

C. Lake

January 7, 1991

TO: **Owner-Operators**

FROM: **B. Callagher**

SUBJECT: Workmans Compensation Insurance

Although you are independent contractors, and, according to most State laws, are not required to be covered under Workmans Compensation Insurance coverage, this type of insurance coverage would, unquestionably, be beneficial to you in the event a work related injury should occur. You would be afforded medical coverage, as well as compensation for loss of income after 7 days, if you were unable to perform your contracted driving services.

In the event you employ a driver, you must, by all State laws, provide Workmans Compensation coverage for your driver. It is sometimes difficult to obtain this coverage if you are not incorporated.

With these factors in mind, M.P.C. approached our insurance agent to determine if coverage could be extended to all our Owner-Operators. Our insurance agent can place this coverage, however, he is not interested in charging each individual separately, and will only write the coverage if he can charge M.P.C. We, in turn, can charge you by deducting a percentage of each weeks revenue from your invoice and apply it to the premium paid for the coverage. The rate and percentage charge vary, depending on your State of domicile, however, we can consolidate all our operations at a 3.5% percentage rate factor. This is an extremely attractive rate for this type of coverage, and will not require any advance premium monetary outlay on your part. Unless we can obtain a 100% acceptance, this rate, by virtue of volume, may have to be adjusted. We urge you to seriously consider this very important insurance protection coverage.

Please indicate your acceptance of this arrangement below:

I, _____, agree to accept Workmans Compensation Insurance coverage and reimburse M.P.C. Trucking, Inc. at the percentage charge-back rate of 3.5% of my weekly revenue.

Signed/_____

If you presently have Workmans Compensation Insurance coverage, please provide proof of coverage, listing M.P.C. Trucking, Inc. as an additional insured on the policy.

Please advise if you have any questions concerning Workmans Compensation Insurance coverage or this program.

Regards,

B. Callagher
B. Callagher

BJG/dad