

JONNYS

LIGHT OILFIELD HAULING LTD.

PO BOX 214
2120 SPARROW DRIVE
NISKU, ALBERTA T9E 8A2

PHONE: 780-955-9399

FAX: 780-955-9366

E:mail: info@jonnys.ca

2013

Upon reviewing our relationships with our current subcontractors you have been selected as a trucking company that Jonnys desires to work with should we require additional manpower and equipment to service the needs of our customers.

Should you desire to be included on our subcontractor list please submit the following information to us as soon as possible. If you do not wish to be included on this list please disregard this letter.

- 1) **Subcontractor information sheet – see attached.**
- 2) **Commercial Driver's Abstract – 5 Year**
- 3) **Safety Information Sheet**
- 4) **Signed Agreement.** Note: you will be mailed a copy of this agreement once it is signed by Jonnys.
- 5) **WCB Clearance Letter (our WCB # is 3920813).**
- 6) **Certificate of Insurance ...**
 - a.) Stating that Jonnys Light Oilfield Hauling as an additional insured.
 - b.) 30 days notice of cancellation of the above noted policies be provided to Jonnys Light Oilfield Hauling Ltd.
 - c.) Minimum coverage's must be listed as:

Automobile	\$2,000,000 minimum per occurrence coverage
General Liability	\$2,000,000 minimum per occurrence coverage
Excess Liability	\$3,000,000 minimum per occurrence coverage
Motor Truck Cargo	\$150,000 minimum per occurrence coverage

- Think of the Excess Liability just as an umbrella – it covers all policies under it. In this case, the General Liability and Auto Liability are at \$2,000,000 liability limit each, and then the umbrella adds \$3,000,000 liability coverage to that for a total of \$5,000,000 liability.
- 7) **Other - Pre-Job Safety Orientations**

Many of our customers require drivers to complete pre-job safety orientations. These are different than site-specific orientations which most drivers are familiar with. These orientations are all computer based and can be taken on-line. Once you have returned this information we will be in touch to give you instructions on how to complete these orientations.

Once we have received all this information from you then your company will be graded into one of the following classes

- A. This company meets or exceeds all expectations and is on our "first-call" list.
- B. This company has only minimum requirements to be hired as a subcontractor but may still be dispatched if all "A" category companies cannot supply.
- C. This company does not have acceptable safety standards to hire at this time.

All subcontractors must read and carry a Jonnys Health, Safety and Environment Policy and Procedures Manual with them at all Jonnys worksites or Jonnys customers/clients worksites.

If you have any questions or concerns please contact Karen at 780-955-9399. Thank you in advance for taking the time to submit this information. We look forward to a continued good working relationship.

Jon McKinley
President

SAFETY INFORMATION SHEET

1	Does your company have a written safety program or safety manual?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
2	Does your company have a COR or SECOR certification?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
3	Does your company have IRP 16 (<i>Basic Safety Awareness Training</i>) certification?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
4	Has your company been investigated by a regulatory body in the last 24 months?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
5	Are there any HSE related judgements, claims or suits pending or outstanding against your company?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
6	Do all of your drivers have valid Petroleum Safety Training (<i>PST</i>) certificates?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
7	Do all of your drivers have valid H2S certificates?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
8	Do all of your drivers have valid TDG (<i>Transportation of Dangerous Goods</i>) certificates?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
9	Do all of your drivers have valid First Aid/CPR certificates?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

Include copies of the following:

- COR/SECOR** – If you hold a valid COR/SECOR certificate please **include a copy** and you do not need to submit any other safety documentation.
- IRP 16** – If you hold a valid IRP 16 certificate please **include a copy** and you have no need to submit proof of training for Petroleum Safety Training.

If you are a single operator with no SECOR or IRP 16 then supply copies of training in the following:

- Petroleum Safety Training**
- H2S**
- TDG**
- First Aid/CPR**

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LIGHT OILFIELD HAULING LTD.

PO BOX 214
2120 SPARROW DRIVE
NISKU, ALBERTA T9E 8A2
Date: January 2013

PHONE: 780-913-9959

FAX: 780-955-9366

Email: info@jonnys.ca

March 2013

Interline Trucking,

Just a friendly reminder in regards to your invoices to Jonnys: GST should not be charged as there is no GST charged between trucking companies. This is referred to as interline trucking.

Another reminder that the normal finder's fee/commission should be deducted on any invoicing to us. We base this finder's fee on the equipment used to complete the job.

- 10% - Large Trucks
- 15% - 1 Tons/Hot Shots

Please clearly indicate this on your invoice to us.

If you have any questions or concerns about this please feel free to contact me.

Thank you,

Jon McKinley

Jonnys Light Oilfield Hauling Ltd.

Tel: (780) 955-9399

Fax: (780) 955-9366

SUBCONTRACTOR AGREEMENT
BETWEEN

(Subcontractor)

AND

JONNYS LIGHT OILFELD HAULING LTD.

- 1.) Subcontractor shall require its employees, workers, agents, subcontractors, and others engaged by it, to comply with applicable federal and provincial laws and regulations, the Jonnys HSE rules and procedures, as well as local and worksite safety rules. The subcontractor is responsible for notifying and training these persons about such laws, regulations, rules and procedures and ensuring that they are trained and competent in the work that they are assigned to.
- 2.) Anyone performing a service for Jonnys will be formally trained in H2S, TDG, WHMIS and FIRST AID/CPR.
- 3.) All drivers are to be free from impairment while on duty.
- 4.) All workers are required to wear personal protective equipment (PPE). The minimum PPE required will include flame resistant coveralls (*where a JSA or hazard assessment indicates that a flash fire hazard exists*), CSA approved hard hat, footwear and safety glasses. These must be worn at all times while on worksites. Unless otherwise agreed in writing, the subcontractor shall supply all PPE.
- 5.) All drivers will charge by Jonnys rate sheet while working for Jonnys.
- 6.) All drivers will follow the Interline Trucking terms as stated in the above letter.
- 7.) Subcontractor personnel are required to report all incidents, injuries, spills or near misses to the customers worksite supervisor and Jonnys management. This notification is required immediately after such occurrence. It is the responsibility of the person reporting the incident to communicate the information directly to both supervisors.
- 8.) In the event of any incident causing personal injury, a full report and one copy of the Worker's Compensation Board "Employer's Report of Injury" must be submitted to Jonnys management within 24 hours.
- 9.) Vehicles, equipment, tools and materials associated with the Work, shall be maintained in a "fit for purpose" manner, stored and maintained so as to permit unobstructed progress and access to the Work. The above shall be free from fault or defect and suitable for the intended purpose.
- 10.) Subcontractor shall take all reasonable and necessary precautions in the transportation, handling, processing and disposal of any material, product or waste generated by its operations and equipment.

STATUS OF SUBCONTRACTOR

- 1.) Subcontractor shall carry out the Work as an independent contractor and neither subcontractor nor any of its employees or agents or subcontractors shall be deemed for any purpose to be employees or agents of Jonnys. Contractor shall indemnify Jonnys against all Income Tax, Worker's Compensation Board, Employment Insurance, CCP contributions or payments associated with or attributable to the subcontractor or its employees, subcontractors of or agents.
- 2.) Subcontractor has no authority to make any statements, representations or commitments on behalf on Jonnys.

INDEMNITY

Subcontractor shall be liable to Jonnys for, and in addition agrees to indemnify and save Jonnys harmless from, all liabilities, claims, losses or damages, arising out of the Work caused by the subcontractor, its subcontractors, employees or agents in doing or failing to do any of the Work under this Agreement, whether arising out of contract, tort or in any other manner, except to the extent that the liabilities, claims, losses or damages are attributable to the gross negligence or wilful misconduct of Jonnys, or its employees or agents.

RENUMERATION

As with most subcontract agreements Jonnys takes a "finders fee" for subbing out the work. Include this finders fee discount on all invoicing provided to Jonnys. Additionally, as per government GST legislation no GST shall be charged to Jonnys. This is commonly known as "interline" trucking.

Dated the _____ day of _____, 2013

SUBCONTRACTOR

Signature: _____

Printed Name: _____

Title: _____

JONNYS LIGHT OILFIELD HAULING LTD.

Signature: _____

Printed Name: Jon McKinley

Title: President