

# Airport Shuttle of Phoenix

## Owner Operators

I, \_\_\_\_\_, have read and agree to all of the following for as long as I am an owner operator.

If you've been a professional driver for a while and you've mastered customer experiences (car extremely clean, friendly but not overly chatty and 15 minutes early), getting 5 star reviews by following the process, and maximizing your cash tips ethically, then we may have an owner operator opportunity that you'll like even better.

Since it's your vehicle, you'll have more freedom and fewer restrictions than an independent contractor whose driving company owned vehicles. Your paycheck will be a lot bigger percentage wise, and you will pay for your own fuel, maintenance and insurance. You will take your vehicle home, keep it clean to your high standards, well maintained to keep customers happy, and maximize your cash tips. Everyone knows that you can do everything right, but if someone gives you a dirty car with no gas and a check engine, then your customers probably won't do a cash tip, or call us to book again.

### **Owner Operator Compensation = 20% + 5.6% + 10% + 5% = 40.6% + Cash Tips**

You get normal driver pay 20% plus cash tips, plus the monthly gas percentage (currently 5.6% for MKZs, Lexus and Tesla), plus a fixed 10% for maintenance and repairs, plus 5% fixed for insurance.

### **Vehicle Requirements**

All vehicles must not be older than 10 years, free of internal and external cosmetic damage, and be a luxury brand. We highly recommend:

- Lincoln MKZ Hybrids (excellent gas mileage and extremely long life),
- Lexus ES300 Hybrids (nicer than MKZs, but the power train doesn't last as long 250K as an MKZ Hybrid 500K, slightly better gas mileage),
- Tesla Model S/Y/3 (long range battery size, D is better range, 2020+ = super faster charging, 2016 and older sometimes includes free supercharging, electricity is generally 1/3 the cost of gas even if it's not free, charging takes longer than pumping gas, but you will make way more in cash tips and save lots of money on fuel = higher net income, extremely long life compared to all gas vehicles)
- Navigator L 2X4s (luxury, long life, and lots of space compared to cost),
- Mercedes Sprinter 2500 Passenger High Roof (long life, but emission and AC repairs can be expensive, most of these repairs are avoidable, ask for info).

## **Car Buying Recommendations**

We don't recommend leases, because the additional miles are very expensive if you go over. We also don't recommend most other brands of vehicles, because they can't handle more than 300K miles. We also don't recommend buying new vehicles due to cost and rapid depreciation since you will be putting a lot of miles on the vehicle. 4 to 7 years old is just fine. Lower miles are better, because maintenance costs should be lower as a percentage.

Always have a mechanic check the car for check engine lights and other codes, or a recent code clear before purchasing, so you don't buy a lemon or get struck with any expensive repairs. Do not buy vehicles with accidents, salvaged titles or flooding due to a major storm. Consider buying nationwide on Cargurus to get the best deal and ask about dealer fees and other costs upfront. Consider the total cost including all fees before making a decision. Dealer fees over \$500 are generally excessive. Shipping from out of state is roughly \$800 to \$1200.

## **Insurance Requirements**

You must have a commercial auto insurance policy for livery at all times when you're carrying customers with the same CSL limits that the airports require based on the size of your vehicle. You will also need an Accord listing the airport or city as an additional insured. It may be possible to add rideshare insurance to your existing personal auto insurance policy for a lot less than 5% of revenue.

## **Airport Requirements**

You will have your own airport permit with the company name "your first name and last name" doing business as "Airport Shuttle of Phoenix". You will be responsible for your own driver, vehicle and company permit and any fees. You'll be your own authorized signer and attend your own NOV hearings if you don't follow the rules. If you are no longer driving for our company, you will not be allowed to continue operating as doing business as Airport Shuttle of Phoenix or Texas Shuttle.

## **Conflicts of Interest**

The company will still own the customers and accounts, but you will own the vehicle. So don't allow company provided customers to book with you directly; always refer them back to the company website or the main number. You cannot drive company vehicles or use company gas cards or fleet accounts for repairs and maintenance while you are an owner operator or it will mess up your pay. You can do rideshare apps if you don't have any trips scheduled in the next two hours, but our company trips always take priority over Lyft, Uber, Door Dash, etc. and you cannot be late to any company provided trips. You also cannot advertise or run your own car service on the side since this would increase advertising costs for everyone and lead to a conflict of interest over customers, which will result in immediate termination of your contract.

X \_\_\_\_\_

Date: \_\_\_\_\_