

**REGISTER OF
CONTRACT AGREEMENTS**

CONTRACT AGREEMENT NO: CA03/4

TITLE: **Faulding Healthcare Pty Ltd Contract Agreement 2003**

I.R.C. NO: IRC3/2754

DATE APPROVED/COMMENCEMENT: 10 June 2003/24 April 2003

TERM: 24 April 2006

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 8 August 2003

DATE TERMINATED:

NUMBER OF PAGES: 16

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to Contract Carriers transporting goods by road for Faulding Healthcare Pty Ltd

PARTIES: Mayne Group Ltd t/as Faulding Healthcare Pty Ltd -&- the Transport Workers' Union of New South Wales

FAULDING HEALTHCARE PTY LTD CONTRACT AGREEMENT 2003

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THIS AGREEMENT is made on 10 June 2003

BETWEEN:

1. Mayne Group Limited (ACN 004 073 410) trading as Faulding Healthcare Pty Ltd (ACN 000 875 034) of 55 Kirby Street, Rydalmere NSW 2116 ("Faulding")
2. Contract Carriers transporting goods by road for Faulding Healthcare Pty Ltd. ("Faulding")
3. The Transport Workers' Union of Australia, New South Wales Branch (registered under the Act as an Association of contract carriers ("the Union"))

BACKGROUND

- (a) Mayne carries on the business of providing health care products and services.
- (b) The Contract Carrier carries on the business of transporting goods by road.

1. Definitions

In this Agreement, unless otherwise required by the context:

- 1.1. "Act" means the *Industrial Relations Act 1996*.
- 1.2. "Approved Driver" means the Contract Carrier where the Contract Carrier is a natural person otherwise the person nominated in writing by the Contract Carrier and approved by Mayne.

- 1.3. "Class of Vehicle" means the mechanically propelled and registered vehicle of a particular carrying capacity intended to be used on roads wholly and partly in or in connection with the pick up and delivery of goods for Mayne.
- 1.4. "Contract Carrier" means the carrier contracted to perform services on behalf of Mayne.
- 1.5. "Contract of Carriage" has the meaning where a Contract Carrier is engaged in the timely and efficient transport services to Mayne.
- 1.6. "Goods" means materials and substances of all descriptions that includes documents, packages and parcels, multiple parcels, skids, pallets and movable property of any kind or description whatsoever being the subject of any contract of carriage performed pursuant to this Agreement.
- 1.7. "GST" means the Goods and Services Tax introduced by the commencement of a *New Tax System (Goods & Services) Act 1999*.
- 1.8. "Normal Working Day" means any day upon which Mayne normally or habitually enters into any contract of carriage and requires delivery services.
- 1.9. "Paper Work" means documents required to be in the possession of the Contract Carrier to enable performance and management of work
- 1.10. "Work" means the transportation of individual items or goods by a Contract Carrier participating in a system of distribution of goods from one place to another for reward at the behest of Mayne pursuant to a contract of carriage by means of a motor vehicle which system of distribution usually involves:
 - (a) Pick up and transportation of goods.
 - (b) Unloading and sorting into groups, each group comprising items to be delivered to places within geographical zones;
 - (c) Loading onto vehicles; and
 - (d) Transportation to such other place(s) on the same day.
 - (e) Manage and complete all paper work as requested by Mayne

The above work is to be completed within a time required of the Contract Carrier by Mayne which is the approved run time or the shortest possible time.
- 1.11. "Point of Commencement of a Contract of Carriage" means, the point at which a Contract Carrier picks up goods which are to be carried pursuant to a contract of carriage, or any paperwork relating thereto, whichever first occurs.
- 1.12. "Point of Completion of a Contract of Carriage" means, the point at which a Contract Carrier delivers goods which have been carried pursuant to a contract of carriage, or any paperwork relating thereto, whichever last occurs.
- 1.13. "Union" means the Transport Workers' Union of Australia, New South Wales Branch (registered under the Act as an Association of Contract Carriers).
- 1.14. Words importing the singular numbers shall include the plural number and vice versa.
- 1.15. Words importing the masculine gender shall include the female gender and words importing persons shall include corporations.

2. Area, Incidence and Duration

- 2.1. This Agreement is to be registered pursuant to an agreement made between Mayne and individual Contract Carriers in accordance with the *Industrial Relations Act 1996*.
- 2.2. This Agreement shall operate in conjunction with:
 - (a) The Transport Industry - General Carriers Contract Determination published 19 December 1984 (235.I.G.1611) as varied.
 - (b) The Transport Industry - Courier and Taxi Truck Contract Determination published 9th November 2000 (329.I.G.0609) as varied.
 - (c) Transport Industry (GST Protocol) Contract Determination published 1st December 2000 (320.I.G.1549) as varied.
- 2.3. This Agreement starts on the date it is signed by the parties and will operate for a term of three (3) years. Six months before the expiry of this Agreement the parties may commence negotiation on a replacement Agreement.

3. Availability of Contract Carriers to Undertake Contracts of Carriage

- 3.1. Except by prior arrangement and agreement by Mayne the Contract Carrier shall be available for delivering of goods on each day of the year including Public Holidays but excluding Sundays. Where Work is required the outside the normal operational periods of engagement then payment will be made in accordance with Schedule 2 - Additional Payment.

4. Uniforms

- 4.1. If the Contract Carrier is requested by Mayne to wear a special uniform when undertaking work with Mayne, the uniform shall be supplied by Mayne at no cost to the Contract Carrier.
- 4.2. Any such uniform shall remain the property of Mayne and any item forming part of the uniform shall be replaced by Mayne when required by fair wear and tear upon presentation of the item to be replaced, provided that, should loss and damage to an item forming part of a uniform occur due to gross negligence on the part of the Contract Carrier, the item shall be repaired or replaced by the Contract Carrier at the Contract Carriers cost.
- 4.3. Where a uniform is so supplied to a Contract Carrier, the Contract Carrier shall wear it in accordance with the instructions of Mayne whilst undertaking work with Mayne and only at such other times as agreed to by Mayne.
- 4.4. Where a uniform is so supplied to a contractor carrier, the Contract Carrier shall maintain and launder it at the Contract Carrier's expenses.

5. Responsibilities of the Contract Carrier

- 5.1. The Contract Carrier shall undertake to observe all applicable obligations contained in this Agreement and specifically:
 - (a) The Contract Carrier shall work as directed by Mayne and to carry such goods as Mayne shall from time to time specify and between such places as Mayne may reasonably require.
 - (b) To observe all reasonable and lawful requests made by Mayne, and to be of neat and clean appearance.
 - (c) To pay all statutory costs and fees payable in respect of the vehicle used by the Contract Carrier in the performance of contracts of carriage, and to keep the vehicle in a mechanically sound, road-worthy and clean condition.

- (d) To keep the said vehicle adequately equipped for the safe conduct of contracts of carriage of the kind normally undertaken by the Contract Carrier on behalf of Mayne.
 - (e) To be at all times the holder of a current driver's licence appropriately endorsed or issued in respect of the vehicle used by the Contract Carrier in the performance of contracts of carriage, to produce the licence for inspection by Mayne upon request and to notify Mayne immediately if the licence is suspended or cancelled.
 - (f) Not to engage or use the services of a driver for his vehicle, other than the approved driver, without the approval of Mayne. Mayne may withdraw such approval if the driver commits misconduct or fails to comply with a provision of this Agreement appropriate to be complied with by a driver of the vehicle of the Contract Carrier.
 - (g) Not to engage or allow any person to drive his vehicle other than the approved driver when he is working with Mayne. Provided that, in circumstances where the approved driver is unable to work for a reason other than agreed periods of absence, in accordance with this Agreement, it will be the responsibility of the Contract Carrier to arrange for the services of a substitute driver to operate his vehicle up to a period of three months from the date of the approved driver becoming unable to work. Where such absence extends to three months and is likely to extend beyond three months Mayne will consult with the Contract Carrier and their nominated representative as to a course of action that may be taken.
- 5.2. If or where a Contract Carrier engages a substitute driver to perform Work, then the Contract Carrier shall ensure that the substitute driver:
- (a) Warrants that any person performing the Work is competent and has been prior trained to the satisfaction of Mayne and has the necessary skills to carry out the Work in the standard run time or the shortest possible time.
 - (b) Ensures, to the extent it is reasonably practicable, such substitute driver is of neat and clean appearance, and does not commit misconduct; and
 - (c) Is advised of all things necessary to facilitate the performance of all Work previously agreed to be undertaken by the Contract Carrier.
 - (d) Complies fully with this Agreement;
- 5.3. To advise Mayne of his inability to perform any contract of carriage previously agreed to be performed by him, as early as possible and in any event at least one hour before his scheduled time of commencement of the contract of carriage. In circumstances where the Contract Carrier anticipates he will not be available to undertake any contracts of carriage on a normal working day, he shall advise Mayne at least twenty four hours in advance or at the earliest reasonably possible opportunity.
- 5.4. Not to cease performing contract(s) of carriage on any day without first notifying Mayne, or his designated supervisor, of his intention so to do, and to co-operate with Mayne in arranging for the completion of any contract(s) of carriage already commenced by the Contract Carrier, but not completed, or the reassignment of any contract(s) of carriage, previously agreed by the Contract Carrier to be undertaken but not yet commenced.
- 5.5. The Contract Carrier is to ensure that whenever a person performing the Services is present on Mayne premises, that person has been officially inducted and understands and observes the provisions of all of Mayne's policies, including but not limited to policies in relation to occupational health and safety requirements, and equal opportunity;
- 5.6. Whilst undertaking or being available to undertake contracts of carriage, to maintain contact with Mayne by mobile phone, to keep it in the on position and to inform Mayne as soon as possible when the mobile phone requires servicing or repair.

- 5.7. Prior to the start of the next working day from the completion of any contract of carriage, to have delivered to Mayne's Despatch Office all runsheets, freight notes and paperwork, and any other document reasonably requested by Mayne, are completed correctly. Unless excused by Mayne, every endeavour shall be made to obtain any required printed name, signature and time of delivery on the relevant documentation when goods are picked up and/or delivered. Any damage to goods or shortages are to be noted and properly advised to Mayne at the commencement of work for the next working day. Contract Carriers who fail to have all paperwork completed correctly shall not be entitled to any Payment for the Work involved until such documentation is provided to Mayne.
- 5.8. Where a client requests an urgent (prior to the start of the next working day) proof of delivery signature from Mayne, the Contract Carrier shall be required to provide that paperwork to Mayne within a reasonable time specified by Mayne.
- 5.9. Continued failure to comply with subclause 5.7 and 5.8 may constitute grounds for termination of the Contract Carrier's Contract by Mayne.
- 5.10. As soon as possible to report to Mayne any serious accident, or any accident which affects the performance by the Contract Carrier or any contract of carriage then being performed, or which the Contract Carrier has previously agreed to perform.
- 5.11. Within seven days of the Carrier performance of the Services submitting a vendor created invoice that must comply with the Australian Taxation Office Guidelines and the Transport Industry (GST Protocol) Contract Determination and contain at least the following information:
 - (a) The Carrier's current Australian Business Number;
 - (b) The period during which the Services were performed;
 - (c) The nature of the Services that were performed and who performed them;
 - (d) The total Fee payable for the Services during the specified period;
 - (e) The amount of any GST to be paid (shown separately); and
 - (f) A statement confirming that all Payment payable by the Contract Carrier to relevant employees or agents for work under the Carrier Contract during the period covered by the invoice has been or will be paid.
- 5.12. To carry out any reasonable and lawful requests of Mayne made in order to observe the requirements of customers as to the sequence in which Work is to be performed.
- 5.13. To inform Mayne immediately, or at the earliest possible opportunity, if he is unable to effect pick-up or delivery of goods to be carried pursuant to a contract of carriage agreed to be performed by him.
- 5.14. To exercise all reasonable care and diligence in the carriage and safe keeping of goods in his charge. A Contract Carrier shall not have any lien over the goods carried by him and shall under no circumstances acquire title to any goods carried pursuant to this Contract
- 5.15. The Contract Carrier undertakes to perform Work to the following security Standards:
 - (a) Vehicles are to be locked at all times while picking up or delivering Goods.
 - (b) Vehicle windows are to remained closed at all times when the Contract Carrier is not within the vehicle, which includes closing and locking tailgates, rear and side door and the vehicle cabin.
 - (c) Keys are not to be left in the vehicle when the driver is not within the cabin.
- 5.16. To be civil to customers.

- 5.17. Upon ceasing to perform contracts of carriage with a Mayne, promptly to return to Mayne all uniforms, removable equipment and signs supplied by Mayne.
- 5.18. The Contract Carrier is to inform Mayne of any unusual hazards or risks, within their knowledge and that may arise in connection with the performance of Work. The Contract Carrier warrants that it will:
 - (a) Comply fully with any relevant exposure standards set by Mayne or relevant Occupational Health and Safety authorities and any relevant laws;
 - (b) Comply fully with all other safety requirements specified in any relevant laws, including but not limited to those provided for in the Occupational Health and Safety legislation of New South Wales, and any ordinances, regulations or orders made pursuant to such legislation.
- 5.19. Where it is apparent to the Contract Carrier that goods to be carried pursuant to a contract of carriage are of a dangerous or hazardous nature, to notify Mayne of the nature of such goods and to comply with all relevant requirements of the Transport of Dangerous Goods Act and its related codes of practice.
- 5.20. Where it is apparent to the Contract Carrier that goods to be carried pursuant to a contract of carriage are not packed or wrapped in a proper and secure manner for carriage and/or are in a damaged or unsafe condition, to notify Mayne of the nature of such goods in all circumstances prior to the start or continuation of the contract of carriage.
- 5.21. To comply with all Acts, Ordinances, Regulations and By-laws relating to the registration, third party insurance and general operation of the vehicle within New South Wales.
- 5.22. The Carrier will be responsible for all taxes, current or future, levied or payable pursuant to Commonwealth or State legislation (as amended from time to time) as a result of or in connection with this Contract.
- 5.23. The Carrier agrees that it is responsible for all superannuation contributions in respect of the persons performing Work and that no person(s) is or are entitled to any superannuation contributions from Mayne.
- 5.24. To account and properly submit to Mayne any cheques or monies received on behalf of Mayne by the start of the next working day or as agreed between the Contract Carrier and Mayne. The Contract Carrier shall not be held responsible for fraudulent cheques collected by the Contract Carrier in good faith on behalf of Mayne.
- 5.25. To invoice and/or collect cash from customers and receive payment for the goods, unless Mayne has previously agreed to extend credit in respect thereof and has accordingly notified the Contract Carrier. In the event of any payment being refused, the Contract Carrier shall obtain further instructions from Mayne prior to effecting the pick-up(s) and/or delivery(s) of any goods for which payment is refused. The Contract Carrier's entitlement to any Payment pursuant to this Contract for any work in respect of which he has failed to comply with this subclause shall be deferred until the matter has been resolved
- 5.26. The Contract Carrier agrees to indemnify Mayne in relation to any claims, liabilities and costs arising as a result of any taxation for which the Carrier is responsible.
- 5.27. In good faith, where possible, support and assist Mayne during the review of work practices as outlined in Schedule 3 - Run Testing Procedure.
- 5.28. At all times Contract Carriers are expected are to conduct themselves in a manner as set out but not limited to, Schedule 4 - Code of Conduct. Disciplinary action may occur to Contract Carriers not performing work for Mayne to an acceptable standard.
- 5.29. To maintain proper accounts and records. A Mayne Representative may at any reasonable times inspect such accounts and records as relate directly to work performed by the Contract Carrier for Mayne

6. Responsibilities of Mayne

Mayne shall undertake to observe all applicable obligations contained in this Carriage Contract and specifically:

- 6.1. If requested by the Contract Carrier, arrange, whenever practicable, for a representative of Mayne to attend accidents involving injury to person or property.
- 6.2. Advise Contract Carriers, prior to engagement for a contract of carriage, of urgent or special delivery instructions arranged for such contract of carriage, or as early as possible, if such instructions were not known at time of engagement.
- 6.3. Where goods of a dangerous or hazardous nature are to be carried, notify the Contract Carrier of the nature of such goods and both comply with and provide all reasonable assistance to the Contract Carrier to enable him to comply with, all relevant requirements of the Transport of Dangerous Goods Act and its related codes of practice.
- 6.4. At Mayne's option, paint and/or signwrite the Contract Carrier's vehicle in Mayne's colours at Mayne's expense.
- 6.5. At Mayne's option affix signs to and/or repaint the Contract Carrier's vehicle at Mayne's expense; the work shall be carried out by Mayne's workshop, or by, other personnel nominated by Mayne or agreed between the Mayne and the Contract Carrier.
- 6.6. In consideration of the Carrier performing the Services in any weekly period, and in full compensation of entitlements, costs and expenses accrued or incurred by the Contract Carrier, Mayne will make the payment specified in Schedule 1 and 2 to this Agreement ("the Payment"), plus any GST that may be payable in respect of the Payment, into a bank account nominated by the Carrier.
 - (a) The Payment is exclusive of GST
 - (b) The Payment and any GST will be paid within 7 days of the Carrier submitting an invoice relating to the performance of the Work. If an invoice does not meet the requirements in subclause 5.11, no payment will be payable by Mayne.
- 6.7. At the conclusion of each payment period the Contract Carrier shall be issued with a payment record.
- 6.8. Bear the cost of removing all equipment and signs supplied by Mayne and make good the affected areas of the vehicle in the case of a Contract Carrier ceasing to undertake contracts of carriage with Mayne. Provided that the Contract Carrier has first returned to Mayne all other equipment supplied by Mayne and makes his vehicle available for such changes within three working days (or such other agreed period) of ceasing to undertake contracts of carriage with Mayne. Provided further that this clause shall not apply where the Contract Carrier has ceased working with Mayne either by reason of misconduct or at his own volition before completing a period of one year during which he has undertaken the performance of contracts of carriage with Mayne.
- 6.9. Advise the Contract Carrier, prior to the performance of any Work where credit has not been extended, that the Contract Carrier is to be responsible to collect payment, and shall specify the amount(s) to be collected on pick-up(s) and/or delivery(s).

7. Insurances

- 7.1. The Contract Carrier shall, either by himself, or, where agreed in writing, in co-operation with Mayne, obtain and maintain a policy of insurance acceptable to Mayne against:
 - (a) All legal liability in respect of loss and/or damage arising through the act, neglect or default of the Contract Carrier, or his/her servants or agents, and shall otherwise indemnify Mayne against all such liability.

- 7.2. Any such liability incurred by Mayne in the event of goods in charge of the Contract Carrier which are lost or damaged due to the negligence and or wilful action of the Contract Carrier, (or any substitute driver or other persons engaged by him/her for whose actions he is responsible) the cost of replacement will be borne by the Contract Carrier. The cost of replacement will not be borne by the Contract Carrier if the goods are damaged not due to the negligence or wilful action of the Contract Carrier. This includes goods not being packed correctly for transit.
- 7.3. Where a Contract Carriers lost or damaged stock experience is considered excessive then discussions will be held between Mayne Representatives, the Contract Carrier and their representatives.
- 7.4. Where any of the above insurance policy(s) have been obtained and maintained by the Contract Carrier, such insurance policy(s) must, where required, include on annual renewal an attached schedule listing the full name and address the Contract Carrier. The Contract Carrier shall give Mayne satisfactory proof that he/she has been insured for the required policies at the cost of the amounts duly stated
- 7.5. The Contract Carrier shall, either by themselves or, where agreed, in co- operation with Mayne, obtain and maintain:
 - (a) A Public Liability Insurance Policy in the sum of AUD \$5,000,000;
 - (b) A Motor Vehicle Comprehensive Insurance Policy including Third Party Property Damage Cover in the sum of AUD \$5,000,000;
 - (c) A Workers' Compensation Insurance Policy to cover the Contract Carrier and any persons who may from time to time be employed by the Contract Carrier.
- 7.6. Where the Contract Carrier is not, or is not deemed to be, for the purposes of the Workers' Compensation Act (NSW) a worker, the Contract Carrier shall, either by himself or (where agreed in writing signed by both Mayne and Contract Carrier) in co-operation with Mayne, obtain and maintain a Personal Accident and Sickness, or Earnings Protection, Insurance Policy.
- 7.7. In respect of insurances of the kind referred to in subclause 7.1, 7.5, and 7.6 hereof obtained other than in co-operation with Mayne, the Contract Carrier shall ensure each such policy includes an indemnity of Mayne for any action of the Contract Carrier to which the policy applies and the appropriate extensions in respect of the carriage of dangerous goods.
- 7.8. Where the Contract Carrier is, or is deemed to be, for the purpose of the Workers' Compensation Act (N.S.W.), a worker, Mayne shall take out and maintain a Workers' Compensation Insurance Policy in respect of the Contract Carrier.
- 7.9. Each of Mayne and the Contract Carrier shall have an obligation to produce for inspection by the other, upon reasonable request, a copy of all insurance policies required hereby or otherwise agreed, to be effected and receipts for premiums in respect of the insurance period(s) then current.

8. Training

- 8.1. Where performance of the Services may require additional knowledge or skills, Mayne and the contract Carrier will reach agreement on the payment for the successful completion for such training courses.

9. Inspections, Breaches and Enforcement

- 9.1. In the event of any suspected breach of this Agreement, any person holding an Authority relating to the work covered by this Agreement issued by the NSW Industrial Registry pursuant to the *Industrial Relations Act 1996*, as amended, may by arrangement inspect any and all of the records required to be maintained by Mayne for this Agreement. Such inspection shall only take place within ordinary business hours.
- 9.2. Notwithstanding anything contained in this Agreement, no person shall be able to sight, inspect or copy any of Maynes invoices and/or statements to clients.

10. Industrial Action

- 10.1. In the event of industrial action by the Contract Carrier's employees or agents preventing the Contract Carrier from fulfilling any of its obligations under this Contract, Mayne is entitled to make alternative arrangements for that part of the Contract period. The Contract Carriers, employees or agents are not able to restrict Mayne in any way whatsoever in performing the alternate arrangements. The Contract Carrier will not be entitled to any Fee for that part of the Carriage Contract so affected.

11. Disputes Settlement Procedure

In the event of a question, dispute or difficulty arising between a contract carrier and Mayne the following procedure shall be adopted:

- 11.1. The contract carrier shall raise the matter with the appropriate Mayne representative.
- 11.2. If the matter is not resolved in clause 11.1 above, the contract carrier representative may take matter with the operations manager.
- 11.3. If the matter is not resolved in clause 11.2 above, the contract carriers union official may take matter with the Mayne site manager.
- 11.4. If negotiations contemplated in subclause 11.3 above is unsuccessful, either party may notify the matter to the NSW Industrial Relations Commission.
- 11.5. At all times whilst the above subclauses in clause 11 above are being perused work shall continue normally.

12. Confidentiality

- 12.1. The Contract Carrier undertakes not to:
 - (a) Use or permit any person to use confidential information (including but not limited to work procedures, processes, handbooks, standards, technical knowledge, concepts, ideas, designs, programs, data or application systems codes and associated documents or information) for any purpose other than the performance of Work.
 - (b) Disclose or in any way communicate to any other person any Confidential Information except as authorised by Mayne;
 - (c) Permit unauthorised persons to have access to places where Confidential Information is displayed, reproduced or stored;
 - (d) Make, or assist any person to make, any unauthorised use of Confidential Information.
 - (e) The Carrier shall not, without the prior written consent of Mayne, permit photographs to be taken of any goods subject to the Contract, nor mention Mayne's name in connection with the Agreement in any publicity material or other similar communications to third parties.

13. Payment and Payment Records

- 13.1. All persons, partnerships, and companies engaged under this Agreement as Contract Carriers are independent contractors.
- 13.2. Transport Industry (GST Protocol) Contract Determination will apply to the implementation of GST as it is relevant to Mayne and Contract Carriers in a manner that is compliant with GST legislation.
- 13.3. A separate amount equal to 10% of the value of the Payment shall be paid by Mayne to the carrier if GST applies. ('the GST amount'). The GST amount shall not be construed as an increase in the rates of

Payment. The total Payment payable to the Contract Carrier by Mayne pursuant to this agreement shall be the sum of the Payment payable and the GST Amount.

- 13.4. The Payment made by a Mayne shall be:
- (a) The amount detailed in Schedule 1 and 2 of this agreement.
 - (b) Clearly state the specific payment for the work to be performed by the Contract Carrier.
 - (c) Mayne may vary the method of Payment by written notice of 7 days.
- 13.5. The deliberate falsification of the records that a Contract Carrier is required to make and provide to Mayne pursuant to clause 5 shall be grounds for immediate termination of this Agreement in respect of that Contract Carrier.
- 13.6. Where the Contract Carrier is unable to perform work due to periods of mechanical breakdown and/or any other period, the Contract Carrier is allowed the opportunity to make alternative arrangements to complete work, this is contingent that the work service standards will be maintained to Mayne's satisfaction. Where the Contract Carrier cannot arrange alternate service standards, Mayne is not required to make payment to the Contract Carrier.
- 13.7. Where, during a relevant two month period a Contract Carrier is consistently failing to complete work service levels Mayne may counsel the Contract Carrier in relation to the Contract Carrier's performance.
- 13.8. Mayne shall be entitled to deduct from any payment debts incurred to Mayne by the Contract Carrier.

14. Industrial Representative and No Guarantees

- 14.1. Where a number of Contract Carriers who perform contracts of Carriage at the same Mayne facility are members of an Association of Contract Carriers those Contract Carriers may elect one of them as their Nominated Representative who shall, upon notification thereof to Mayne and the Association be recognised as the Nominated Representative for the aforesaid Contract Carriers who are members.

15. Fleet Optimisation

- 15.1. Mayne may, in the offering of runs to Contract Carriers, take into account:
- (a) Vehicle type and capacity;
 - (b) Where relevant, reliability and ability;
 - (c) Compatibility with existing runs; and
 - (d) Any agreed local rules, instructions and conditions.

16. Vehicles Optimisation

- 16.1. Before replacing any vehicle normally used by him in undertaking work with Mayne, a Contract Carrier shall, not less than two months prior to such intended replacement, notify Mayne of his intention to so replace the vehicle, and discuss with Mayne the type of replacement vehicle proposed to be obtained.
- 16.2. The Contract Carrier shall not replace the vehicle he is using to undertake work for Mayne without obtaining the prior consent of the Mayne. Where it is agreed between Mayne and the Contract Carrier that a vehicle in use by the Contract Carrier needs to be replaced then Mayne shall have the right to specify the class of the vehicle they require to be used by the Contract Carrier in undertaking work for Mayne.
- 16.3. In the case a new Contract Carrier entering into this Agreement for the first time after this agreement has come into operation, Mayne shall have the right to specify the class of the vehicle, which it requires to be used by the Contract Carrier in undertaking work for the Mayne.

- 16.4. Mayne may specify more than one class of vehicle to be used in undertaking work for Mayne by different Contract Carriers engaged in the same location.
- 16.5. If Mayne at any time considers that the vehicle of the Contract Carrier being used to undertake work for Mayne is not acceptable for undertaking further work he may give to the Contract Carrier eight weeks' notice that the vehicle is to be replaced subject to consultation between the Contract Carrier and Mayne.
- 16.6. Mayne shall not be obliged to enter into an Agreement with a Contract Carrier who proposes to use a vehicle, which is not in accordance with the specification of Mayne as to class of vehicle.
- 16.7. No Contract Carrier shall be engaged to perform work who does not supply a vehicle approved by Mayne or who, personally, is not approved by Mayne.
- 16.8. Provided that the Contract Carrier has not without the approval of Mayne replaced the vehicle which he has been using to undertake work for Mayne during a period of one year prior to this Agreement coming into operation (or during such lesser period for which the Contract Carrier has been undertaking work for the Mayne), then the vehicle being used by the Contract Carrier in undertaking work for Mayne at the date when this Agreement comes into operation shall be deemed to be of the class specified by Mayne. In the event that the Contract Carrier has during the period specified in this subclause changed the vehicle without the approval of Mayne, Mayne has the right to specify the class of the vehicle.

17. General

- 17.1. Notwithstanding anything contained in this Agreement the relationship between a Contract Carrier and Mayne shall be that of independent contractor and neither the Contract Carrier nor any person engaged by the Contract Carrier will be deemed to be an employee of Mayne. The Contract Carrier has no right to goodwill of the Mayne business whatsoever.
- 17.2. When a Contract Carrier is not a natural person, then for the purposes this Agreement, any act, default or misconduct by any person performing the work on behalf of the Contract Carrier, shall be deemed to be the Agreement, default or misconduct of the Contract Carrier.

18. Additional Provisions

The following subclauses (1) to (10) inclusive, shall apply as conditions to be observed by Contract Carriers and Mayne.

- 18.1. Mayne may investigate an excessive claims record of a Contract Carrier in respect of loss of or, damage to goods. A Contract Carrier whose claims record is excessive may be terminated by Mayne.
- 18.2. If a provision of this Agreement is invalid, illegal or unenforceable it must, to the extent that it is invalid, illegal or unenforceable, be treated as severed from the Contract, without affecting the validity and enforceability of the remaining provisions.
- 18.3. The Contract Carrier is not entitled to be paid any fuel levy or surcharge by Mayne.
- 18.4. This Contract is the whole contract between the parties concerning the subject matter. It replaces any prior contract, arrangement or understanding concerning the subject matter.
- 18.5. The Carrier warrants that no conflict of interest exists or is reasonably foreseeable in relation to the performance of its obligations under this Contract, at the date of signing this Contract. If, during the operation of this Contract, a conflict of interest arises, the Carrier will notify Mayne immediately in writing of that conflict.
- 18.6. Where a Contract Carrier commits misconduct, Mayne may elect to discontinue immediately to offer further Work to the Contract Carrier. An inquiry, if requested, will be held thereafter within one normal working day by Mayne and the Contract Carriers representative.

- 18.7. In the event the Contract Carrier delivers a Consignment to the wrong address (other than as a result of the Carrier being provided with the wrong address by Mayne) the Carrier will be liable for the cost incurred by Mayne in making necessary alternative arrangements to have the Consignment delivered to the correct address and Mayne may deduct its costs from the Payment. Provided that Mayne will allow reasonable action to first enable the Carrier to correct the problem in a manner acceptable to the affected customer and Mayne.
- 18.8. Unless otherwise agreed between Mayne and the Contract Carrier, the Contract Carrier shall provide Mayne with 30 days' notice of his intention to discontinue contracts of carriage with Mayne. During this period Mayne shall have the right to travel a probationary learner (who shall be an employee of, or a Contract Carrier with, Mayne) with the Contract Carrier who is responsible for the effective transfer of Work knowledge and training. As a minimum, during the 30 days notice period the Contract Carrier will:
- (a) Have the probationary learner travel as a passenger for at least one week.
 - (b) Travel with the probationary learner as a passenger for at least one week.
 - (c) Provide on the job training and constructive feedback to both the probationary learner and Mayne on the learner's future training requirements.
- 18.9. Where the Contract Carrier desires to terminate this Agreement, The Contract Carrier may introduce a prospective replacement Contract Carrier. Mayne shall be under no obligation whatsoever to accept the proposed replacement Contract Carrier.
- 18.10. Mayne shall have the right at any time to inspect any operation carried out by the Carrier pursuant to the Contract and the Contract Carrier shall provide or procure all reasonable access and assistance to the representatives of Mayne to enable such representatives to carry out inspection promptly and efficiently.

ENDORSED by the parties for ratification by the Industrial Relations Commission of NSW.

SIGNED for (Faulding Healthcare Pty Ltd ACN
000 875 034 by its duly authorised representative)
In the presence of:

Signature of witness

Signature of Mayne representative

Name of witness (please print)

Name of Mayne representative (please print)

SIGNED for (State Secretary,
The Transport Workers' Union of Australia,
New South Wales Branch)
In the presence of:

Signature of witness

Signature of representative

Name of witness (please print)

Name of representative (please print)

SIGNED for (Nominated Representative of the
Contract Carriers)
In the presence of:

Signature of witness

Signature of representative

Name of witness (please print)

Name of representative (please print)

EXECUTED by the parties as a Contract
SIGNED for and on behalf of Faulding
Healthcare Pty Ltd (ACN 000 875 034)
by its duly authorised representative
in the presence of:

Signature of witness

Signature of representative

Name of witness (please print)
SIGNED for (the Carrier)
In the presence of:

Name of representative (please print)

Signature of witness

Signature of representative

Name of witness (please print)

Name of representative (please print)

SCHEDULE 1

PAYMENT

(Insert details of Payment)

This payment has been based on the minimum hourly rates as detailed in Schedule 2 -. Payment for Adhoc Carriers and Additional Work. The hourly rate of payment is determined by the vehicle carrying capacity as defined by the manufacture for that type of vehicle.

At the time this contract is made the allocated work are run numbers [insert run numbers], details of which are attached.

This Payment is constructed on the basis that the Contract Carrier performs deliveries on the allocated Runs as directed by Mayne.

In order to meet customer requirements and or optimise runs Mayne reserves the right to vary, alter or withdraw the allocated Runs at any time, Mayne also reserves the right to adjust the Payment in accordance with such changes after giving at least seven days prior notice and details of the change to the Contract Carrier in writing.

Mayne and the Contract Carrier agree that the above Payment will be increased on 1st April each year in line with annual CPI increases as officially published by the Australian Bureau of Statistics.

SCHEDULE 2

PAYMENT FOR ADHOC CARRIERS AND ADDITIONAL WORK

Payment for Adhoc Carriers and Additional Work completed outside the runs detailed in Schedule 1 - Payment will be paid in accordance with the following schedule:

Vehicle Carrying Capacity	Payment Per hour
Up to 2 tonne	\$28 per hour
Greater than 2 but less than 3 tonne	\$29 per hour
Greater than 3 but less than 4 tonne	\$30 per hour
Greater than 4 but less than 5 tonne	\$31 per hour
Greater than 5 but less than 6 tonne	\$32 per hour
Greater than 6 but less than 8 tonne	\$34 per hour
Greater than 8 but less than 10 tonne	\$36 per hour
Greater than 10 tonne	\$ to be negotiated

The payment per hour will be calculated from the time that the Carrier commences a contract of carriage until the time the contract of carriage is completed as defined in sub-clause 1.11 and 1.12.

During periods of non-engagement in Work, Mayne are not required to pay the Contract Carrier at the above stated hourly rate.

Minimum payment will be for 1 hour's Work with time being calculated to the next quarter hour.

Mayne will pay the fee specified in Schedule 2 to this Agreement ("Additional Payment"), plus any GST that may be payable in respect of the Fee.

SCHEDULE 3

RUN TESTING PROCEDURE

The following run testing procedure will be initiated in the following circumstances:

- (a) By Mayne at any time to meet customer requirements and or to optimise runs
- (b) Contract Carriers requiring alterations to their approved run times to maintain safe working practices and or due to amendments to volumes of pick ups and deliveries.

The run testing procedure is:

1. Identify run to be analysed
2. Interview driver
3. Accompany driver on run work and record:
 - 3.1. Loading and unloading procedures
 - 3.2. Route between stops
 - 3.3. Travelling time between stops
 - 3.4. Parking locations
 - 3.5. Parking time
 - 3.6. Total run time

4. Plot most efficient run on paper
5. Test run:
 - 5.1. Test individual run segment times
 - 5.2. Scope alternative parking locations for improvements
 - 5.3. Review most efficient run route and parking locations
6. Full run test
7. Accompany driver for education and training purposes on the new run route and parking locations
8. Monitor progress

SCHEDULE 4

CODE OF CONDUCT

In general, all Contract Carriers are expected at all times to conduct themselves in a courteous, responsible and reasonable manner. Therefore, Contract Carriers will demonstrate mutual respect, honesty, trust, decency and non-violent actions or behaviour when interacting with fellow Contract Carriers, employees and staff of Mayne and Mayne's customers, and members of the public.

The examples of conduct mentioned below, constitute Misconduct, but the list of matters for which a Contract Carrier may have their Agreement terminated, are endless:

CONTRACT CARRIERS SHALL ENSURE THEY:

1. Do not Misrepresent or Falsify documentation or be involved in any form of deceptive act against the Mayne (this also includes thieving or pilfering) to gain an unjust monetary advantage or to cause some form of damage.
2. Do not alter or incorrectly complete timesheets, runsheets, connotes or other documentation to the detriment or loss of Mayne.
3. Do not intimidate, victimise, be abusive or act aggressively towards other individuals or customers (including stand over tactics, physical violence, antagonism or the like).
4. Do not deliberately or Maliciously damage Freight or property (including acts of GRAFFITI). Note: Freight or Property should not be thrown, kicked, abused etc.
5. Do not carry passengers/animals in vehicles without firstly seeking written authorisation from Mayne.
6. Do not display or circulate material of a pornographic or sexually explicit nature in workplace environments (including material obtained from E-mails or the Internet).
7. Do not carry out offensive or lurid acts (i.e. Indecent exposure, offensive jokes, sexual harassment, etc.).
8. Do not commence work or work under the influence of alcohol or drugs.
9. Do not operate or drive vehicles/equipment in a reckless and dangerous manner (including speeding on site or the like).
10. Comply with all safety requirements, Signage, Policies and Procedures (including the wearing of vests and other safety apparel, etc. in depots or the like).

11. Contract Carriers have certain contractual obligations and responsibilities which go to misconduct and are considered seriously, as they are matters which put in jeopardy the continued existence of any contract with Mayne.
12. Accordingly, Mayne will not condone or tolerate the above mentioned codes of conduct or the like being breached, compromised or undermined, as such matters will be treated as Misconduct resulting in instant termination of this Agreement.

It is every Contract Carriers responsibility to comply with this Codes of Conduct and ensure a conducive and friendly work environment is maintained.

If you are aware of inappropriate behaviours or actions occurring as described in this schedule, then you have a responsibility to report such matters.