



Family owned and operated since 1974

CROWNCAB OWNER/OPERATOR AGREEMENT

THIS AGREEMENT made this _____ day of _____, 20____, by and between Reed's Incorporated, a Virginia corporation, hereinafter referred to as "Crown Cab", and _____ Cab No. _____, of _____ [address], hereinafter referred to as "Owner/Operator".

WITNESSETH:

WHEREAS, Crown Cab is the holder of a taxicab franchise within the County of Arlington, Virginia, and

WHEREAS, Owner/Operator desires to own and operate a taxicab under the Crown Cab franchise, and

WHEREAS, Crown Cab has agreed to grant permission to Owner/Operator under the terms and conditions hereof and Owner/Operator has agreed to operate under the terms and conditions hereof,

NOW, THEREFORE, the parties hereto agree as follows:

1. RELATIONSHIP. The Parties intend to create by this Agreement the relationship of an Independent Contractor and not an employer-employee relationship. Any doubt as to the construction of this Agreement shall be resolved in order to maintain Owner/Operator's status as an Independent Contractor. Neither Owner/Operator nor any of Owner/Operator's employees, agents or subcontractors are to be considered to be employees of Crown Cab in so far as the subject matter of this Agreement is concerned, or in performing services under this Agreement for any purpose whatsoever. Nothing contained in this Agreement shall be deemed to create an agency, joint venture, partnership, or any other legal relationship except that of Principal and Independent Contractor. Owner/Operator shall not be treated as an employee with respect to this Agreement for purpose of the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, and the income withholding and Worker's Compensation statutes, or in any other respect. Owner/Operator is not authorized and shall not represent the Crown Cab or act on behalf of the Crown Cab under any circumstances.

2. CROWN CAB OBLIGATIONS. Crown Cab shall provide the usage of one of Crown Cab's operating certificate card numbers to the above mentioned, and all other services provided by Crown Cab to its Owner/Operator as the holder of a taxicab certificate within the County of Arlington, Virginia.

3. OWNER/OPERATOR'S OBLIGATIONS. The Owner/Operator agrees to use the services of Crown Cab upon the terms and conditions hereof, and in exchange therefore shall pay to Crown Cab a monthly Owner/Operator fee in accordance with fee schedules to be published by Crown Cab from time to time, said fee to be changed on no less than thirty (30) days' notice.

The Owner/Operator is responsible for payment of the monthly fee for the entire year (and any succeeding years) of the contract, unless this Agreement is terminated. This Owner/Operator fee is assessed on the basis of a single Owner/Operator per vehicle. Should the Owner/Operator allow another driver or multiple drivers (double shifting) to have use of the vehicle, an additional fee may be assessed of each Owner/Operator or driver in the sole discretion of Crown Cab.

4. TERM OF AGREEMENT. Unless otherwise terminated, this Agreement shall remain in force for one (1) year. This Agreement shall automatically be renewed for succeeding one (1) year periods, unless either party gives notice of termination within thirty (30) days prior to the annual expiration date.

5. LICENSURE. The performance and operation of taxicab vehicles shall be performed solely and entirely at the Owner/Operator's risk, and the Owner/Operator assumes complete responsibility for the mechanical condition, equipment, and operation of said taxicab(s), for employing only qualified drivers holding a valid chauffeur's license issued by the Commonwealth of Virginia duly authorized to operate a taxicab vehicle in the County of Arlington, Virginia, and for ensuring that said vehicle shall have all certificates required by law, including but not limited to, valid certificates from the County of Arlington, Virginia, for taxi operations, Commonwealth of Virginia for Hire, and Commonwealth of Virginia Vehicle Safety Inspection Sticker.

6. MEANS AND METHODS OF WORK. The Owner/Operator shall have sole control of the manner and means of operating his taxicab and shall operate said cab according to his own means and methods of work, including all aspects of the work, such as location services, start and stop times, break times, days off and vacation. The Owner/Operator shall direct the performances of his drivers in accordance with applicable federal, state and local requirements, and shall be solely responsible for all insurance coverage requirements of his drivers.

7. VEHICLE SAFETY AND CONDITION. The Owner/Operator shall be responsible for the safe operation and complete maintenance of the Owner/Operator's taxicab vehicle in all respects. The Owner/Operator is solely responsible for assuring that the vehicle and driver comply with, and conform to, the cleanliness standards and regulations as set by the County of Arlington and the guidelines of Crown Cab. The Owner/Operator further acknowledges that Crown Cab may conduct periodic spot checks or inspections of said vehicle(s) and may immediately withdraw the Owner/Operator's use of the individual operating certificate card and/or dome light in the event violations are found. If any loss or damage shall result from the operation of such vehicle, the Owner/Operator shall solely incur such loss. No liability shall be borne by Crown Cab for loss or damage resulting from the unsafe operation or condition of the vehicle, or for any other reason.

8. INSURANCE. The Owner/Operator shall maintain such public liability and property damage insurance with a company authorized to do business within the Commonwealth of Virginia, naming Crown Cab as an additional insured, with liability coverage of at least the amount of three hundred thousand U.S. Dollars (U.S. \$300,000) combined single limit for death or bodily injury, and property damage so as to provide coverage for any and all claims from the Owner/Operator of said vehicle as to personal injuries or collision accident claims, and from any and all other claims of any kind for damage to property or for personal injury, including death, made by anyone that may arise from operations carried on under this Agreement, either by the Owner/Operator, or by anyone directly or indirectly engaged or employed by the Owner/Operator.

Said insurance shall comply fully with the requirements of Section 25.1-7 of the Arlington County Code as then in force. Every such policy shall also contain a clause obligating the company issuing the same to give fifteen (15) days' notice in writing to the Hack Inspector before any cancellation thereof. In addition, the Owner/Operator agrees to provide Crown Cab with such certificate evidencing the required insurance coverage within twenty-four (24) hours of a receipt of request. Should insurance coverage be allowed to lapse or the Owner/Operator continues to operate his vehicle in the absence of insurance coverage, the Owner/Operator understands that Crown Cab may immediately suspend all services and withdraw the Independent Contactor's individual operating certificate card and/or dome light and may report this lack of coverage to the County of Arlington.

9. INDEMNIFICATION. The Owner/Operator shall indemnify, hold harmless, and defend Crown Cab against any and all liability or loss and against any and all claims or actions based upon or arising out of damage or injury (including death) to persons or property caused by or sustained in connection with the operation of the taxicab(s) or by conditions created thereby, or based upon any violations of any statute, ordinance, or the like, including but not limited to attorneys fees and other costs of defense of any such claims or actions. The Owner/Operator shall also indemnify Crown Cab against any and all liability and loss in connection with, and shall assume full responsibility for payment of all federal, state, and local taxes or contributions imposed or required under unemployment insurance, social security, and income tax laws, with respect to the Owner/Operator's drivers engaged in the performance and operation of said taxi cab vehicles.

10. USE OF THE INSIGNIA. In consideration of entering into this Agreement, the Owner/Operator agrees to comply with the Arlington County Code and all ordinances regarding the use of colors and insignia of Crown Cab on Owner/Operator's vehicle. The Owner/Operator agrees not to hold himself out as an employee, agent, servant or representative of Crown Cab or as an employee, agent, servant or representative of one who is qualified to act in any one of these capacities. The Owner/Operator agrees to remove the insignia and lettering of Crown Cab from the taxi cab vehicle(s) prior to the removal of the vehicle from service or upon termination of this Agreement for any reason.

11. OWNERSHIP OF MULTIPLE VEHICLES. In those situations where the Owner/Operator owns more than one taxicab ("Fleet Owner(s)"), said Fleet Owner(s) shall have the same responsibility as Owner/Operators. Said Fleet Owner(s) shall provide the following information for every driver to Crown Cab:

- A. Copy of driver's face card and driver's license.
- B. Copy of insurance certificate with renter listed as additional insured.
- C. Full legal name, street address, home phone, cell phone, pager, etc.
- D. Date started.

Failure by the Fleet Owner(s) to provide said documents may result in the withdrawal of the Fleet Owner(s) certificate(s).

12. BREACH. Any violation of the provisions of this Agreement shall automatically be deemed a breach of said Agreement and at the discretion of Crown Cab shall terminate all rights provided to the Owner/Operator hereunder as of the date of said breach. In addition, the following shall specifically constitute a breach of this Agreement resulting in termination of the Agreement:

- A. Any violations of the ordinances or rules or regulations issued by the County of Arlington, Virginia, relative to the operation of taxicabs by the Owner/Operator
- B. The failure of the Owner/Operator to make timely payments of any sums due to Crown Cab hereunder.
- C. The picking up of a customer dispatched to another taxicab.
- D. The failure of the Owner/Operator to provide a credit card device.
- F. The unauthorized disabling or misuse of the credit card device.

Upon termination of this Agreement, Crown Cab may immediately withdraw the Owner/Operator's privilege of operating under Crown Cab's Certificate of Public Convenience and Necessity and, if provided by Crown Cab, Owner/Operator shall return the computer dispatch system, credit card device (PIM) and dome light to Crown Cab. In the event of termination of this Agreement by Crown Cab, Owner/Operator may, as his sole remedy for any alleged wrongful termination, proceed to Arbitration under Section 13 hereof.

13. MEDIATION AND ARBITRATION.

- A. Arbitration. Any dispute or claims of the Owner/Operator with anyone (including Crown Cab and any employee, officer, director, shareholder of Crown Cab in his or

her capacity or otherwise) arising out of this Agreement, or the breach thereof, including but not limited to claims of harassment, discrimination, wrongful termination, and any statutory claims, other than collection and enforcement actions brought by the company for payment of Owner/Operator's fees to Crown Cab (which may be brought in a court of appropriate jurisdiction in the Commonwealth of Virginia), shall be subject to binding arbitration, and pursuant to Virginia Law, the Owner/Operator agrees to arbitrate these disputes and hereby waives any right to a trial by jury of these disputes.

- B. Procedure. Arbitration of a dispute hereunder shall begin through the filing of a Request for Arbitration by the Owner/Operator. Any arbitration shall be administered by the American Arbitration Association ("AAA") pursuant to the Commercial Arbitration Rules, R-1 through R-56 of the AAA. A neutral arbitrator will be selected in a manner consistent with these rules. The cost of administrative or hearing fees charged by AAA or by the neutral arbitrator shall be borne by the Owner/Operator, provided that the neutral arbitrator shall have the power to award fees and costs, including attorney's fees, to the prevailing party.
- C. Remedy. Arbitration shall be the sole, exclusive and final remedy as stated herein. The Owner/Operator shall not be permitted to pursue court action regarding claims that are subject to arbitration hereunder. The neutral arbitrator shall not have the authority to disregard or refuse to enforce any lawful company policy, and the neutral arbitrator shall not order or require Crown Cab to adopt a policy not otherwise required by law.
- D. Survival. This Agreement to arbitrate shall survive the termination of this Agreement, and can only be revoked or modified by a writing signed by the parties which specifically states an intent to revoke or modify this Agreement.
- E. Violation. Should the Owner/Operator hereafter institute any legal action or administrative proceeding against Crown Cab with respect to any claim required to be arbitrated under this Agreement or pursue any arbitratable dispute by any method other than arbitration, the responding party shall recover from the Owner/Operator all damages, costs, expenses, and attorney's fees incurred as a result of such action.
- F. Mediation. If agreed in a separate writing by Crown Cab and the Owner/Operator, disputes and claims subject to arbitration hereunder may be submitted to mediation under the Commercial Mediation rules of the AAA prior to the filing of a Request for Arbitration by the Owner/Operator.

14. EXTENT OF CONTRACT. This Agreement supersedes and cancels all prior contracts, if any, and constitutes the entire agreement between the parties hereto, and

may not be modified except in writing signed by both parties. The Owner/Operator agrees that no representation or warranties have been made by Crown Cab or its agents with respect to the operation of a taxicab company or the obligations of Crown Cab with regard to the Owner/Operator, except as specifically expressed herein. Any waiver by Crown Cab of any rights arising from a breach or default of any of the provision of this Agreement shall not be construed as a continuing waiver of any other breaches or defaults of the same or other provisions of this Agreement. Throughout the body of this Agreement, all terms indicating the masculine shall apply to the feminine, and all terms indicating the singular shall apply to the plural. This Agreement is made in the Commonwealth of Virginia and shall be governed by the laws of the Commonwealth of Virginia.

15. MISCELLANEOUS.

- A. Owner/Operator agrees to accept credit/debit cards as a form of payment in their taxicab.
- B. Owner/Operator agrees that any and all new cab purchases will be of a Hybrid Vehicle or shall be approved in advance by Crown Cab to comply with Section 25.1-19 of the Code of the County of Arlington, Virginia.
- C. Any waiver by Crown Cab of any rights arising from a breach or default of any of the provisions of this Agreement shall not be construed as a continuing waiver of any other breaches or defaults of the same or other provisions of this Agreement.

WITNESS the following signatures and seals on the date first above written.

REED'S INCORPORATED:

By _____ (Seal)
President

Witness

OWNER/OPERATOR:

(Seal)