

**TWU – 1ST FLEET PTY LTD
PRINT MEDIA DISTRIBUTION**

CONTRACTS AND AGREEMENTS

TABLE OF CONTENTS

<u>1.</u>	<u>SCOPE OF AGREEMENT</u>	<u>3</u>
<u>2.</u>	<u>GENERAL PROVISIONS</u>	<u>4</u>
<u>3.</u>	<u>RELATIONSHIP OF THE PARTIES</u>	<u>4</u>
<u>4.</u>	<u>CARTAGE</u>	<u>4</u>
<u>5.</u>	<u>LEGAL COMPLIANCE</u>	<u>5</u>
<u>6.</u>	<u>DRIVERS</u>	<u>5</u>
<u>7.</u>	<u>VEHICLE</u>	<u>6</u>
<u>8.</u>	<u>MAINTENANCE</u>	<u>6</u>
<u>9.</u>	<u>GOODS AND SERVICES TAX</u>	<u>6</u>
<u>10.</u>	<u>SALE OF VEHICLE</u>	<u>7</u>
<u>11.</u>	<u>ANNUAL LEAVE</u>	<u>7</u>
<u>12.</u>	<u>OPTION OF SALE OF VEHICLE (RIGHT TO INTRODUCE BUYER)</u>	<u>7</u>
<u>13.</u>	<u>TERMINATION</u>	<u>7</u>
<u>14.</u>	<u>DEATH AND DISABILITY</u>	<u>8</u>
<u>15.</u>	<u>SIGNAGE AND UNIFORMS</u>	<u>9</u>

CONTRACTORS AGREEMENT is made on the ...27th. day of November 2006 between:

1st FLEET PTY LTD.(ABN 44 003 475 214). 53 Britton st Smithfield NSW 2164. of the one part; and

THE TRANSPORT WORKERS OF NEW SOUTH WALES
(hereinafter referred to as "the Union") of the other part.

This Carriers Agreement is made pursuant to Section 323 of the Industrial Relations Act 1996 (NSW) as amended.

WHEREAS

- A. The 1st Fleet Print Media Division carries on the business of transport of Magazines and associated products to newsagencies and other outlets at various locations in metropolitan Sydney.
- B. The Company requires Contract Carriers to provide transport services to the Company in order to support its Print Media Distribution Services to newsagencies and other outlets.
- C. The Contract Carriers providing transport services to the company have Selected the union as their bargaining agent for the purposes of securing the Agreement referred to herein.
- D. This Agreement shall have a nominal term of Two Years and 11 months, and take effect from the date of commencement.

NOW THIS AGREEMENT WITNESSETH and the parties hereto hereby agree as follows:

1. Scope of Agreement

- 1.1 This Agreement applies to contract carriers engaged by the company at its print media distribution terminal who provide newsagency magazine delivery services in metropolitan Sydney.
- 1.2 This Agreement provides the whole of the terms and conditions of engagement of Carriers by the Company and operates in conjunction with the General Carriers Contract Determination as varied from time to time.

2. General Provisions

The Carrier agrees to supply, man and operate one vehicle. The configuration and operation of this vehicle is to be in accordance with the reasonable directions of the company, which are necessary and desirable for the good conduct of the business.

3. Relationship of the Parties

- 3.1 The Contract Carrier shall operate as an independent contractor engaged under this contract agreement with the Company.
- 3.2 Any person engaged as a relief driver shall be engaged by the Carrier and shall be and remain an employee of the Carrier not the Company.
- 3.3 Any relief driver supplied by the Carrier must first be approved and accredited by the Company before being permitted to join the fleet and drive the vehicle for the day or days in question. Where no such approval is given then the Company shall have the right to refuse allocation of work to the vehicle driven by the relief driver who has not been approved.
- 3.4 The Contract Carrier will ensure any relief driver is covered by a workers compensation policy while he is working for the Contract Carrier.

4. Cartage

- 4.1 The Carrier shall perform all transport as is allocated by the Company in the ordinary course of business.
- 4.2 The Carrier shall not reasonably refuse any job allocated by the Company provided the job can be conducted safely and the load for the job is within the legal load limit of the Carrier's vehicle.
- 4.3 The Company shall pay the Carrier for each job performed in accordance with the rate specified in Schedule A attached to this Agreement.

Rates are paid on the basis of (3) three days newsagent deliveries and (1) one day delivery of Trading Post. The company reserves its right to remove the Trading Post day should that account be lost.

- 4.4 Payment of cartage fees shall be made weekly by EFT.

- 4.6 Should significant cost variations (eg. Fuel) occur between the annual cartage rate reviews that cause an increase to the rate of more than 2% then an interim rate review will be conducted by the parties.
- 4.7 The Parties agree to vary the rates that apply to this Agreement at the same percentage rate that applies to any increases to the General Carriers Contract Determination and shall be adjusted on 1st July annually.

5. Legal Compliance

It is a fundamental obligation of the Carrier under this Agreement to ensure that any driver of the vehicle used by the Carrier for the purpose of this Agreement, whether or not that driver is a principal director and shareholder of the Carrier or a relief driver employed by the Carrier, such driver shall strictly observe all Federal and State laws and regulations with respect to the driving of a vehicle for the purposes of road transport and in particular shall strictly observe all Federal and State laws with respect to fatigue management.

6. Drivers

- 6.1 The contractor in engaging a driver will ensure that the employment conditions for the driver are at minimum those required by the relevant award.
- 6.2 It is a fundamental obligation of the Carrier to ensure that both the nominated driver and any relief driver must hold at all times a valid and current drivers licence appropriate to the vehicle supplied by the Carrier for the purpose of this Agreement.

7. Vehicle

- 7.1 Where a Carrier purchases a new vehicle during the life of the Agreement the Carrier must have proper consultation with the Company prior to any such purchase being made to ensure that the new vehicle complies with the technical specifications and requirements of the Company.
- 7.2 Where the Company reasonably believes that a Carriers vehicle is or has become unsuitable for the purpose of carrying out the cartage required under this Agreement then the Company shall give the Carrier no less than six (6) months notice to replace the vehicle with another vehicle which is suitable. Such notice shall be given in writing. For the purpose of this subclause where the Company is assessing whether or not a vehicle is suitable it shall take into account the roadworthiness (or otherwise) of the vehicle, the relevant efficiency viability and safety of

the vehicle concerned as well as any other factors being reasonable under the circumstances.

- 7.3 It is a fundamental obligation of the Carrier to ensure that the vehicle supplied is roadworthy at all times and complies with all relevant statutory requirements with respect to vehicles of this type in the State of New South Wales.

8. Maintenance

- 8.1 It is the obligation of the Carrier to ensure the following:

- The vehicle must be maintained at all times in a safe and roadworthy condition and also have a clean and tidy appearance.

- 8.2 The Company at its option and expense may supply signage in the form of magnetic door decals which the Contract Carrier shall keep secure when not in use.

9. Goods and Services Tax

- 9.1 The parties agree that the Goods and Services Tax ("GST") shall apply strictly in accordance with the legislation to the cartage services provided for under the terms of this Agreement.

- 9.2 All Carriers must be registered for GST purposes. Where any Carrier does not register for the purpose of GST the Company has the right to refuse to allocate any work to that Carrier until such time as the Carrier registers.

10. Sale of Vehicle

- 10.1 It is acknowledged and agreed by the parties to this Agreement that the Company does not recognise and has no liability in respect of any "goodwill" or premium which may have passed between a Carrier and a third party at any time prior to during or after the life of this Agreement.

- 10.2.1 Where a Carrier seeks to sell the vehicle in work then it is acknowledged and agreed that the Company has the right to approve any such purchaser of the vehicle which approval shall not be unreasonably withheld. The procedure in Clause 13 hereof will apply in all cases.

- 10.2.2 It shall be a condition of such approval that the outgoing Carrier and the incoming purchaser acknowledge and agree that the Company has no liability for any "goodwill" or premium whatsoever

11. Annual Leave

A Carrier who regularly performs contracts of carriage for the Company shall be entitled to two weeks annual leave without payment which shall fall due each year. This shall be calculated from the anniversary of the first contract of carriage entered into by the Carrier with the Company.

12. Option on Sale of Vehicle (right to introduce buyer)

In the eventuation that a Carrier wishes to exit the business and sell their vehicle the Carrier may sell their vehicle and introduce the buyer to continue their contract. The Principal Contractor's approval must first be granted before the new Carrier commences their engagement. Such approval shall not be unreasonable withheld by the Principal Contractor.

13. Termination

13.1 The Company may terminate its Agreement with a Contract Carrier should the Company lose the contract of Print Media Distribution. The Company shall provide to the Contract Carrier a notice period of not less than one (1) month, unless otherwise agreed between the parties. Should a Contract Carrier wish to terminate its Contract Agreement with the Company the Contract Carrier shall provide no less than one (1) month notice of intention to terminate its engagement, unless otherwise agreed between the parties.

13.2 It is agreed that for the purposes of this Agreement a fundamental breach of this Agreement or an act of serious misconduct shall include but not be limited to the following matters:

- The consumption of alcohol or drugs of intoxication immediately before or during the supply of transport services under this Agreement.
- An act of violence (other than reasonable matters of self defence) by the nominated driver or approved relief driver at any time during the provision of transport services.
- An act of fraud or theft by the nominated driver or approved relief driver.

14. Settlement of Disputes

Where an industrial dispute occurs or is likely to occur, the following steps should be taken:-

- The Carriers representative and or the delegate shall discuss the matter with the appropriate Manager or Supervisor of the Company.
- If those discussions do not resolve the matter then a cooling off period of 24 hours shall be observed by both parties.
- If the matter in dispute is still not resolved then an official from the union will discuss the matter with senior management from the Company.
- If the matter in dispute is still not resolved then it should be taken before the Industrial Relations Commission of New South Wales.
- At all times while the matter remains in dispute the parties shall observe this disputes procedure and there shall be no stoppage, ban or limitation imposed on transport services.

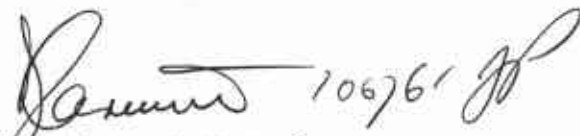
15. Death and Disability

- 15.1 Where a nominated principal driver of a Carrier dies during the life of this Agreement the Company shall permit the estate of the deceased driver to operate the vehicle pursuant to the terms of this Agreement for a period of twelve (12) months from the date of death of the Driver provided that the estate engages a relief driver approved by 1st Fleet Print Media and further provided that all reasonable operational requirement are met.
- 15.2 If at the completion of the twelve (12) month period the estate is still not complete or probate has not been granted then it shall be entirely at the discretion of the Company as to whether the estate will be permitted to continue to operate the vehicle.


16. Signage and Uniforms

- 16.1 The cost of all signage required by the Company to be placed on vehicles operated pursuant to this Agreement shall be met by the Company.
- 16.2 The Company shall provide one annual issue of a Company uniform to the principal nominated driver for each Carrier. The Carrier has the option to purchase a uniform at cost for the purpose of providing such uniform to an approved relief driver.

Signed for and on behalf of **1st Fleet PTY LTD** in the presence of:


 DEBORAH CAREW

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 EVANI WISSEN
 EXECUTIVE GENERAL MGR

Signed for and on behalf of THE
TRANSPORT WORKERS UNION
OF NSW.

In the presence of:

WJ Formo

ACTING STATE SECRETARY.