

REGISTER OF CONTRACT AGREEMENTS

CONTRACT AGREEMENT NO: CA06/3

TITLE: Contract Carriers Agreement Toll Priority Bankstown and Erskineville 2005

I.R.C. NO: IRC5/6822

DATE APPROVED/COMMENCEMENT: 24 January 2006 / 24 January 2006

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**NEW AGREEMENT OR
VARIATION:** New.

GAZETTAL REFERENCE: 17 February 2006

DATE TERMINATED:

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COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all present and future contract carriers employed by Toll Transport Pty Ltd trading as Toll Priority, operating from depots located at Units 1, 2 & 65 Ashmore Street, Erskineville, Bankstown Hangar 14 where Carriers are required to provide Transport Services within and around the Sydney Metropolitan area, and any new location from which Toll Priority may operate in the future during the life of this agreement, who fall within the coverage of the Transport Industry - General Carriers Contract Determination.

PARTIES: Toll Transport Pty Ltd t/as Toll Priority -&- the Transport Workers' Union of New South Wales

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NOW IT IS HEREBY AGREED AS FOLLOWS:

1. Definitions

For the purpose of this agreement the following terms shall bear meaning:

THE ACT shall mean the New South Wales Industrial Relations Act, 1996 (as amended)

CARRIER shall mean Contract Carrier as defined in the Act.

CONTRACT OF CARRIAGE shall be as defined under the Act.

PRINCIPAL shall mean Principal Contractor as defined in the Act.

UNION shall mean the Transport Workers Union of Australia, New South Wales Branch.

TRANSPORT SERVICES shall include, Driving, Use of Electronic Data Terminals, Delivering/pick-ups, *any Scanners*, Collecting, Marking and Sticking of freight, Handling, Loading and Unloading of his/her vehicle and all security requirements as stipulated by the Aviation Security Committee, Toll Priority which may change from time to time in accordance with government regulations.

PICK-UPS shall mean: the collection of freight from a customer of Toll Priority regardless of the number of individual journeys between the Contract Carrier's vehicle and the premise of the customer of Toll Priority.

DRIVER REPRESENTATIVE shall mean, but not limited to a duly elected Yard delegate.

SINGULAR means in this Agreement - unless a contrary intention appears words incorporating the singular number shall include the plural number and vice versa.

ALTERNATIVE GENDER means in this Agreement - unless a contrary intention appears words purporting the Masculine gender shall include the female gender also and vice versa.

2. Appointment of Contract Carrier

The Principal Contractor (the "**Principal**") hereby engages the Contract Carrier(s) (the "**Carriers**") and the Carrier(s) hereby accept the engagement for the provision of Transport Services in accordance with the terms and conditions of this Agreement, the Conditions of Carriage (the "**Conditions**") as described in clause 4 below and the Transport Industry General Carriers Contract Determination (the "**Determination**"), as applicable. Where there is an inconsistency between this Agreement and the Determination, the Agreement shall prevail.

3. Remuneration

Carriers engaged in accordance with this Agreement shall be remunerated in accordance with Attachment 3 of this Agreement, which includes "all-inclusive" rates contained herein. Carriers are not entitled to any contributions, by the Principal, with respect to superannuation .

4. Conditions of Carriage

The Principal's Conditions of Carriage printed on the back of the consignment note will apply to the Carriers as written, excepting in the case of proven negligence or dishonesty of the Carrier.

5. Terms of Engagement

Carriers who were engaged prior to the commencement of this Agreement continue engagement subject to the terms and conditions of this Agreement, the Conditions and the Determination.

6. Responsibilities of the Contract Carrier

- (i) The Carrier is to be available for engagement on all days not declared as public holidays between Monday and Friday inclusive and to be licensed to drive the class of vehicle he/she is required to operate.

Where customer needs or market demands necessitate weekend work, then subject to consultation with the Carrier(s), runs will be arranged to service such needs or demands.

- (ii) Carriers will be called on periodically to show or to produce copies of a current NSW drivers licence and to wear ID badges on their uniforms when performing a service for and on behalf of the Principal . Any loss of licence or ID Badge is to be communicated in writing to the Principal .
- (iii) The Carrier is to notify immediately the Principal of the Carrier's inability to perform Contracts of carriage on any day.
- (iv) The Carrier shall observe run requirements as set by the Principal.
- (v) During the course of delivery and/or picking up of goods, the Carrier's vehicle shall be kept in a secure/locked condition at all times and the vehicle shall be at all times weather proofed.
- (vi) On returning to the depot, the Carrier shall unload his/her vehicle and place the freight in the appropriate location as requested by the Principal where practicable. All connote freight must display a *B-sticker by service type* as

required by the Principal Contractor (eg; multiple consignments at loading, delivery or pick-up points).

- (vii) The Carrier acknowledges that all consignees and consignors served at all times are clients of the Principal and accordingly, not undertake any Contract of carriage with another principal contractor whilst engaged by the Principal performing Transport Services.
- (viii) The Carrier must not knowingly pick up Dangerous Goods that don't comply with legislation (as amended) and/or is poorly packaged. Consignments identified, as Dangerous Goods must be appropriately documented prior to proceeding with pick up.
- (ix) All freight that the *Principal Contractor/Contract Carrier* considers valuable will be treated in a secure manner, ie. These goods must be brought to the attention of the Principal representative on duty.
- (x) The Carrier shall not carry any animals or unauthorised passengers in the vehicle without the authorisation of the Principal whilst undertaking Contracts of carriage for the Principal.
- (xi) The Carrier must carry adequate equipment, for example, *Personal Palm-top Terminal (PPT) etc*, Overnight Express and Premium Road stickers, *B-stickers*, trolley, connote books and a current street directory, relevant stationery/equipment, necessary to adhere to policy issued by the Principal from time to time.
- (xii) The Carrier is to ensure that all paperwork *or the like* is handed in on the completion of work on a daily basis, for example, POD capture sheets or like documents, connotes.

The Carrier is to ensure that all paper work *or the like* is completed accurately and has been prepared based on *the iTrak system, and/or* actual *connote/item weight*, manifest, actual PRS bag numbers, accurate cubic *measurement* to substantiate the cubic measurement claim and will be subject to scrutiny where required. The Carrier is responsible for claiming for pick-ups *and/or deliveries* actually performed only. (See also subclause (xxiii) of this clause).
- (xiii) The Carrier is required to ensure all consignments are scanned and if required, downloaded before leaving the depot. In the event of a consignment not displaying a bar code or for whatever reason is not able to be barcoded the, Carrier shall *attach a B-sticker as applicable*.
- (xiv) As a back up for PPT scanner / system failure for the following will occur:
 - Carrier to be issued with a replacement scanner where available
 - Where a scanner is not available the following procedure/s will occur:

AM Procedure

- Prior to leaving the depot all items will be scanned as transfer out to Driver Route
 - Carrier is to ensure the following information appears on all manual paperwork
1. Date
 2. AM Run Number
 3. Driver Name
 4. Full con note / item number
 5. Receivers full name and address
 6. Time of Delivery
 7. Signature and surname or ATL number
 8. Card Left or Check Address

PM Procedure

- Carrier must see a PM Supervisor prior to unloading and advise of scanner gun failure
 - Carrier is to ensure all multiple items are separated when unloading
 - PM Supervisor is to ensure all multi item consignments are inked to main con notes
 - PM Supervisor is to ensure all single item consignments are scanned as transfer in from Driver
- (xv) The Carrier is to check potential query freight before leaving the depot. If queries arise on the Carrier's run the Carrier(s) must contact the radio operator and provide details in an effort to find a correct address or answer a query.
- (xvi) Where freight is returned to the depot the Carrier must follow "Returned to Depot" freight procedure as amended from time to time. The card left system must apply to returned freight *and the unable to deliver sticker will be applied to the undelivered consignment and full details completed, as required by the Principal*.
- (xvii) Non-delivered freight must be reported to the radio operator at the completion of the Carrier's delivery run.
- Known missed pick-ups must be reported immediately to the radio operator for appropriate action. In the event contact cannot be made the Carrier will advise the Principal by the completion of the pick up run.
- (xviii) The Carrier will ensure that the *delivery and permanent pick-up data base/ sheet is updated regularly*. The Principal will supply a copy of such sheets to the Carrier and the Carrier will within 48 hours update and return such updated information to the Principal.

The Principal, once received, will within 48hours update such information.

The onus is on the Carrier to ensure that the delivery and permanent pick up database/sheet is updated prior to any applied periods/s of non-engagement commencing.

- (xix) The Carrier will comply with all special delivery instructions, where practicable. If for any reason the Carrier is unable to do so the Carrier must bring this to the attention of the Principal representative before leaving the depot. The onus will be on the Carrier to justify why special delivery instructions cannot be complied with.
- (xx) The Carrier will be responsible to complete all deliveries and pick-ups allocated to him/her by the Principal and shall deliver and/or pick up to or from all areas of the customers premises (within a geographical area or designated run), unless otherwise authorised by the Principal or Duty Supervisors. The onus is on the Carrier to service the customer.
- (xxi) The Carrier shall at all times observe the departure time from depot as requested by the Principal. A Carrier may be required by the Principal to return all freight to the depot to be available for linehaul movements by a set time such as, but not limited to for example, 6:45 p.m.

Failure to meet depot arrival times may result in the Principal reviewing such runs to compliment linehaul departure times.
- (xxii) The Carrier is to ensure no deliveries or pick-ups allocated to the Carrier by the Principal are unloaded or off loaded without regard to the security and well being of that freight. This includes the practise of leaving freight in a prearranged place for a second Carrier to later collect, unless authorised by the Principal or Duty Supervisor.
- (xxiii) Under no circumstances shall a Carrier claim payment for pick-ups and deliveries done by another Carrier without the prior written consent of the Principal. The Principal reserves the right to withdraw such consent on the basis of customer or business needs. One off circumstances, from time to time, will be acceptable as part of servicing a client for unexpected circumstances subject to the Principal being satisfied of such circumstances.
- (xxiv) Carriers are to be contactable for customer service enquiries.
- (xxv) Subject to consultation with a Carrier representative, Carrier(s) will comply with all new technology requirements (eg Driver manual, memo's etc) associated with any new technology and with any modifications made to such technology, as required from time to time.
- (xxvi) Personal Palm-top Terminals (PPT) will be taken out and used daily and will be returned to their respective depot each day by the Carrier for the purpose of uploading/downloading data.

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- (xxvii) In the event, where Linehaul arrangements cannot be arranged out to a region then Carriers who have completed their run deliveries/pick-ups may be called upon by the Principal where practicable to provide supplementary Transport Services as part of a second wave delivery/pick-up fleet to address matters such as: - late freight; freight left behind and other special freight contingencies.
- (xxviii) Carriers and non designated run drivers are required to take out all freight associated with their run, failure to take out freight or leave freight behind will be treated as a serious matter. The onus on every driver is to eliminate freight in the depot and service the customer, where practicable.

7. Insurance

- a. The Carrier shall insure the Carrier's vehicle and keep it insured under a comprehensive policy of insurance and shall present a copy of current insurance policy or certificate to the Principal on request.
- b. It is strongly recommended that a Carrier shall take out and maintain a Personal Sickness and Accident Policy.
- c. The Carrier shall take out and maintain a Public Liability Policy and shall present a copy of current insurance policy or certificate to the Principal on request.
- d. The Carrier agrees to indemnify the Principal for passenger(s) travelling in the Carrier's vehicle whilst providing Transport Services. (A passenger indemnification form is attached and marked Attachment I).

8. Signatures

- a. The Carrier will gain a signature on any freight as follows: -
- Displaying a signature required sticker.
- Freight marked as such (i.e. where instructions are pre-printed).
- Where advised in writing for special customers.
(ATL's do not apply to the above circumstances).
- b. In addition, the Carrier will also comply with other operational requirements for, signatures, card left, Authority To Leave (ATL), etc, subject to appropriate procedures being in place.
- c. Carriers will gain signatures and attempt printed surname in accordance with operational procedures.
- d. Failure to gain a signature and a printed surname in accordance with operational procedures may be treated as a serious matter. Where proven, falsification of documentation/data will be treated as a serious matter and may lead to the Principal terminating the Carrier's Contract of Carriage.

9. Uniforms

- a. The Principal shall supply to the Carrier a Uniform(s) as required. Uniform items will be replaced on a fair wear and tear basis and remain the property of the Principal and are to be returned upon termination.
- b. The Carrier is required to be neat and presentable at all times and to wear the uniform whilst engaged to perform Transport Services on behalf of the Principal. The uniform also includes the wearing of an Identification Card when supplied by the Principal. Such Identification Cards remain the property of the Principal.

10. Runs

- a. The Principal reserves the right to restructure or alter runs and re allocate work deemed necessary by the Principal between Carrier (s) or employee(s) of Toll Priority to sort the needs of the business and maintain proper levels of service to the Toll Priority customer base. Any disputes arising from such changes will be discussed between the Carrier, Carrier's representative and the Principal.

The main requirement for change may be but not limited to the following: -

1. Deliveries and or pick-ups cannot be completed within the customer driven service parameters.
 2. The volume within a designated run area prevents completion in the AM and or PM without offload or multiple delivery or pick up runs (i.e regular off-load's).
 3. Times of significant volume fluctuations such as Christmas/New Year period.
- b. The Principal is responsible for the allocation of pick-ups and deliveries within a geographical area or designated run. Individual pick-ups or deliveries to or from customers remain the property of Toll Priority.
 - c. The Principal reserves the right to reallocate work so as to enable the Carrier to complete Transport Services within the expected pick-up and delivery times.
 - d. Should a Carrier leave the Company or a run becomes vacant, then the Principal shall determine how runs are best allocated. In the event a run is advertised a Carrier may apply in writing for the run but it will be assessed and allocated on driver suitability, provided, where all things are equal then the Principal will use seniority as the basis to select the driver.
 - e. The Principal shall review, as applicable, a Carrier's performance after four (4) weeks and where a Carrier is unable to satisfy the run requirements then the Carrier will be removed from the run.

- f. When a Carrier has accepted a vacant run then he/she must remain on that run for a minimum of 6 months before he/she can apply for any vacant runs that may become available.
- g. The Principal reserves the right to determine the number of Carriers to a level that enables the Principal to perform all work to the Principal's and the clients standard of service and performance.

11. Sale of Vehicle with Run

All work remains the property of the Principal and under no circumstances can:

- a. A run be sold
- b. A vehicle be sold with a right to a run

Goodwill remains the property of the Principal Contractor and is not transferable under any circumstances.

12. GST

- (i) The Transport Industry (GST Facilitation) Contract Determination will apply, as amended

13. Vehicle Selection

- a. The Fleet Manager and/or Branch Manager can only approve vehicle purchases. At the time of engagement of a Carrier or at the time vehicle replacement is due, the Principal reserves the right to prescribe the vehicle(s) mechanical and carrying specifications, and body type, the manufactures model being optional. Only vehicles which are less than 20,000 km old and twelve (12) months from the date of purchase as a new vehicle will be purchased unless otherwise agreed by the Principal.
- b. At the time of engagement of a Carrier or at the time vehicle replacement is due, the Principal reserves the right to prescribe the vehicles mechanical and carrying specifications, and body type.
- c. The Principal reserves the right to alter the composition of the Contract Carrier fleet or part thereof as related to changing trends and market conditions dictate.
- d. Notwithstanding subclause (a) above, vehicle(s) purchased may remain satisfactory (subject to wear and tear condition) for not less than four (4) years from the date of initial registration after which the Principal at its discretion may nominate a replacement with a new vehicle of the same capacity in accordance with subclause (a) above OR nominate a replacement vehicle of a different capacity so as to meet changing customer, business and/or market needs.

e. **Notice Provisions (Principal Contractor).**

The Principal Contractor by giving six (6) months written notice to the Carrier(s) can require any of the following to occur:-

- (i) The Carrier(s) to upgrade or downgrade their vehicle(s) capacity in accordance with this clause.
- (ii) The Carrier(s) to replace their vehicle(s) with an applicable vehicle(s), which compliments customer, business and/or market, needs.
- (iii) Update the Carrier(s) vehicle(s) where it is deemed such vehicle(s) are unsuitable for the work to be undertaken.

f. **Notice Provisions (Contract Carrier(s)).**

The Carrier(s) who elect to change, replace or update their vehicle(s) as part of performing Contract of Carriage for the Principal shall discuss and obtain Agreement in writing from the Principal as to the type of replacement vehicle and carrying capacity, make and model proposed to be purchased.

g. **Vehicle Security**

Meet the standards as set by Toll Priority National Security requirements for new or replacement vehicles only, which include but are not restricted to:

- Engine Immobiliser
- Suitable Alarm System
- Measures of concealment such as black window tinting on all cargo area windows.

Vehicle security measures may change according to security risk assessments conducted by the Principal.

14. Breakdowns and Accidents

In the event of a breakdown or accident the Carrier will be given time to arrange repairs to his/her vehicle. If vehicle is off the road for longer than twenty-four (24) hours the Carrier may hire a vehicle in order to perform his/her normal duties. Carriers who have in excess of three vehicle breakdowns in a twelve (12) month period will be required to produce evidence identifying the repairs carried out.

15. Additional Contract Carriers

The Principal reserves the right to determine the number of Carriers to a level that enables the Principal to perform all work to the Principal's and the client's standard of service and performance.

16. Vehicle Decaling

If the Principal requires the Carrier's vehicle to be decaled in with the Principal's decals, the Principal agrees to:

- a. Meet the expense of applying or removing decals to Carriers vehicles.
- b. Any alteration to decals etc are to be paid for by the Principal
- c. In the event of damage to the paint work and/or vehicle during the application or removal of the decals, the Principal reserves the right to obtain three (3) quotes for repairs and/or repainting to original condition of the Carriers vehicle and will only make cheques payable to the repair Company or painting shop on completion of the repair work.
- d. Should a vehicle be sold to a person or entity, which will not be performing functions for Toll Priority, all Toll Priority signage and decals must be removed from the vehicle prior to the transfer of the vehicle.

The Carrier agrees to deliver the vehicle ready for decals at a mutually agreeable time. In addition the Carrier must allow repainting or re-decaling of the vehicle if the Principal so decides.

The Principal will make good damage to a Carrier vehicle caused by faulty or negligent workmanship.

17. Code of Conduct

All Carriers whilst engaged by the Principal agree to:

- a. Work in a safe and healthy manner.
- b. Treat customers, colleagues and Principal representatives with honesty, courtesy and respect.
- c. Effectively perform their duties in line with this Agreement.
- d. Complete documentation correctly and accurately.

(A detailed code is attached and marked Attachment IV).

18. Information Pertaining to Business Activities

The Carrier shall use all reasonable efforts to protect and advance the reputation of the Principal and shall not divulge any information pertaining to the Principal's business activities or those of its clients. Information in this clause is deemed to be any details about the Principal and/or its client other than what is publicly available.

19. Travel on Contract Carrier Vehicle

The Carrier shall comply with any Principal requirement to have authorised passengers travel on the vehicle for any of the following reasons:

- a. Log each individual run
- b. Assess difficulties being experienced by a Carrier(s)
- c. Training purposes with mutual Agreement.
- d. Sales staff visits to customers on the run with mutual Agreement.
- e. Familiarisation of new Carrier
- f. Such passenger will be covered by the Principal for workers compensation entitlements

Note: In respect to (c) and (d), the Carrier will not unreasonably withhold consent.

The Principal will indemnify the Carrier against any claim for or from an authorised passenger.

20. Period of Non-engagement

- (i) A Carrier who regularly performs Contracts of carriage for the Principal shall be *allowed* to take periods of non-engagement, of at least four (4) weeks subject to consultation and agreement with the Principal. Period(s) of *non-engagement* attract no remuneration.
- (ii) The Principal agrees to hire each Carrier for at least forty-eight (48) weeks in every year and reserves the right to require each Carrier to disengage four (4) weeks each year.
- (iii) A minimum of four (4) weeks notice to be given for periods of non-engagement unless agreed with the Principal.
- (iv) For extraordinary circumstances not covered by the above, consideration by the Principal will be given for an extended period of non-engagement and will be reviewed on an individual basis.
- (v) a) Carriers that wish to have holidays at Christmas must nominate by 30th September, each year.
b) Preference will be given to designated run Carriers who did not have Christmas non-engagement last year.

This will then be followed by designated run Carriers who did have Christmas non-engagement last year. They will then be determined for non-engagement

on the basis of seniority, as applicable where a written application is received as prescribed in (a) above.

Non engagement period will not be allowed in the two (2) weeks prior to Christmas Eve unless by special arrangement, in writing, with the Principal.

- (vi) Non-designated run drivers will be arranged as appropriate to the needs of each site.

21. Excessive Period of Non-Engagement

Each Carrier will be responsible and accountable for addressing excessive periods of non-engagement. Contract Carrier(s) who have an excessive period of non-engagement (i.e., as a guide up to ten (10) days in twelve (12) months, and also, one (1) day off equals two (2) instances which will be monitored for abuse) will be subject to counselling etc, and/or in severe matters possible termination.

Accordingly, the Principal when reviewing a Carrier(s) circumstances of excessive non-engagement, will exclude (within reason) from such review instances prescribed in clause 14 Breakdowns and Accident of this contract.

The Principal will decide each individual case on its merits. The Carrier will need to provide proof to the satisfaction of the Principal with each instances of non-engagement.

To assist this process, please refer to Attachment II of this Agreement.

Any disputes will be dealt with in accordance with Clause 29 of this Agreement

22. Payment of Invoice

The Principal will remunerate the Carrier on the Wednesday of every week, such invoices to be processed via Electronic Funds Transfer (E.F.T).

23. Workplace Health and Safety

The Principal and the Carrier(s) shall ensure that they act in accordance with their responsibilities as contained in the Occupational Health and Safety Act 2000, the Regulations and any other associated legislation. This includes provision of first aid facilities at the Branch location. Carriers are entitled to be part of the OH&S Committee located at their depot of work.

24. Workers Compensation

See Workers Compensation Act 1987, as amended.

25. Termination by the Principal Contractor or Contract Carrier

25.1 Termination by the Contract Carrier

- a. Unless otherwise agreed the Carrier shall give two (2) weeks' notice of termination.
- b. The Carrier shall return all of the Principal's property upon termination prior to final payment being made.

25.2 Termination by the Principal

- a. The Principal can terminate a Carrier by giving two (2) weeks' written notice to the Carrier.
- b. In the event of serious breach of this Agreement, a breach of its responsibilities or misconduct, the Company can terminate a Contract Carrier immediately without notice.

25.3 Natural Justice and Procedural Fairness will apply to circumstances, in accordance with the IR Act, chapter 6, as amended.

26. Transfer to Company Vehicles

- a. The Principal may at some future time find it necessary to alter the composition of its fleet or part thereof by purchasing Carrier(s) vehicles as part of any fleet re-organisation.
- b. Should the situation arise, wherein Carriers are to be replaced by employee drivers of the Principal, the Carrier involved shall be offered first refusal of employment on a "last on first off" basis. This does not prejudice either party's rights to seek relief in an appropriate forum..
- c. In the event of the Principal altering its fleet composition pursuant to this clause, or in circumstances where a permanent Carrier is made redundant but in no other circumstances, the Principal may assist in the sale of the Carrier's vehicle and will make good any shortfall between the residual value due to the early retirement of the Carriers original vehicle lease, and the market value achieved through the sale of the vehicle.
- d. The Principal will only offer this assistance if:
 - (i) The vehicle has been maintained to a good standard;
 - (ii) The vehicle is of the standard type as specified in the appropriate schedule.

27. Communication Systems

- a. All communication systems remains the property of the Principal and the Carrier authorises the Principal to install in his/her vehicle a communication system. Such system must be left turned on at all times during engagement hours and to the appropriate channel as designated by the Principal.
- b. Installation and maintenance costs shall be borne by the Principal. The Carrier is to notify his/her base of any malfunction or defect in the instrument immediately.
- c. The Carrier shall when requested present his/her vehicle at a mutually agreed time and place for installation, replacement and/or repairs.
- d. The Principal is required to give ample notice of appointments made relative to installations and/or repairs.
- e. Where tested and proven to have better reception, then a centre-mounted aerial will be installed. Such hole to be repaired to the Carriers satisfaction when the vehicle is exchanged. The cost is to be borne by the Principal.
- f. The Carrier shall observe all laws in force governing the use of such transmitting and receiving equipment, and shall pay any penalties imposed on either the Carrier or the Principal as a result of the Carriers misuse of the said equipment.
- g. The Carrier must ensure that any other radio; CB or tape player etc, in the vehicle does not interfere with the communication system.
- h. The Carrier must contact the depot by telephone at regular intervals, if and when unable to do so by the communication system. The Principal will reimburse the cost of these telephone calls.
- i. The Carrier will wear and operate a pager at all times whilst providing Transport Services to the Principal. The onus is on the Carrier to keep the pager in good working order at all times. Batteries to be supplied by the Principal.
- j. The Carrier must respond to any message sent by the Principal via pager or two-way radio.
- k. The Principal will from time to time introduce new technology to automate its business. Carriers will make themselves available for training in the use of this technology. The use of such technology and any modification requirements to the technology will form part of the provisions of Transport Services.

28. Disputes

The parties agree that in the event of a question, dispute or difficulty arising from the content of this Agreement, the following procedure shall apply: -

- a.
 - (i) The matter shall first be discussed between the aggrieved Carrier(s) and the Principal Representative(s)
 - (ii) If not settled, the matter shall then be taken up by an accredited Union Representative or Union Organiser, with the Principal's Representative(s):
 - (iii) If the matter is still not settled it shall be referred to the Sub-Branch Secretary and Principal's State manager (or respective nominees) and may also include involvement of an employee relations representative of the Principal.
 - (iv) If the matter cannot be settled at this level then the parties shall refer the matter to the State Secretary and the Principal's Divisional General Manager, or their Representatives, in an attempt to settle the matter.
- b. Notwithstanding any of the above, work shall continue as normal while the disputes procedure is adopted. No party shall be prejudiced as to the final settlement by the continuation of work in accordance with this clause.
- c. The parties agree to a cooling off period and reasonable time frames between each stage of the process contained in (a) above.
- d. A Carrier stood aside shall be paid according to Attachment III of this Agreement. Subject to the Principal being satisfied that the Carrier has not breached or compromised any terms of this Agreement or the Code of Conduct, then that Contract Carrier will not suffer any financial loss.

29. Security

For the purpose of security of both the Principal and Carriers and at Principal's Contractor discretion, Carriers on entering or leaving the depot may be audited with the numbers of items compared to scanned items. This function will be performed by the Principal, or a designated person of the Principal, in conjunction with the Carrier and his/her representative, or other third party (as agreed), if requested.

30. Parking Fines

Parking fines incurred and approved by the Principal's Branch manager within forty-eight (48) hours of receipt will be paid subject to: -

- a. They were incurred during working hours and within their specific run.

- b. The Principal will pay the minimum payment plus 50% of any fine above the minimum, i.e; the minimum fine is for the lowest grade of parking fine as it may be at the time.
- c. Where a Carrier receives an infringement for exceeding the time limit in "Loading Zones" the Principal agrees to increase the minimum payment to \$95.00. This will be subject to a case-by-case basis.
- d. Those fines that fall within the above conditions will also require a written explanation from the driver stating when the fine occurred and the customers name being serviced at the time.

31. Meetings and Education

(i) Meetings

The Principal may assist the Union in the holding of meetings within the yard, provided that adequate notice of such meetings has been given to the Principal and the meeting does not interfere with the operation of the yard.

The Union's duly elected Driver Representative(s) shall be reimbursed by the Principal for any loss of earnings incurred while attending to any legitimate and authorised Union business, which must be approved by the Principal. Subject to reasonable Driver Representative requests, approval by the Principal will not be unreasonably withheld.

The Principal reserves the right to review such reimbursement or meeting circumstances on a case-by-case basis and in any event, the release of Driver Representatives shall not be inconsistent with any policy which Toll may implement from time to time.

(ii) Education

The Principal shall provide training before a new Carrier commences performing Contracts of Carriage for the Principal . This may involve a five (5) day training period in which all paperwork and Principal policy will be detailed and explained.

32. Governing Law

This Agreement is to be governed and construed according to the Laws of the State of New South Wales and the Commonwealth and any action thereon shall be subject to the jurisdiction of the said State and Commonwealth and the Courts thereof.

33. Interpretation of the Agreement

If any clause of this Agreement is void, or not in accordance with legislation, then such clause shall be considered unenforceable, the balance of the Agreement will remain in full force.

34. Legal Relationship

The Principal and the Carrier agree that the legal relationship between the Principal and the Carrier is that of Principal and independent Contract Carrier and not that of employer and employee and no term of this Agreement shall be construed as creating the relationship of employer and employee between the Principal and the Carrier.

35. Entire Agreement

The terms and conditions contained in this Agreement constitute the entire Agreement, subject to clause 2 above, and supersede any other Agreement, arrangements or understanding whether written or verbal between the Principal, the Carrier or the Union.

Both parties acknowledge that changing circumstances may require changes to this Agreement.

36. Term and Application of Agreement

- a. This Agreement shall come into effect from certification in the Commission and remain in force for 3 years from the date of certification, or until the variation or rescission by the parties in accordance with the Act
- b. This Agreement will apply to all current and future Carriers engaged by Toll Priority operating from depots located at Units 1 & 2, 65 Ashmore Street, Erskineville, Bankstown, Hangar 14 where Carriers are required to provide Transport Services within and around the Sydney metropolitan area. It is also agreed that the location of Operations may change due to the commercial or business needs of Toll Priority. In such circumstance this Agreement shall apply to any new location from which Toll Priority may operate in the future, but only during the life of this Agreement
- c. Principal and representatives of the Carriers agree to commence negotiations for a new agreement three (3) months prior to the expiry of this Agreement.
- d. Labour rate increases as per Toll Heads of Agreement will apply to hourly rates within this agreement.

Signed for and on behalf of
Toll Transport Pty Ltd t/as Toll Priority



Senior Manager
Toll Priority



Witness

1st December 2005
Date


1st December 2005
Date

Signed for and on behalf of the
**Transport Workers Union of Australia,
New South Wales Branch.**

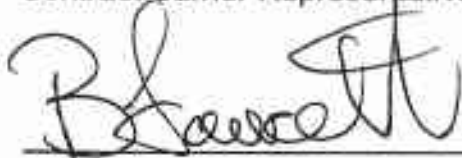


ACTING WAYNE FORD
STATE SECRETARY
TWU of Australia (NSW Branch)


Date



In the presence of Michael Moore
Contract Carrier Representative



In the presence of Barry Faucett
Contract Carrier Representative



In the presence of
Dean Pritchard
Contract Carrier Representative

Attachment I

INDEMNITY BY CONTRACT CARRIER TO CARRY PASSENGER(S)

In consideration of, among other things, permitting the carriage of passengers in my vehicle or otherwise while providing transport services for, to or on behalf of the Principal Contractor, and in addition to any and all other Contractual obligations, I

(Print Name of Contract Carrier)

the Contract Carrier agree to indemnify the Principal Contractor (Toll Transport Pty Ltd) in respect of any claim, loss or damage suffered by or against the Principal Contractor (including personal illness, injury or death of any person and loss of or damage to property) arising out of or relating to the carrying of passengers in my vehicle or otherwise while providing transport services for, to, or on behalf of the Principal Contractor.

This indemnity shall not apply where passengers are carried as a result of a request initiated by the Principal Contractor.

Signature: _____
Contract Carrier

Print Name

Date: _____

Signature: _____
Authorising Principal Contractor Representative

Print Name & Position

Date: _____

PM

Attachment II

GUIDELINES FOR EXCESSIVE PERIODS OF NON-ENGAGEMENT

The following steps have been developed to assist with the elimination of excessive periods of non-engagement in the business on a case by case basis.

If the first instance Contract Carriers will be spoken to and made aware of their excessive period of non-engagement.

Where a further instance of excessive non-engagement occurs, then a written warning will be issued and other disciplinary measures will be considered where a previous history has been shown.

In the event a Contract Carrier has a further instance of non-engagement then a final warning can be issued and the Contract Carrier will thereafter remain as a non-designated Contract Carrier with the loss of seniority.

Should a further instance of non-engagement occur the Principle Contractor will have the discretion to terminate the Contract Carrier.

PM

Attachment III

RATE SCHEDULE

(All inclusive rates commencing first pay period on or after the following dates)

| 1. Rates | 1 st Jan 05 | 1 st Jan 06 | 1 st Jan 07 |
|------------------------------|------------------------|------------------------|------------------------|
| Connote Rate | | | |
| 1-20 | \$1.73 | \$1.78 | \$1.83 |
| 21 Plus | \$0.10 | \$0.10 | \$0.10 |
| Connote & Prepaid | | | |
| First 20 | \$1.73 | \$1.78 | \$1.83 |
| 21 plus | \$0.10 thereafter | \$0.10 thereafter | \$0.10 thereafter |

2. Second Pick Up

In special circumstances at the discretion of the Principal Contractor a second pick up maybe granted (at the full connote rate above) from time to time and will be committed to in writing. Such arrangements maybe ceased after the Principal Contractor undertakes a review.

Consignments weighing in excess of twenty (20) kilos will be paid as one (1) consignment note rate for each twenty (20) kilos or part thereof (* or volume equivalent).

| 3. Rates (hourly) | 1 st Jan 05 | 1 st Jan 06 | 1 st Jan 07 |
|-------------------------------------------|------------------------|------------------------|------------------------|
| Bulk Truck | | | |
| 1 < 3 tonne | \$26.39 | \$27.27 | \$28.20 |
| 3 tonne | \$32.58 | \$33.46 | \$34.39 |
| In excess of 3.5 tonne + up to 6 tonne | \$37.78 | \$38.66 | \$39.59 |
| In excess of 6 tonne + up to 8 tonne | \$44.12 | \$45.00 | \$45.93 |
| Other (all inclusive) | | | |
| Hourly Rates Non Driving Work | \$25.47 | \$26.35 | \$27.28 |
| For Hour Engaged | \$26.39 | \$27.27 | \$28.20 |
| For night key entry work | \$30.86 | \$31.74 | \$32.67 |
| For Weekend Work | \$30.86 | \$31.74 | \$32.67 |

Weight conversions – apply to all Contract Carriers including weekly set rate runs.

4. RUN COVERAGE (NON DESIGNATED RUNS)

A Contract Carrier as part of being engaged for the Principal Contractor will be remunerated by one of the following rates below based on the customers needs, provided a safety net of \$1245.60 per week (inclusive of one hour standby) will apply in lieu of these calculations where the safety net is not exceeded. Contract Carriers without a designated run will be remunerated a minimum of seventy two (72) connotes per engagement(s) (am and/or pm).

The only work paid above the safety net is when a non-designated contract carrier performs dock work and / or works outside of their span of hours.

Designated Run safety net payment \$1366.70 per week. Contract Carriers with a designated run as part of being engaged for the Principal Contractor will be remunerated a minimum of seven hundred and ninety (790) con notes per week.

The above safety net payments will increase in line with consignment note rate increases as described in attachment three (3).

The rates below only apply to Transport Services outside of designated run coverage. Contract Carriers used on such non-run coverage circumstances will be engaged as appropriate at the discretion of the Principal Contractor.

5.1 Connote Rates

| | | | |
|-----|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| L-F | 1 st January 2005 1 st January 2006 1 st January 2007 | \$1.73 \$1.78 \$1.83 | Per connote up to 20 cons then \$0.10 for 21+ cons (per single stop) |
| AD | 1 st January 2005 1 st January 2006 1 st January 2007 | \$5.00 \$1.73 per con up to 20 \$1.78 per con up to 20 \$1.83 per con up to 20 | Then add \$0.10 for 21 cons (per single stop) \$0.10 for 21 cons (per single stop) \$0.10 for 21 cons (per single stop) |
| APU | 1 st January 2005 1 st January 2006 1 st January 2007 | \$5.00 \$1.73 per con up to 20 \$1.78 per con up to 20 \$1.83 per con up to 20 | Then add \$0.10 for 21+ cons (per single stop) \$0.10 for 21+ cons (per single stop) \$0.10 for 21+ cons (per single stop) |
| MPU | 1 st January 2005 1 st January 2006 1 st January 2007 | \$5.00 \$1.73 per con up to 20 \$1.78 per con up to 20 \$1.83 per con up to 20 | Then add \$0.10 for 21+ cons (per single stop) \$0.10 for 21+ cons (per single stop) \$0.10 for 21+ cons (per single stop) |
| CHQ | 1 st January 2005 1 st January 2006 1 st January 2007 | \$1.73 \$1.78 \$1.83 | |
| O | 1 st January 2005 1 st January 2006 1 st January 2007 | \$25.47 \$26.35 \$27.28 | Non driving |
| DO | 1 st January 2005 1 st January 2006 1 st January 2007 | \$25.47 \$26.35 \$27.28 | Non Driving |

Hourly rates - refer to Clause 4 (b) of Rate Schedule, where applicable.

Drivers of non-designated runs are required to be available at the depot by 5.30am or as directed by principle contractor.

Drivers of designated runs are required to advise the Principle Contractor by 05.30am on any working day of their availability to work or by nominated start time as varied by principle contractor. Where a Contract Carrier has advised of the unavailability for an AM shift they must contact the Principle Contractor by 10.00am to advise of their availability for the PM Shift.

Provided, further where the non-designated driver is not allocated a pick-up run they will be available on site in their respective depot by 1.00pm to provide Transport Services as required by the Principal Contractor.

5.2 Kilometre Rates

All kilometres up to 180kms per single stop are paid on the following scale for Late Freight, Aces, Linehauls, Offloads)

| | |
|------------|---------------|
| 0-60 km | \$0.75 per km |
| 61-120 km | \$0.60 per km |
| 121-180 km | \$0.50 per km |

Any kilometres beyond 180 km's will be negotiated between the Principal Contractor and Contract Carrier.

All returns to base are paid at \$0.50c km, where applicable.

5.3 Linehauls

Wollongong, Gosford and Newcastle linehauls to depots are paid at \$25.47 plus above km rate. The above increases will apply as per Dock work rate as listed in 5.1.

5.4 Country Rates

The rate for any single stop over 180 km's will be negotiated as they occur by the Fleet Manager. Local Courier market rates are to be used as a guideline in negotiating rates.

5.5 Pre Allocation of Runs

- Runs that are only available for two (2) days or less will not be pre-allocated.
- Runs that are available for three (3) or more days will be allocated each Wednesday Pm.
- Where possible, the Contract Carriers will be offered training if necessary - such training will be based on the safety net rate and can be calculated on a pro rata basis.
- Pre-allocation overrides any daily allocation.
- Where a designated run that attracts the safety net payment is allocated for 3 or more days then a rate is based on the pro rata payment

Note: If you are not available when pre-allocation occurs, you will be bypassed and the runs will be allocated to the next Contract Carrier.

It is the responsibility of all Contract Carriers (on non-designated runs) to call the depot by 12.00 noon on Wednesday's if you wish to be placed on the pre allocation list.

When a Contract Carrier is allocated to a run which unexpectedly becomes available long term due to various reasons, (ie illness etc) only after six (6) months may the non-designated run driver request to come off the run.

5.6 Portability

Non-designated run drivers will be assigned to depots as required by the Principal Contractor. Provided the Principal Contractor reserves the right to move such drivers between depots to meet the circumstances at the time.

The principle contractor reserves the right to operate from any location, which may benefit the company.

Portability of general run Contract Carriers is to be used by the Principal Contractor to assist operational restructures and the like.

5.7 Returning of Scanners

Where a non-designated Contract Carrier is required to return an iTrack scanner to the respective depot because of –

- (i) Covering different a.m. and p.m. runs
- (ii) Only covering a run half-day.

The non-designated Contract Carrier will be paid relevant km's to return the iTrack scanner to the respective depot and/or run area as determined by the Principal Contractor, unless the scanner is handed to another Contract Carrier (with the Principal Contractor's consent) to return the scanner on his/her behalf. Under no circumstances, if a scanner is handed to another Contract Carrier to return the scanner, will a claim for payment be made.

- 6. The rates in this attachment are paid in recognition of various matters including iTrak technology continuing to be supported and maintained in accordance with the operational requirements for iTrak,

7. No Precedent

The increases to hourly rates in this attachment are not to be used as a precedent by the union, its representatives or Contract Carriers.

- 8. The Union and Contract Carriers undertake there shall be no extra claims for money increases for the life of this Agreement.

Attachment 4

CODE OF CONDUCT

- (A) The following Code of Conduct has been designed to ensure all Principal Contractor officers, including management, and Contract Carriers, its employees, agents and representatives, including the Approved Driver, understand their obligations and responsibilities with regard to general discipline.

All Contract Carriers are required to ensure they:

- (i) Works in a safe and healthy manner.
- (ii) Treats clients and colleagues with honesty, courtesy and respect.
- (iii) Effectively provides transport services in line with business objectives and this Agreement.
- (iv) Provides transport services as required under this Agreement.
- (v) Reports any inability to provide transport services immediately.
- (vi) Ensures all documentation is completed correctly and accurately as required.
- (vii) Makes themselves familiar with the Principal Contractor's policies and procedures shall ensure compliance with such policies and procedures.
- (viii) Makes themselves available for training, which is deemed appropriate or necessary to perform transport services for the Principal Contractor.
- (ix) Complies with the applicable motor traffic laws at all times whilst performing transport services for the Principal Contractor.
- (x) Complies with all safety requirements whilst performing transport services.
- (xi) Performs all Contracts of carriage, as required.

- (B) In the event of a breach of this Agreement, including the responsibilities that are incidental to performing transport services under this Agreement, by the Contract Carrier, its employees, representatives, or agents, the Principal Contractor may terminate a Contract Carrier immediately without notice and without any further obligation or liability to the Contract Carrier.

For the purpose of this clause, a breach of the Agreement includes, but is not limited to, the following actions by the Contract Carrier and/or the Approved Driver:

- (1) The consumption of intoxicating liquor on duty, or being under the influence of alcohol or an illegal drug while providing transport services.
- (2) Misrepresenting and/or falsifying documents submitted to the Principal Contractor, misappropriation of cash or equipment belonging to the Principal Contractor. All Contract Carriers will complete documentation fully, correctly and accurately as required by the Principal Contractor.
- (3) Being dishonest, rude, abusive, offensive, aggressive or initiate or provoke arguments with a client or Principal Contractor, while performing transport services for the Principal Contractor or in dealing with the Principal Contractor or its clients, consignors, consignees or their representatives.
- (4) Acts contrary to the interests and safety of the Principal Contractor, other Contract Carriers, employees and/or clients of the Principal Contractor. This includes non-compliance with all safety requirements.
- (5) Refusal to perform a Contract of carriage.
- (6) Failure to carry out a reasonable demand by the Principal Contractor under terms of the Contract, immediate.
- (7) Failure to fulfil any fundamental conditions of this agreement.
- (8) Failure to comply with the Principal Contractor or customer safety requirements.
- (9) Being intimidatory, aggressive or using physical violence against another Contract Carrier, employee, customer, representative of the Principal Contractor or member of the public.
- (10) The damaging of property (including graffiti) of the Principal Contractor, customer or other individual(s).
- (11) Reckless and/or dangerous driving by a Contract Carrier.
- (12) Failure to comply with delivery/pick up or operating procedures.
- (13) Use of offensive language, actions or behaviours which can be deemed to be discriminatory, harassing, unwelcomed etc, will not be tolerated.
- (14) Contract Carriers will not carry passengers or animals in their vehicles unless written authorisation has been obtained from the Principal Contractor.
- (15) Theft in any matter of any item or property.

The above are intended as examples only of breaches of the Agreement and are not exhaustive of such breaches that will result in immediate termination of the Contract Carrier's engagement by the Principal Contractor.

Attachment 5

RADIOACTIVE & DANGEROUS GOODS

The aim of this section is to ensure Contract Carrier achieve a level of protection concerning damage and/or spillage(s)/exposure(s) concerning the carriage of radioactive goods or dangerous goods.

Accordingly, customers have arranged to indemnify Contract Carriers and the Principal Contractor concerning the carrying of radioactive goods and the customer will be responsible for damage, spillage and/or exposure created from radioactive goods and any associated clean up requirements and costs.

In respect of Dangerous Goods the Principal Contractor has relevant insurance to cover Contract Carriers for damages and/or spillage concerning the carriage of Dangerous Goods.

10/11

Attachment 6

2nd Pick-up Rules (17 December 1999)

Ad-hoc or Permanent – 2nd Pick-up:

- A genuine 2nd pick-up requires a return to the same customer at two (2) different times in the day.

Such 2nd Pick-up must be: -

- (a) (i) Requested by the customer by way of freight reservation.
- (ii) Driver is then to be provided with a job number when claiming for an ad hoc 2nd pick-up.
- (iii) Where a customer contacts the driver direct it is the responsibility of the contract carrier to notify the radio operator of such request.
- (b) (i) For a permanent 2nd pick-up to be endorsed, the Contract Carrier must justify in writing the request and substantiate matters, such as:
- Client name
 - Client needs
 - Varying pick-up times and days
 - Other special circumstances
- (ii) Such written requests will be authorised in writing by a nominated Officer of the Principal Contractor subject to discussing this matter with the customer.
- (iii) The Principal Contractor reserves the right to change/withdraw 2nd pick-ups with changing circumstances or any abuse.