

CLM CARRIERS CORP. (AB)
Division of Landtran Systems Inc.

THIS AGREEMENT made and entered into this _____ day of _____, 20_____
by and between

_____ of _____

(Hereinafter referred to as the "Contractor") and CLM Carriers Corp. (AB), having a mailing Address at 3464 – 78 Avenue, Edmonton, Alberta, T6B 2X9 (hereinafter referred to as the "Company")

THIS AGREEMENT WITNESSES that the Contractor and the Company have agreed and do hereby agree with each other as follows:

1. **Services** – The contractor covenants and agrees to:
 - a) Furnish as and when required by the Company the motor vehicle (the "equipment") and be used to perform services on behalf of the Company' clients.
 - b) Furnish competent, qualified, experienced drivers to operate the Equipment;
 - c) Perform such services related to the furnishing of Equipment and drivers as are from time to time directed by the Company
 - d) Maintain and keep the Equipment clean and in good and roadworthy condition;
 - e) Maintain such records in respect of the maintenance of the Equipment and his other operations hereunder as required by law and by the Company and to make the records and the Equipment available as required by the Company from time to time for inspection by the Company.
 - f) Furnish at his expense all accessories to the Equipment required either by law or the Company
 - g) Assume and pay when due all costs and expenses necessary or incidental to the maintenance and operation of the Equipment and performance of his obligations hereunder
 - h) Perform all services required under this agreement in a safe, proper and workmanlike manor
 - i) Promptly submit all documents, fuel reports and such other materials as may from time to time be required by the Company following the completion of each trip
 - j) Advise the Company immediately of any mechanical or other defects or damage in any equipment furnished to the Contractor by the Company
 - k) Unless otherwise directed by the Company, license the Equipment and obtain all necessary permits for operation in jurisdictions from time to time specified by the Company
 - l) Comply with all laws, orders and by-laws applicable to the Equipment and obtain all necessary permits for operation in jurisdictions from time to time specified by the Company
 - m) Comply with all of the Company's rules, policies, regulations and requirements from time to time in effect that pertain to the Equipment or obligations and services to be performed hereunder by the Contractor.

2. **Drivers** – every driver furnished by the Contractor shall be subject to the company's' approval prior to his performing services hereunder and shall be qualified at all times under all applicable laws, regulations and requirement in the jurisdictions in which the Equipment may be operated. Any reference to a "driver" or "Drivers" in this agreement shall, to the extent applicable, include the Contractor if the Contractor is an individual performing driving services hereunder.

3. **Term** – The term of this agreement shall commence on the date first above written and shall continue in effect for 30 days and thereafter shall continue in effect until terminated on 10 days' notice of termination given by either party to the other.

4. **Payment** – The Company shall pay to the Contractor in full satisfaction for performance by the Contractor of his obligations hereunder, including but not limited to the furnishing of the Equipment and drivers, the compensation stated below less any holdback monthly. CLM Carriers Corp. shall provide a statement and shall pay the Contractor on the 28th of each month, remuneration earned in the preceding calendar month, less any amount properly deducted for holdback, advances and expenses.

Rates of Pay

0-3 months of continuous employment (probationary period)

Rate: \$ 40.00 per hour

3-15 months of continuous employment

Rate: \$ 42.00 per hour

15 months and beyond

Rate: \$ 43.00 per hour

Hourly rates apply to all work done within a 50 mile radius of Edmonton.

Highway Rates

Work beyond 50 miles of the city of Edmonton will be paid at the rate of \$1.50 per loaded mile and \$1.10 per empty mile. Highway rates will include the first hour of loading or unloading per trip. Any time in excess of the first hour spent in the dock at the shipper or receiver will be paid at the hourly rate for city work. These hours must be signed for by the Shipper or Receiver, and dispatch must be notified as soon as practicable.

All miles referred to are based on PC practical miles.

Fuel Surcharge

Contractors will be paid the following fuel surcharge:

Average price (Base city), less base price (\$0.461 cents per liter)

Percentage % difference from average price to base, multiplied by total fuel cost, equals rebate.

CLM Carriers Corp. shall provide a statement and shall pay the Contractor on the 28th of each month, remuneration earned in the preceding calendar month, less any amount properly deducted for holdback, advances and expenses.

5. **Holdback**

CLM Carriers Corp. shall maintain a holdback fund of Three Thousand Dollars (\$3,000.00) in the name of the contractor. The holdback fund shall be accumulated by pay statement deductions of \$ 500.00 per month for 6 months. Such holdback shall be returned to the contractor minus legitimate charges within ninety (90) days of termination of this agreement.

6. **Company Equipment** – any equipment or other property of whatever nature, including but not limited to trailers, converters, shipping supplies are collectively hereinafter referred to as the “Company Property”, furnished to the Contractor by the Company for use in performance of his obligations or services under this agreement shall only be used by the Contractor while performing obligations or services under this agreement and shall be returned to the Company in the same condition as received by the Contractor. In the event that any of the Company Property is not returned in the required condition, the Contractor shall be liable for the cost of repairing or replacing the Company Property and shall be liable to the Company for any loss, costs or damages incurred or suffered by the Company. The company property shall not be subject to any

claim or right of set-off by the contractor. In the event that the Contractor fails to return any of the Company Property at the time specified, in addition to any other right or remedy the Company may have, a holdback may be forfeited to the Company at its option as liquidated damages and not as a penalty. Any costs, including but not limited to legal fees, incurred by the Company in taking possession of any Company Property that the Contractor has failed to redeliver to the Company shall be payable by the Contractor to the Company.

7. **Freight** – The contractor shall be responsible for all loss or damage to any freight in the Contractor's care, custody or control arising from the acts or omissions of the Contractor, his drivers or other employees, agents or contractors.
8. **Workers' Compensation** – The Contractor shall furnish to the Company a certificate from the applicable workers' compensation board or tribunal as evidence that the Contractor and all drivers of the Contractor are covered under workers' compensation insurance in accordance with the statutory requirements of the province or territory having jurisdiction over the Contractor and his drivers. If the contractor is assessed any additional levy, extra assessment by the governing workers' compensation board or tribunal as a result of an accident causing injury or death to the Contractor or his drivers, or because of unsafe working conditions, then such levy or assessment shall be paid by the contractor at his sole cost and is not reimbursable by the Company. In the event that the Contractor shall fail to maintain workers' compensation insurance and the company becomes obligated to pay assessments or premiums on behalf of the Contractor, the Company shall be entitled to recover the cost thereof from the Contractor.
9. **Insurance** – The Contractor shall assume complete financial responsibility for the following:
 - (a) In the case of an accident, insurance deductible will be paid by the Contractor on all trailers, tractor and third party liability up to the said deductible amount of Three Thousand Dollars (\$3,000.00) only. All claims in excess of this are payable by the company and / or The Zurich Insurance Company, their insurance carriers
 - (b) The Contractor will pay the cost of insurance at the rate of the higher amount of:
 - (I) Seven Cents (.07) per mile based on the mileage run for the company.
 - (II) A minimum of \$450.00 (Four Hundred, Fifty Dollars) per month.

This total will be deducted from the monthly statements of the Owner Operator.

After three (3) months continuous service with the Company, the Contractor will be entitled to a Safety & Compliance rebate of 5% of gross hourly earnings, and or .04 cents per mile (based on miles operated for the Company) for the preceding three (3) months if the Company has not realized any insurance claims and / or compliance violations on behalf of the Contractor during this three (3) month period and if (based on the Alberta carrier profile) there have been no violations under the National Safety Code during this three (3) month period. Contractors must be employed by CLM Carrier Corp. at the time of pay out and be in good standing in all aspects of compliance. (ie. PM reports, Log books)

First Infraction	35% loss of rebate
Second Infraction	75% loss of rebate
Third Infraction	100% loss of rebate & mandatory retraining

Accidents deemed preventable will result in 100% loss of rebate

Any and all rebates will be reviewed with and paid to, the Contractor on or before the 28th of the fourth (4) month. All rebates will be applied to the Contractor's statement.

- (c) Cargo legal liability for an amount of not less than One Thousand Dollars (\$1000.00) for all risks including loading and unloading.
- (d) It is understood and agreed that such insurance will not provide coverage for benefit of the Contractor if the owner operator operates the equipment when impaired by drugs or alcohol.

NOTE: It will be the responsibility of the Contractor to notify CLM Carriers Corp. of any changes, modifications, cancellations, etc. of any or all insurance policies or coverage's.

- 10. **Accident Reporting** – The Contractor shall report immediately to the Company any accidents involving property damage, bodily injury or freight damage or loss.
- 11. **Independent Contractor** – Neither the Contractor nor any of his employees shall be deemed to be agents, servants, or employees of the Company for any purpose whatsoever but the Contractor an independent contractor is for all purposes.
- 12. **Fines** – The Contractor shall be solely liable for and shall indemnify and save harmless each of the company's clients and the Company from all fines or penalties for violations of any federal, provincial, or municipal, laws, ordinances, rules or regulations resulting from the acts or omissions of the Contractor or his employees in performing the Contractor's obligations or services under this agreement.
- 13. **Damage to equipment** – The Contractor shall be solely responsible for loss or damage to the equipment howsoever caused and the Contractor agrees to indemnify and save harmless each of the Company's clients in respect of any claim for any loss or damage to the Equipment. Any insurance maintained by the Contractor in respect of damage to the Equipment shall contain a waiver by the insurer of any right of subrogation as against each of the Company and the Company's clients and their respective employees, agents and officers.
- 14. **Cash on Delivery** – Where the Contractor is required to collect money or other security on behalf of the company or its clients, the contractor agrees that neither he, nor any person engaged by the Contractor in the performance of this agreement, has any authority to accept less than the prescribed amounts due for the freight hauled. In the event that this section is violated, the Contractor shall on demand immediately pay the Company the difference between amounts accepted by the Contractor and the prescribed amounts due for the freight.
- 15. **Non-Solicitation Agreement** – The Contractor covenants and agrees with The Company that during the period of time The Company and/or other Operating Divisions of The Company provides services to an assigned customer, and for a period of 1 year following the expiration of these services, or if the services are terminated early by either party as defined by the last day of services provided for any cause or by any means whatsoever then for a period equal to the service period had early termination not occurred plus a period of 1 year thereafter, The Contractor will not directly or indirectly, whether for itself or any other person or persons, affiliate, firm, association, syndicate, company, corporation or competitor to The Company or other entity affiliated with The Company, without the prior written consent of The Company:
 - (i) employ or engage or contract,
 - (ii) solicit for employment engagement or contract,
 - (iii) encourage to leave their employment or engagement, or
 - (iv) encourage to terminate their contract

any customer, consultant or independent contractor, individual or entity who is employed or engaged by or with The Company during the Term of this Agreement, and who was involved in servicing the customer under this agreement.

IN WITNESS WHEREOF the parties hereto have executed this contract on the day and year first above written.

CLM CARRIERS CORP. (AB)

PER: _____

PER: _____

SIGNED, SEALED AND
DELIVERED, in the
presence of:

OWNER OPERATOR:

NAME: _____

PER: _____

Witness