

STEF'S TRANSPORT PTY. LTD.

SUBCONTRACTOR AGREEMENT

Subcontractor Definition

Stef's Transport Pty Ltd defines a Subcontractor as any company or entity supplying either a rigid vehicle or prime mover and / or trailer carrying goods requested by Stef's Transport. Whilst still a Subcontractor under general terms, the term Tow Operator applies to any company subcontracting to Stef's Transport supplying their own prime mover which tows a trailer owned or leased by Stef's Transport. A Subcontractor is not an employee of Stef's Transport, and should exercise their own discretion in the performance of their obligations.

Licensing and Registration

Upon request all Subcontractors and Tow Operators are required to provide current copies of all relevant licences, certificates of competency, registrations and vehicle details. Stef's Transport is to be notified immediately where a driver's licence or registration has been suspended or cancelled.

Vehicle Requirements

The Tow Operator or Sub-Contractor is to ensure the vehicle is compliant with relevant Legislation, Regulation, and By-Laws in relation to the registration, insurances, and general operation of the vehicle.

It is a requirement of Stef's Transport that Tow Operators and regular Subcontractor vehicles:

- Are kept in a clean and respectable manner
- Are no more than 6 years of age for linehaul vehicles
- Include a mobile phone
- Straight Exhaust to suit 4.6m Trailers
- Gazettes carried in vehicle at all times

Regular Subcontractors and Tow Operators are required to complete and maintain their vehicle maintenances and provide documentation that they are compliant with Regulations.

All prime movers must be fitted with the Audible Park Brake Alarm or an automatic applied park brake system. All equipment in fleet must meet regulatory height and length clearances (noted that we operate 4.6m high trailers and 26m B-Double Unit), therefore it is a requirement that:

- The turntable on a prime mover can be no more than 5.4 metres from the centre of the pin to the forward most point of the vehicle (including spotlights and bull bars).
- From the ground to the top of the turntable can be no more than 1.22 metres.
- From the centre of the turntable to the rear most point of the vehicle can be no more than 1.83 metres

(Measurements are based on a cabover prime mover. This type vehicle is ideally suited for our trailers)

Please refer to the corresponding image on following page.

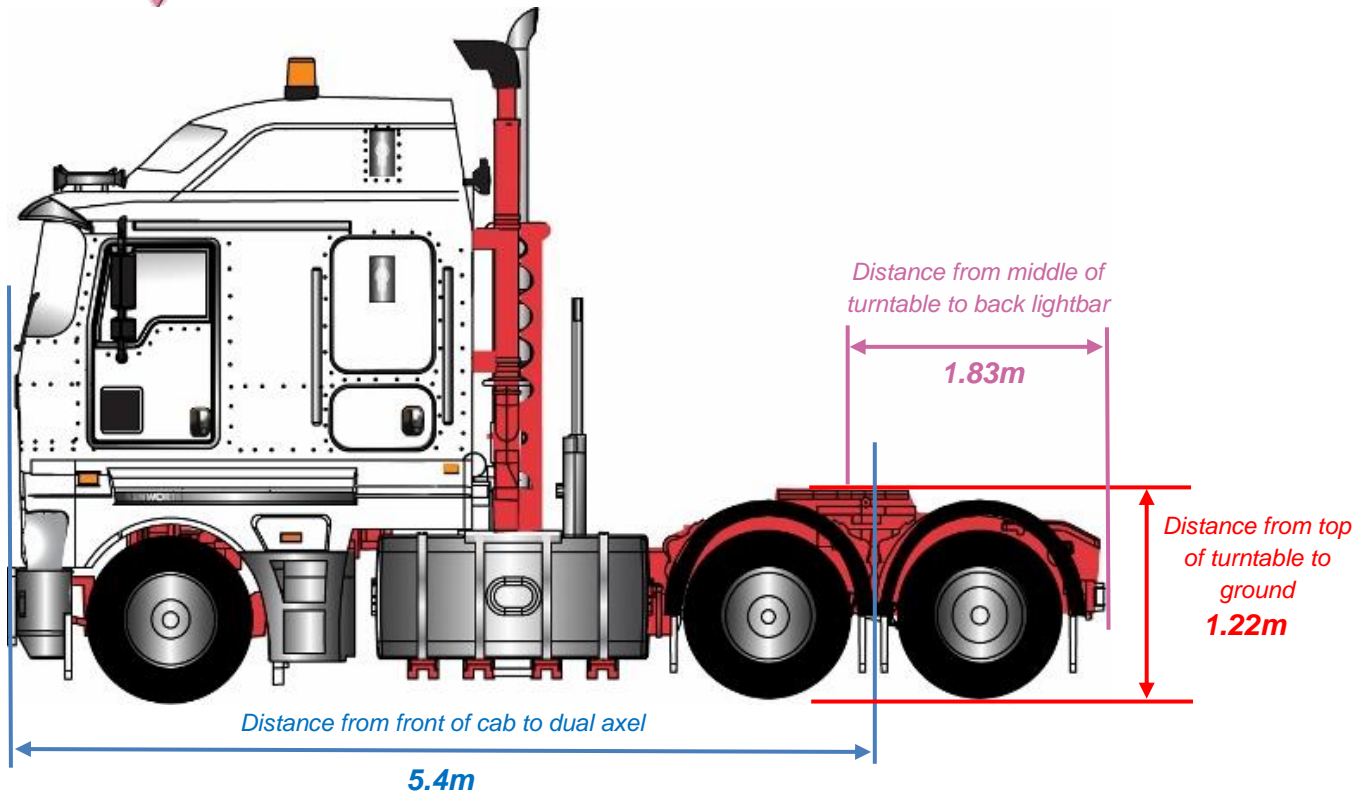


Figure 1: Cabover Prime Mover Specifications

Fatigue Management

All Tow Operators and Subcontractors who do not have in place a Fatigue Management Plan or Policy are required to comply with Stef's Transport's Driver Fatigue Management Scheme and complete all relevant documentation.

Medical Evaluations

Current driver medical examinations and a drug and alcohol screening are required prior to commencing work with Stef's Transport Pty Ltd. Upon continuation with Stef's Transport Pty Ltd, drivers must always have a valid medical examination. It is expected that Tow Operators / Subcontractors will undertake a medical assessment by a company appointed doctor upon request.

Uniform Requirements

It is expected that regular Subcontractors and Tow Operators will adhere to the Stef's Transport uniform Policy.

Training

It is also expected that Tow Operators and Subcontractors will undertake training as required and promote quality and efficiency through safe working practices and standards, and adhere to the applicable company policies and procedures.

Legislative Compliance

The Tow Operator or Sub-contractor has the right to refuse to carry any goods which in their opinion are unsuited for carriage in or on the vehicle, or the carriage of which may lead to a breach of any Act, Ordinance, Regulation, Code Practice or By Law.

Stef's Transport insists that driving times, speed limits, road laws, loading codes and codes of practice are complied with at all times.

The Subcontractor will comply with all statutory obligations relating to matters of occupational health and safety including, but not limited to obligations imposed by:

- The Work Health and Safety Act 2012 (SA)
- The Occupational Health and Safety Regulations 2007
- Commonwealth Occupational Work Health and Safety Act 2011
- NHVR Safety Management System

- The Heavy Vehicle National Law Act 2013 (SA)
 - The Heavy Vehicle (Fatigue Management) National Regulation
 - The Heavy Vehicle (General) National Regulation
 - The Heavy Vehicle (Mass, Dimension and Loading) National Regulation
 - The Heavy Vehicle (Vehicle Standards) National Regulation
 - National Transport Commission (Road Transport Legislation – Compliance and Enforcement Bill) Regulation 2006
 - National Transport Commission (Model Act on Heavy Vehicle Speeding Compliance Regulation 2008)
 - National Transport Commission Load Restraint Guidelines

Paperwork

All paperwork, including but not limited to, Stef's Transport delivery dockets, manifests, PODs, pallet dockets, Safe Trip Plans & Pre-Trip Inspections must be returned to Stef's Transport as soon as possible.

PLEASE NOTE THAT PAYMENT WILL BE WITHHELD UNTIL ALL PAPERWORK HAS BEEN CORRECTLY FILLED OUT AND RETURNED.

General Insurances

All Subcontractors (Linehaul and Tow Operators) are required to have the following insurances in place prior to commencing work with Stef's Transport Pty Ltd:

| Linehaul Contractors and Tow Operators | |
|---|--|
| Public Liability | for a sum not less than \$20,000,000 |
| Third Party Motor Vehicle Insurance | Third Party Property Damage cover must be for a minimum of \$30,000,000 |
| Workers Compensation Insurance (if employing drivers) | A valid Certificate of Currency must be provided every 4 months for certificates issued in NSW and every 12 months for all other states |
| Linehaul Contractors only | |
| Marine Cargo / Carriers Legal Liability | \$300,000 any one conveyance, \$10,000 on forwarding cover, \$30,000 removal of debris / clean up expenses, \$100,000 clients additional expenses cover, Brands and Labels clause (inclusive for Kimberly Clark Australia) |
| Tow Operators Only | |
| Trailer in Control | Full comprehensive cover limit per trailer \$100,000 (if B-Double 2 trailers to be noted) |

All Subcontractors and Tow Operators are also required to complete a Subcontractors Statement (regarding Workers Compensation) which can be downloaded from the NSW WorkCover website (www.workcover.nsw.gov.au).

All Subcontractors are required to provide evidence of current insurances (certificates of currency). Subcontractors who fail to supply evidence of current insurances will have their case reviewed.

Should an existing Linehaul Subcontractor fail to provide documentation for these insurances, the Subcontractors **payment will be held until the documentation is provided.**

Subcontractors will be given one month notice to provide updated information of relevant insurances , they will receive a follow up phone call / and reminder letter. If the Subcontractor still fails to provide documentation after this time, the Subcontractor will no longer be utilised and the case will be referred the Linehaul Manager. Subcontractors will be notified of the intent to withhold payment until relevant insurance documentation is provided.

Documentation and Record Keeping

All business records and documentation must be prepared accurately and timely, and any associated procedures must be adhered with. Deliberate falsification of any documentation or records (company or not) may lead to termination of any written or verbal contract.

The following documentation will be provided to the Subcontractor:

- Stef's Transport Business Compliance Manual
- Stef's Transport Driver Manual
- The name and position of the Stef's Transport representative responsible for the Subcontractor on site; and
- Any site specific safety rules.
- Stef's Transport Subcontractor's Manual

The following documentation must be provided by the Subcontractor to Stef's Transport:

- WorkCover certificate of registration
- Evidence of Insurances (certificates of currency)
- NHVAS accreditation documentation
- Drivers licenses, current medical certificate and driver licence history

If you are working under **Stef's Transport's Fatigue and Maintenance Management Scheme** you will need to supply:

- Work Diary Pages of all drivers
- Safe Driving Plans (SDPs) for all trips
- Yearly Roadworthy Certificate for Prime Mover and trailers
- Last date a monitoring and review process has been completed based on Chapter 6 of HVNL, Vehicles Operations – Driver Fatigue.
- Last date a monitoring and review process has been completed for all Subcontractors to show they are taking all reasonable steps to ensure they are meeting their Chain of Responsibility (CoR) requirements
- Number of fatigue or speed related breaches in the reporting month
- Number of Mass, dimension, loading / load restraint breaches in the reporting month
- Internal/External Non-Conformances (NC) raised in any CoR areas
- Record any corrective actions identified to close out any CoR breach or NC raised
- Identify any outstanding CoR Corrective actions

If have your own **NHVAS Fatigue and Maintenance Management Scheme** you will need to supply:

- Quarterly Check confirming number of missing work diary pages of all drivers and pages examined
- Quarterly check of the number of Safe Driving Plans where non-conformances were identified
- Number of variations required to Safe Driving Plans where transit times were modified
- Quarterly check of servicing of all vehicles (prime mover/trailers)
- Up to date Certificate of Accreditation for NHVAS (BFM/Maintenance/Mass)
- Last date a monitoring and review process has been completed based on Chapter 6 of HVNL Vehicles Operations – Driver Fatigue.
- Last date a monitoring and review process has been completed for all Subcontractors to show they are taking all reasonable steps to ensure they are meeting their CoR requirements
- Number of fatigue or speed related breaches in the reporting quarter
- Number of Mass, dimension, loading / load restraint breaches in the reporting month
- Internal/External NC raised in any CoR area
- A record of any corrective actions identified to close out any CoR breach or con-conformance raised
- Identification of any outstanding CoR Corrective actions

Should a Linehaul Subcontractor fail to comply with any requirements as expressed in this agreement, then the case will be referred to the Compliance Manager for follow up. If they are not resolved within one month the case will be referred to a Director.



Subcontractor Declaration

I have read the **Stef's Transport Sub-Contractor's Manual** and **Business Compliance Manual** and agree to work and abide by these requirements. By doing this I am committing towards the ongoing success and improvement of this workplace.

I understand that I am required to update the following information annually from the start date with your company.

- Insurances (on due date)
- WorkCover (as at 30th June)
- Accreditations (on due date)
- Licences (on due date)
- Speed Limiter checks (on a yearly basis)
- Medical reports (on due date)

I understand that upon request, Stef's Transport may ask for information regarding Chain of Responsibility information and Fatigue.

I am happy to be part of the Stef's Transport team and I acknowledge that working safely and within all legislative requirements is a condition of my engagement with Stef's Transport Pty Ltd.

Company Name: _____

Name of Company Representative: _____

Signature: _____ Date: _____