)
 - inside trailer washes required by the customer

Group Insurance Monthly Costs (Apr 1, 2012 – based on NB residence)

	<u>Owner-Operator</u>	<u>Driver</u>
Single	\$228.16	\$114.31
Family	\$343.21	\$229.36
Couple	\$291.32	\$177.47

Note: Health and Dental can be waived provided proof of travel insurance is provided.
Life and disability insurance are mandatory.