

MAR 26 1996

10225(2)

JULY 1, 1995

THE NATIONAL AUTOMOBILE, AEROSPACE AND
AGRICULTURAL IMPLEMENT WORKERS UNION OF CANADA
(C.A.W. - CANADA), LOCAL 4268

- AND -

THOMPSON EMERGENCY FREIGHT SYSTEM

BETWEEN:

MEMORANDUM OF AGREEMENT

| | | | | | | | | |
|-----|--------|--------|------|--------|------------------|----|------------------------|----|
| UAW | SOURCE | 950701 | EFF. | 980831 | NO. OF EMPLOYEES | 87 | NON-EMPLOYEE EMPLOYEES | 80 |
|-----|--------|--------|------|--------|------------------|----|------------------------|----|

I N D E X

ARTICLE

| | | |
|-----|--------------------------------------|---------|
| 1. | INTENT AND PURPOSE | - 1 |
| 2. | RECOGNITION | 1 - 2 |
| 3. | MANAGEMENT RIGHTS | - 2 |
| 4. | DISCRIMINATION | 2 - 3 |
| 5. | STEWARDS | - 3 |
| 6. | GRIEVANCE PROCEDURES AND ARBITRATION | 3 - 5 |
| 7. | STRIKE AND LOCKOUT | - 5 |
| 8. | SAFETY COMMITTEE | - 5 |
| 9. | MEDICAL EXAMINATION | - 5 |
| 10. | PASSENGERS | 5 - 6 |
| 11. | EXTRA CONTRACT AGREEMENTS | - 6 |
| 12. | LAY OFF AND RECALL | - 6 |
| 13. | MISCELLANEOUS WORKING CONDITIONS | 6 - 7 |
| 14. | RATES | 7 - 9 |
| 15. | HEALTH & WELFARE BENEFITS | 9 - 10 |
| 16. | VACATION PAY | - 10 |
| 17. | DURATION | - 10 |
| | LETTER | - 11 |
| | APPENDIX "A" | 12 - 25 |
| | APPENDIX "B" | 26 - 32 |

John
King

ARTICLE 1 - INTENT AND PURPOSE

- 1.01 The general purpose of this Agreement is to advance the mutual interests of the Company, the union and the Owner-Operator, and to provide for the operations of the Company and methods which will to the fullest extent possible further the safety of Owner-Operators, economy of operation, quality and quantity of output, and to establish and maintain a satisfactory procedure to cover the settlement of differences arising out of this Contract, and to set forth payment rates and other contract conditions.
- 1.02 There shall be no effort by either signatory to misinterpret, read into, or delete from any of the provisions of this Agreement.
- 1.03 Therefore, this Agreement between the Union and the Company, signed by the accredited officials of both parties, has been mutually agreed upon and the terms, as laid out, shall be carried out in letter and spirit by both parties.

ARTICLE: 2 - RECOGNITION

- 2.01 The Company recognizes the Union as the sole bargaining agent for all its Owner-Operator working at or out of Windsor, Ontario.
- 2.02 All Owner-Operators covered by this Agreement must be members of The National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (C.A.W.) and its Local 4268 and they must remain members of the Union in good standing as a condition of continued employment. It is agreed that the Company shall not be required to discharge an Owner-Operator who has refused or denied Union membership unless the grounds upon which the Union refused or terminated the Owner-Operator's membership are valid to the Company.
- 2.03 The Company shall send to the Union office each month a list of names and addresses of all new Owner-Operators and the names and current addresses of those Owner-Operators who have terminated.
- 2.04 The Company shall deduct regular Union dues in the amount as provided for in the Union By-Laws and Constitution from the first settlement cheque of each calendar month due to each Owner-Operator and remit such monies so deducted to the Secretary-Treasurer, C.A.W., Local 4268 on or before the 15th day of the month following the month in which such deductions are made.
- 2.05 The Company will at the same time submit a list of the Owner-Operators from whose settlement dues have been deducted by the Company and the Union agrees to save it

harmless against all suits, claims or demands made against it by reasons of the deduction of dues as aforesaid.

*JA-
C-71
JOK*

ARTICLE 3 - MANAGEMENT RIGHTS

3.01 Except as, and to the extent specifically modified by this Agreement, all rights and prerogatives of Management are retained by the Company and remain exclusively within the rights of the Company and its Management. Without limiting the generality of the foregoing, the Company's rights include:

J. K. W.

- A. The right: to maintain order, discipline and efficiency; to make, alter and enforce policies and practices, to be obeyed by its Owner-Operators: to discipline and discharge Owner-Operators for just cause;
- B. The right: to select, hire and control the working force and Owner-Operators: to transfer, assign, promote, demote, classify, layoff, recall, suspend and retire Owner-Operators; to plan, direct and control operations; to select and retain employees for positions excluded from the bargaining unit:
- C. The right: to operate and maintain the enterprise in order to satisfy its commitments and responsibilities; to determine the location of operations and their expansion or curtailment, the direction of the working force, the scheduling of operations, the sub-contracting of work, the number of shifts, the methods, processes and means of operation, job content, quality and quantity standards: the right to use improved methods, machinery and equipment: to decide on the number of hours to be worked, starting and quitting times; and generally, the right to manage the enterprise and its business without interference are solely and exclusively the right of the Company.
- D. The Company will not exercise the foregoing rights in a manner inconsistent with the express terms of this Agreement.
- E. Rules and regulations for dispatch, posting, etc. are attached hereto as Appendix "B".

ARTICLE 4 - DISCRIMINATION

4.01 No person shall be refused employment or in any manner

discriminated against or coerced, restrained or influenced, on account of membership or non-membership in any labour organization.

4.02 The Union, its members, and/or its Agents, shall not intimidate or coerce or attempt to intimidate or coerce, in any manner whatsoever, Owner-Operators or employees into membership. Any Owner-Operator or employee found violating this provision will be immediately discharged.

4.03 The Union agrees that except with the consent of the Company, no official of the Union and no person authorized by the Union, shall enter the Company's premises and/or engage in Union activities on the Company's premises or during the working hours of an Owner-Operator, except as outlined in the ARTICLE 5 of this Agreement.

ARTICLE 5 - STEWARDS

5.01 The Company acknowledges the Union to appoint a maximum of two (2) Stewards for the purpose of discussing and adjusting grievances arising out of the interpretation, application or alleged violation of this Agreement.

5.02 If the Union has a grievance, the Company shall arrange a meeting with an official of the Union within ten (10) days excluding Saturday and Sunday and Statutory Holidays, from the time that the complaint arose, and shall, if necessary, follow through with a request for arbitration in the manner described under the grievance procedure.

5.03 The Union will inform the Company, in writing, of the names of the Stewards and any subsequent change in the Stewards.

ARTICLE 6 - GRIEVANCE PROCEDURES AND ARBITRATION

6.01 In this Article, a grievance shall consist only of a dispute concerning interpretation and application of any clause in the Agreement, alleged violation of the Agreement, and alleged abuses of discretion of supervision in the treatment of employees. If any question arises as to whether a particular dispute is or is not a grievance, within the meaning of these provisions, the question may be taken up through the grievance procedure and determined, if necessary, by Arbitration. There shall be an earnest effort on the part of both parties to settle such grievance promptly through the following steps:

STEP 1

By conference between the aggrieved employee, Steward and Manager assigned the duties of dealing with such matters,

Handwritten notes and signatures:
10-
E-11
JOL
J. K.

such conference to be held within five (5) days and the Manager shall give his answer within five (5) days of the presentation of the grievance to him.

STEP 2

Failing settlement as in STEP 1 by the Steward and the Manager, the Steward may ask to make an appointment with a senior official of the Company responsible for such matters in an effort to reach a settlement. It shall be responsibility of the Manager and the Steward to submit a written report to such senior official of the Company.

STEP 3

Should the parties fail to reach a satisfactory settlement in any of the preceding Steps, the final settlement of the grievance must be submitted to a Board of Arbitration as outlined below.

6.02 Company Grievance

In the event the Company has a grievance, the Manager shall endeavor to settle the matter with the Steward, and in the event of failure, the dispute may, by mutual agreement, be brought to the attention of a Committee, appointed for this purpose, of Local Union Officials. In so doing, the parties may agree to have this Committee render a decision which shall be final and binding, and having the same judicial powers as a Board of Arbitration established under the succeeding provisions. Failing such an agreement the matter may be submitted to Arbitration in accordance with the provisions herein.

6.03 During any of the above outlined steps of the grievance procedure, the Steward or appropriate Management Representative may request the presence of the National Representative or duly accredited officials of the Union to assist in amicable settlement of such dispute.

6.04 Arbitration

It shall be the responsibility of the party desiring Arbitration to inform the other party in writing, not later than five (5) days after the last discussion of the grievance between the Union and the Management of the Company. A Board of Arbitration shall be immediately established, consisting of one (1) appointee of the Union and one (1) appointee of the Company, and a third member to act as Chairman on the recommendation of the first two (2) appointees. Should the members fail to select a Chairman within fifteen (15) calendar days after the last discussion between the Union and the Company - Article 6 Step 3 - the members shall request the Federal Minister of Labour to

Handwritten notes:
let
OK
Kw

JA
am
Joe
EJ Kull

name the Chairman.

- 6.05 The Board of Arbitration shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in lieu thereof, or to give any decisions inconsistent with the terms and provisions of this Agreement.
- 6.06 Each of the parties hereto will bear the expense of their appointee to the Board and the parties will equally bear the expense and fees of the Chairman.
- 6.07 Both parties to this Agreement agree it is in the interest of both parties to make every reasonable effort to clear up grievance problems with the least possible delay.
- 6.08 The Company shall not be responsible for the payment of time used by any Owner-Operator in the investigation and settlement of a grievance.

ARTICLE 7 - STRIKE AND LOCKOUT

- 7.01 During the term of this Agreement, there shall be no lockout by the Company or any strike, sit down, slow down, work stoppage or suspension of work, whether complete or partial for any reason by the Owner-Operators.

ARTICLE 8 - SAFETY COMMITTEE

- 8.01 The Company and the Union will form a Safety Committee, which will meet as per the provisions of the Canada Labour Code.

ARTICLE 9 - MEDICAL EXAMINATION

- 9.01 Any medical examinations requested by the Company shall be promptly complied with by all Owner-Operators, provided however, that the Company shall pay for all such examinations. The Company reserves the right to select their own medical examiner or physician and the Union may, if in their opinion, they think an injustice has been done an Owner-Operator, have same Owner-Operator re-examined at the Union's expense. This Article applies only in situations after permanent employment is established.

ARTICLE 10 - PASSENGERS

- 10.01 No Owner-Operator shall be permitted to allow anyone except drivers authorized by the Company who are on duty or other transport drivers broken down on the highway, to ride in

JD
JCR
Kull

his truck except by written authorization of the Company.

ARTICLE 11 - EXTRA CONTRACT AGREEMENTS

11.01 It is agreed that neither party to this Agreement shall enter into any agreement or contract with the Owner-Operators which conflicts with the terms and provisions of this agreement, unless both parties agree to same. It is understood, however, that each Owner-Operator covered by this Agreement is also party to an individual agreement with the Company. A sample copy of such individual agreements is attached hereto as Appendix "A" and shall be incorporated by reference into this Collective Agreement.

ARTICLE 12 - LAY OFF AND RECALL

12.01 Should it become necessary to reduce the Owner-Operators, they shall be laid off in ascending seniority, by Department, provided that those who remain are qualified and have the right equipment needed to perform the required work. The Owner-Operators will be recalled in the reverse order in which they were laid off.

ARTICLE 13 - MISCELLANEOUS WORKING CONDITIONS

- 13.01 The Company will continue to pay \$24.95 per month for cellular phones to those Owner/Operators who acquired such phones prior to May 1, 1994.
- 13.02 The Company will pay to Owner/Operators ninety percent (90%) of the amounts it may bill and collect for suspended orders and waiting time.
- 13.03 All local trips (within the same zone) shall be paid at the rate for a first trip. This includes highway brokers.
- 13.04 All Owner/Operators under contract as of the date of ratification will receive the sum of \$37.00 per month.
- 13.05 In the event of a discrepancy over a pay statement the Owner/Operator may, within thirty (30) days of receiving the statement request a review of the billing documents which shall be done within seven (7) days of the request.
- 13.06 Owner/Operators will be **paid** an annual bonus of \$1,200.00, upon each anniversary date of ratification, provided that during the ensuing twelve (12) months they have posted for and are available for a minimum of twenty-six (26) weekends work. All Owner/Operators must advise the Company no later than 23:00 hours Thursday if they are unavailable to work that weekend.

Act-
G/M
JOK
Kull

13.07 Owner/Operators will be paid on the 12th and 27th of each month or the next business day when the 12th or 27th day of the month falls on a Sunday.

The Company will provide fuel statements each pay period.

13.08 The parties agree to have quarterly meetings to review procedures and complaints. Each party shall provide a written agenda to the other at least twenty-four (24) hours prior to the meeting.

13.09 Reimbursement for tolls will be paid by separate cheque.

ARTICLE: 14 - RATES

14.01 All dock level equipment (fifty-four inches (54")) to be paid at dock level rates regardless of weight or rotation. The equipment must be accessible to the dock plate and twelve (12') feet to twenty-four (24') feet in length.

14.02 All non-General Motors contract freight, meaning freight not paid for by General Motors.

| | <u>Dock Level</u> | <u>1 Ton and Van</u> |
|----------------------|-------------------|----------------------|
| First Load | 69% | 57% |
| Second Load | 45% | 45% |
| All Loads thereafter | 57% | 57% |

14.03 General Motors contract freight Geographic Region: Between Ontario and Quebec and All States and Quebec.

| | <u>Dock Level</u> | | <u>1 Ton and Van</u> | |
|----------------------|--------------------|-----|----------------------|-----|
| Weight | 0-2000 2001 - over | | 0-2000 2001- over | |
| First Load | 71% | 72% | 59% | 62% |
| Second Load | 47% | 48% | 47% | 50% |
| All Loads thereafter | 59% | 60% | 59% | 62% |

Geographic Region: All States to Ontario.

| | <u>Dock Level</u> | | <u>1 Ton and Van</u> | |
|----------------------|-------------------|--|----------------------|--|
| Weight | 2001 - over | | 2001- over | |
| First Load | 74% | | 64% | |
| Second Load | 50% | | 52% | |
| All Loads thereafter | 62% | | 64% | |

Geographic Region: Ontario to Ontario

| | <u>Dock Level</u> | | <u>1 Ton and Van</u> | |
|----------------------|-------------------|--|----------------------|--|
| Weight | 2001 - over | | 2001- over | |
| First Load | 72% | | 62% | |
| Second Load | 48% | | 50% | |
| All Loads thereafter | 60% | | 62% | |

Geographic Region: Ontario to all States

| | <u>Dock Level</u> | <u>1 Ton and Van</u> |
|----------------------|-------------------|----------------------|
| Weight | 2001 - over | 2001- over |
| First Load | 72% | 61% |
| Second Load | 48% | 49% |
| All Loads thereafter | 60% | 61% |

Handwritten notes:
 X
 I
 J
 K
 L
 M
 N
 O
 P
 Q
 R
 S
 T
 U
 V
 W
 X
 Y
 Z
 Kull

The foregoing percentages are shown with the General Motors surplus built into the rate. Current broker statements will remain the same.

Where not otherwise provided the percentage for General Motors contract freight shall be as in 14.02.

14.04 Rates for local cartage:

Toronto

Dock level equipment: 60% of invoice with a minimum of \$60.00 per load. Empty miles, at the rate of \$0.25 per mile, to or from will be paid when the broker is outside the designated map for local cartage.

All other equipment: 55% of invoice with a minimum of \$50.00 per load. Empty miles, at the rate of \$0.20 per mile, to or from will be paid when the broker is outside the designated map for local cartage.

Windsor

Dock level equipment: \$75.00 per invoice or \$100.00 per invoice after 75 miles.

All other equipment: \$50.00 per invoice or \$75.00 per invoice after 75 miles.

14.05 The empty mile policy will be as follows:

- (a) After fifty (50) empty miles the one (1) ton and five (5) ton brokers will receive .25 per empty book mile. Vans will receive .20.
- (b) If you are required to stay overnight for freight we will pay up to \$25.00 for a room.
- (c) Empty miles will only be paid if you will remain in an area for the amount of time allotted by dispatch to a destination determined by dispatch. The time

At
JCR

will be no less than six (6) hours (excluding weekends). After six (6) hours it will be the broker's decision to move or stay.

(d) The above only applies to one hundred (100) miles outside of Buffalo, Detroit, Port Huron, ~~and~~ not apply within Ontario. *Kuh*

(e) To be paid for the room a receipt is required. *7*

(f) Empty miles will not apply if a broker delivers two (2) or more shipments outside one hundred (100) miles of Windsor, Fort Erie or any border point. Also Quebec, Cornwall, Kapuskasing, Ontario. *K*

(g) Anyone wishing to go home early will not be paid empty miles.

(h) In Ontario when a broker is required by dispatch to go empty from one zone to another zone or to pick-up freight out of zone, empty miles will be paid from mile zero.

(i) In addition to the foregoing empty mile pay structure within Ontario, the Company will pay the following chase miles for pick-ups only to become effective after the first fifty (50) miles:

Dock level equipment: \$0.25 per mile
1 ton or van \$0.20 per mile.

(j) The east coast empty mile rate i.e. for empty miles from U.S. east coast destinations back to the Canadian border point:

Dock level equipment \$0.60 per mile
1 ton or van \$0.35 per mile

(k) Empty miles will also be paid from:

Kapuskasing, Ontario to Toronto, Ontario
Cornwall, Ontario to Oshawa, Ontario
Quebec to Oshawa, Ontario

14.06 Effective February 1, 1998 Owner/Operators will receive the following additional mileage surplus bonuses on all moves except contract freight:

Dock level equipment \$0.04 per mile
1 ton or van \$0.02 per mile

ARTICLE 15 - HEALTH & WELFARE BENEFITS

15.01 The Company will continue to pay the premium cost for the



following benefits:

- 1. Life insurance and Accidental Death and Dismemberment (AD&D) of \$25,000.00 for all full-time employees;
- 2. Dependent Life Insurance;
- 3. Extended Health Benefits;
- 4. Dental Care Benefits.

15.02 Benefit information is contained in the books to be distributed to Owner/Operators, but it is understood that the terms of the master policy of insurance govern.

ARTICLE 16 - VACATION PAY

16.01 All Owner/Operators after one (1) year of services as of the date of ratification will receive vacation pay as follows, to be paid on their anniversary date with the Company after ratification:

| | |
|----------------------------|----------|
| One year service: | \$400.00 |
| Two or more years service: | \$800.00 |

16.02 Owner/Operators are not required to take a vacation to receive the vacation pay.

ARTICLE 17 - DURATION

17.01 This Agreement shall become effective the 1st day of July, 1995 and shall remain in effect until 31st day of August, 1998 and from year to year thereafter, unless **notice of amendments** by either party is given by registered post within sixty (60) days prior to the expiration date.

17.02 Negotiations shall be entered into within twenty (20) days of notification to do so.

17.03 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns.

Dated this 8th day of March 1996.

For the Company

For the Union

LETTER

Unless otherwise provided for, the monetary changes agreed to during negotiations shall be effective as of the first Monday following ratification.

For the purposes of Article 16 the anniversary date shall mean the anniversary of the date they drove their first load with the Company, following their most recent date of hire.

All amounts in the agreement are in Canadian dollars.

Handwritten notes and signatures on the right margin, including "JOK" and "K.M.M."

INDEPENDENT CONTRACTOR OPERATING AGREEMENT

Handwritten notes and signatures:
E.L.H.
JOL
G. Hall

THIS AGREEMENT made the _____, 19_____

BETWEEN:

890557 ONTARIO LIMITED
OPERATING AS
Thompson Emergency Freight System
2970 College Avenue
Windsor, Ontario
N9C 1S5
(Hereinafter referred to as the "Company")
OF THE FIRST PART

- and -

(Name)

(Street Address)

(City/Town)

(hereinafter referred to as the "Owner/Operator")
OF THE SECOND PART

WHEREAS the Owner/Operator **is** the owner of the vehicle more particularly **described** in Schedule "A" hereto (hereinafter referred to as the "Vehicle") and desires to contract with the Company to **provide services** in connection with the hauling of freight, **goods**, merchandise and cargo of all kinds **and descriptions** for the Company **and** the Company's customers in respect of the Emergency Freight Division.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the **mutual** covenants contained herein, the parties hereto **agree as follows:**

1. Agreement and Term

1.1 Subject to the terms and conditions **hereof**, the Company **hereby** contracts for the services of the Owner/Operator and the Owner/Operator hereby accepts **such** retainer for the exclusive use and operation of the Vehicle in **connection** with the Company's **business** operations.

1.2 This Agreement shall commence on the date hereof and shall continue to full force and effect for a period of thirty-one (31) days. At the expiry of the said 31 day period, this Agreement shall be automatically renewed for successive periods of thirty-one (31) days each until terminated by either the Company or the Owner/Operator, upon fifteen (15) days prior notice in writing given to the other party or unless otherwise terminated in accordance with the terms and conditions hereof.

A
2011
JOK
GKM

1.3 Notwithstanding subparagraph 1.2 hereof, the Company may at any time without notice terminate the Agreement for cause and without limiting the generality of the foregoing, there shall be sufficient grounds for termination hereunder by the Company if the Owner/Operator

(a) Operates the Vehicle or any other motor vehicle at any time while under the influence of alcohol or drugs;

(b) Allows or permits unauthorized or unqualified persons to operate or otherwise use the Vehicle or allows or permits unauthorized persons to ride in the Vehicle;

(c) Is convicted of careless, dangerous, or reckless driving or is convicted of theft, fraud, or embezzlement.

(d) Loses his driver's license or is otherwise prohibited or suspended from driving; or

(e) Fails to obey the reasonable instructions, directions or orders given by the Company or its authorized personnel.

1.4 Upon the termination of this Agreement, whether under subparagraph 1.2 or 1.3 or otherwise, the Owner/Operator shall immediately return to the Company all property of the Company including, without limiting the generality of the foregoing, all tarps, fifth wheel pinlocks, padlocks, credit or fuel cards, fuel keys, door keys and operator's manuals.

2. Status of Vehicle

2.1 The Owner/Operator hereby agrees that contemporaneously with the execution and delivery of this Agreement, the Owner/Operator will, at the Owner/Operator's expense, cause the Vehicle to be safety checked and deliver a certificate of mechanical fitness to the Company.

2.2 The Owner/Operator acknowledges and agrees the Company may have such licences, authorizations, permits and registrations in respect of the Vehicle transferred into the company's name as the Company may, in its sole and absolute discretion, determine. Failing notice by the Company to the Owner/Operator to the contrary, the Owner/Operator shall be responsible for obtaining all necessary licencing, authorizations, permits and registrations for operation of the Vehicle pursuant to this Agreement.

2.3 The Company shall not be responsible or liable for any indebtedness incurred by the Owner/Operator in respect of the Vehicle and the Owner/Operator hereby agrees to indemnify and save the Company harmless in respect thereof.

2.4 Prior to commencing operations under this Agreement, the Owner/Operator shall, at his expense, cause the Vehicle to be painted with such lettering, names, logos or decals as the Company may in its sole discretion direct or as may be in accordance with the Company's established policy from time to time.

2.5 Upon the termination of this Agreement, all Company related Lettering, names, logos, colour schemes, decals and fuel stickers shall be removed from the Vehicle at the expense of the Owner/Operator and the Owner/Operator shall make the vehicle available for inspection by the Company to ensure that all identifying logos and stickers above-mentioned have been removed.

3. Operation and Maintenance of the Vehicle

3.1 The Owner/Operator covenants and agrees with the Company as follows.

- i) To maintain the Vehicle at a high level of mechanical fitness in accordance with all municipal, provincial, federal and Interstate Commerce Commission regulations, laws or statutes in effect from time to time or as may be reasonably required by the Company;
- ii) To permit the Company or its representatives to inspect the Vehicle at any time or from time to time and to permit or provide access to any premises where the Vehicle may be located and forthwith upon notice from the Company to discontinue, make good, service or repaid, as the case may be, any misuse, want of maintenance, service or repair of the Vehicle which shall be disclosed by such inspection;
- iii) To provide at the Owner/Operator's expense, flares, first aid kits, chains, binders, tarps and all other safety equipment as may be required by any municipal, provincial, federal or Interstate Commerce Commission regulations, laws and statutes or as may be reasonably required by the Company for the safe and lawful operation of the Vehicle;
- iv) Not to operate the Vehicle on any highway at speeds in excess of 55 miles per hour or 90 kilometers per hour or the posted speed limit, whichever is less;

Handwritten notes and signatures in the top right corner, including "0711" and a signature that appears to be "KMM".

AT
E. 14
JOL
Kull

- v) To keep the Vehicle clean and in a good state of general appearance and to abide by the reasonable directions from the Company with regard to cleanliness and appearance of the Vehicle;
- vi) Not to allow or permit the Vehicle to be operated or occupied by anyone other than the Owner/Operator herein unless the prior written consent of the Company.
- vii) Not to operate the Vehicle or report for work while under the influence of alcohol or drugs or to consume alcoholic beverages or drugs while operating the Vehicle or while at the premises of any consignor or consignee.

3.2 The Owner/Operator shall only use or operate the Vehicle as directed by the Company and will pick up and deliver loads assigned to the Owner/Operator by the Company, all in accordance with the company's directives, as the same may be issued or amended from time to time in the Company's sole discretion.

3.3 The Owner/Operator agrees to comply with and abide by all regulations, laws, by-laws, statutes and ordinances promulgated by any municipal, provincial, federal, Interstate Commerce Commission or other authority of competent jurisdiction relating to the use or operation of the Vehicle and without limiting the generality of the foregoing, the times of operations shall be in compliance with all applicable municipal, provincial, federal and Interstate Commerce Commission safety rules or regulations. subject to the foregoing, the Owner/Operator shall at all times, use his best efforts, to meet and fulfill the Company's schedule of operations.

3.4 The Owner/Operator shall be responsible for and shall pay all costs and expenses, direct or indirect, associated with the use or operation of the Vehicle. In addition, the Owner/Operator shall be responsible for all equipment used in connection with the Vehicle and all freight or cargo carried by the Owner/Operator while the same is in the Owner/Operator's possession.

3.5 The costs and expenses of all repairs, service or maintenance to the Vehicle during the term of this Agreement including, without limiting the foregoing, the costs and expenses of fuel, oil, lubricants, tires, replacement tires and all other operating supplies and accessories and the cost and expense of labour in connection therewith shall be at the expense of the Owner/Operator. The Owner/Operator shall pay to the Company forthwith upon demand all costs and expenses, as aforesaid, which the Company may incur and shall pay to the Company, service charge not exceeding ten percent (10%) of the costs incurred excluding cost of fuel.

· E₂ -

Handwritten initials and signatures on the right margin, including "JCM", "JCM", and a large signature.

4. Payment Terms

4.1 The Owner/Operator shall promptly and in accordance with the directives of the Company, file with the Company all necessary forms including, without limiting the generality of the foregoing, all pro bills, bills of lading, log sheets, compu-charts, fuel receipts, credit card vouchers, accident reports, trip envelopes, customers' manifests, trip vouchers and toll vouchers.

4.2 The Owner/Operator shall promptly file with the Company all delivery documents on a trip by trip basis and in any case the Owner/Operator shall file with the Company all delivery documents related to such trips taken by the Owner/Operator within forty-eight (48) hours of each trip (the calculation of the 48 hours to exclude Saturdays, Sundays and statutory holidays).

4.3 Subject to the foregoing and in consideration of the services or the Owner/Operator under the Agreement, the Company shall pay to the Owner/Operator the amount or amounts at such time or times as determined in accordance with Schedule "8" attached hereto.

5. Holdback and Set-off

5.1 Throughout the term of this Agreement, the Company shall be entitled to retain from the monies payable to the Owner/Operator under subparagraph 4.3 hereof, a sum as determined in Schedule "B" hereto or such greater sum as may be mutually agreed upon by the Company and the Owner/Operator. The Owner/Operator hereby authorizes and directs the Company to deduct from the monies payable to the Owner/Operator the aforesaid sum and to hold such sum on deposit with the Company's bank from time to time. Interest shall be paid to the Owner/Operator on the monies held by the Company pursuant to the provisions hereof at the rate provided for in Schedule "B" hereto.

5.2 When, at any time during the term of this Agreement, the Company is in possession of or has control of any monies due and owing by the Company to the Owner/Operator or held by the Company on behalf of the Owner/Operator, the Owner/Operator hereby covenants and agrees that the Company shall be entitled to pay and satisfy all amounts due under this Agreement or other sums payable by the Owner/Operator to the Company hereunder from the monies so possessed, controlled or held by the Company.

6. Insurance

The Company shall take out and maintain in full force and effect during the term of this Agreement a blanket policy of insurance in favour of the Company, with the Owner/Operator's interest shown as it may appear, as follows:

Handwritten initials and signatures: "L.F.", "G.M.", "J.M.", and a large signature.

- i) Liability insurance for **legal** liability for **bodily injury** or **death** or **damage** to the **property** of **others** in such amounts with respect to each occurrence **as** the Company ~~may~~ from time to time in its discretion decide:
- ii) All **risk** insurance in an amount to be determined in the Company's discretion **from** time to time; and
- iii) Insurance in respect of **such** other **risks** and **perils** as the Company may determine in its **discretion** from time to time.

2 In the event of an accident of any kind whatsoever, whether the Vehicle is damaged or not, the Owner/Operator shall notify the Company immediately by the speediest means available and the Owner/Operator shall further provide the Company with full particulars of the accident including, but not limited to, completing the Company's standard accident report form. In connection with any accident or incident hereunder, the Owner/Operator will not admit any liability and will fully cooperate with the adjuster for the Vehicle's insurer to permit a full and complete investigation;

3 In the event of the occurrence of damage to the Vehicle not amounting to total loss thereof, the Owner/Operator shall expeditiously see to the repair of the Vehicle so damaged. The Owner/Operator shall ensure that all repairs return the Vehicle to such condition as shall conform with paragraph 3.1 hereof.

4 The Owner/Operator shall be liable for and shall pay for the deductible amounts (inclusive of towing or wrecking costs or charges, adjuster's fees or other like expenses) in respect of each occurrence described above, as provided in Schedule "5" hereto.

Customer Goodwill

1 The Owner/Operator acknowledges that the Company's good relations with its customers are essential to the Company's continued operations and as such the Owner/Operator undertakes and agrees to perform the services required by him under this Agreement and at all times to conduct all dealings and relations with the Company's customers in a courteous and businesslike manner. In the event that this agreement is terminated, the Owner/Operator shall immediately deliver up possession of any freight, load or property whatsoever, in his possession, belonging to or en route to the Company's customer and the Owner/Operator shall indemnify and hold harmless the Company from all liability incurred by the Company due to the Owner/Operator's failure to comply with this provision.

8. Licences

8.1 *The Vehicle* shell, at the expense of the Owner/Operator, be properly licensed with a **base** plate issued by the jurisdiction of the Owner/Operator's usual and ordinary place of residence prior to the commencement of this Agreement. The Owner/Operator shall also be **responsible** for the payment of any **special use** taxes assessed by any competent **taxing** Jurisdiction in **which** the Vehicle may be operated.

8.2 The Company will provide **necessary** fuel stickers to be used with the **Vehicle**, provided that the **same** shall be and remain the property of the Company. Whenever this Agreement is terminated, the Owner/Operator shall reimburse the Company for the cost of the unused portion of any non-transferrable **fuel stickers** that have been supplied by the Company.

9. Pledging Credit and Indemnity

9.1 The Owner/Operator shall not without the prior written consent of the Company, for any **reason** whatsoever, pledge the credit of the Company nor incur bills, accounts or liabilities in **any** manner in the **name** of the Company or on **its** behalf and if the Owner/Operator **does so, he** shall indemnify and save harmless the Company in relation to **any** of the aforesaid. If the Company is required to pay **any** credit or **charge** incurred by the Owner/Operator on behalf of the Company without the written consent of the Company, there shall be due and owing to the Company by the Owner/Operator the amount so **charged** by the Owner/Operator plus interest at the rate of two **percent (twenty-four percent (24%) per annum)** (calculated and payable monthly) until the Company is reimbursed by the Owner/Operator.

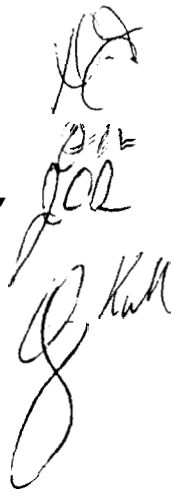
9.2 During the term of this Agreement, the Owner/Operator shall indemnify and hold harmless the Company and the Company's employees, agents and contractors from and **against** any and **all** losses, **damages, injuries, claims, demands, costs and expenses** (including legal **costs** on a **solicitor-client** basis) of every kind and nature arising out of or in any way connected with:

- i) The use or operation of the Vehicle or any equipment used in connection therewith or any freight or **cargo** carried thereon or therein while the **same is** in the **possession** of the Owner/Operator including the negligence of the Owner/Operator;
- ii) The failure of the Owner/Operator to comply with all of **the** Owner/Operator's covenants, obligations and **agreements** under this Agreement, or as otherwise **communicated** to the Owner/Operator.
- iii) The enforcement by the Company of any of **its** rights or remedies under this Agreement.

[Handwritten signatures and initials]

- a -

Provided such indemnity shall not extend to any portion of any **loss, damage, Injury, claim, demand, cost or expense which is due to the wrongful act, gross negligence of the Company or its employees, agents or contractors.** Such indemnification **shall survive the termination of this Agreement, and shall be binding upon the heirs, executors, administrators, legal representatives and permitted successors and assigns of the Owner/Operator.**

Handwritten initials 'JA' at the top, followed by 'D11' and 'J02' in the middle, and a large, stylized signature at the bottom.

10. General Provisions

10.1 During the term of **this Agreement, the Company shall have the exclusive possession, control and use of the Vehicle subject to the Owner/Operator's covenants, agreements and obligations contained in this Agreement.**

10.2 The Owner/Operator will at all times and for all purposes by and Se deemed to **be an independent contractor and not an employee, partner, or joint venturer of the Company.**

10.3 The **parties hereto agree to execute and deliver all documents and instruments of all kinds necessary, or desirable to give effect to this Agreement.**

10.4 The invalidity of any particular provision in this **Agreement shall not affect any other provisions hereof but shall be severable and this Agreement shall be considered as if such invalid provision were omitted herefrom.**

10.5 This Agreement shall be binding upon and **enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Agreement or any interest herein shall not be assignable by the Owner/Operator without the prior written consent of the Company, which consent may be arbitrarily withheld by the Company.**

10.6 In respect of road use **taxes assessed against the Vehicle, the Company shall be entitled to apportion road use taxes assessed against the Vehicle among the jurisdictions entitled thereto based upon the miles driven in each jurisdiction. To the extent that the Company becomes obligated to remit payment to any jurisdiction for road use taxes, the Owner/Operator shall indemnify the Company for the amount thereof and shall remit such amount immediately upon demand by the Company. The Company agrees to pay to the Owner/Operator the amount of any refund or credit arising by such apportionment, if such is the case. The Owner/Operator acknowledges and agrees that the Company shall be entitled to charge the Owner/Operator with an administration fee as set out in Schedule "B" hereto.**

10.7 Governing Law

This Agreement shall be construed in accordance with the laws of the Province of Ontario and no action or other proceeding shall be brought against the Company to construe or enforce this Agreement except in the courts of that province.

10.8 Any notice required to be given hereunder shall be in writing and may be personally delivered or may be forwarded by registered mail. If personally delivered such notice shall be effective as of the time of delivery. If any such notice is so mailed, it shall be deemed to have been given by the sender and received by the party hereto to whom it was addressed forty-eight (48) hours after the due mailing thereof at any post office in Canada by prepaid registered mail addressed to the Company's or Owner/Operator's address, as the case may be, as hereinbefore set forth. The Company and Owner/Operator may, from time to time, give notice of any change of their address in the manner aforesaid and in such event, any such address shall be deemed to have been changed accordingly.

10.9 Article headings appearing in this Agreement are inserted for convenience of reference only, and do not affect the interpretation hereof.

10.10 Gender/Number

Whenever the context of this Agreement requires, the masculine gender includes the feminine or neuter and the singular number includes the plural. Whenever the word "Company" is used herein, it shall include all assignees of the Company. If there is more than one Owner/Operator named in this Agreement, the liability of each shall be joint and several.

10.11 Entire Agreement - Amendment

This Agreement contains the whole of the agreements between the parties hereto and no collateral agreements or conditions and no modifications, amendments or variations hereof shall be effective or binding on the parties hereto unless agreed to in writing by both parties or contained in additional schedules hereto.

Handwritten signatures and initials, including "Joe" and "J. Hill".

IN WITNESS WHEREOF each of the parties hereto has executed this Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
In the presence of:

890557 ONTARIO LIMITED

per _____
Authorized office

Witness as to the signature
of the Owner/Operator

Owner/Operator

Handwritten signatures:
Let
Em
Joe
GKM

SCHEDULE "A"

Vehicle

The Vehicle consists of a stake truck or van being a 19_____.

Make: _____

Model: _____

Serial No: _____

[Handwritten notes and signatures]
C-11
AOL
J. K. M.

SCHEDULE "B"

EMERGENCY FREIGHT DIVISION - CANADIAN OWNER OPERATOR

TERMS OF PAYMENT

1. The Owner/Operator shall be paid the following rates of the total transportation revenue charge to the customer excluding currency exchange and surcharges. All payments shall be made in Canadian funds.

Handwritten notes and signatures on the right margin, including "OT", "EM", "202", and a signature.

- a) For one (1) tonne trucks and vans;
 - i) Fifty-seven percent (57%) of the first load;
 - ii) Forty-five percent (45%) of the second load;
 - iii) Fifty-seven percent (57%) of each load thereafter.
- b) For all other vehicles not set out in paragraph (a) above;
 - i) Sixty-nine percent (69%) of the first load;
 - ii) Forty-five percent (45%) of the second load; and
 - iii) Fifty-seven percent (57%) of each load carried thereafter

2. The Company shall pay to the Owner/Operator the sums calculated in accordance with paragraph 1 above, less all deductions or set-offs provided for in this Agreement, within ten (10) business days of submission at the Company's terminal of the completed trip documents required under paragraph 4.2 of this Agreement.

3. The holdback provided for under paragraph 5.1 of this Agreement may be deducted from the monies payable to the Owner/Operator under paragraph 1 above, at the rate of \$100.00 per pay. The total amount of the holdback to be established is One Thousand Dollars (\$1000.00). The Company shall be entitled to retain the holdback monies for a period of ninety (90) days from the termination date of the Agreement. In the event that this Agreement is terminated and the holdback then retained by the Company is less than One Thousand (\$1,000.00) Dollars, then the Company shall be entitled to withhold sufficient funds from any amount then due to the Owner/Operator, as required, to increase the holdback retained by the Company to One Thousand (\$1,000.00) Dollars.

4. The Company shall be entitled to deduct from the monies payable to the Owner/Operator under paragraph 1 above, the following:

- a) Licensing fees on a pro-rata basis;

Handwritten signatures and initials:
A
E. M.
J. G.
D. M.

b) Toll charges (other than toll charges which the Company agrees to pay, provided that the toll charge receipts are submitted with the trip cards for the trip in which the toll charges were incurred);

c) Fuel - posted wholesale price at each location.

d) Special use taxes as follows:

| | | |
|-------|----|---------------|
| _____ | \$ | _____ / _____ |
| _____ | \$ | _____ / _____ |

e) Cost of administration with regard to the road use tax calculation referred to in 10.6 of the contract. This amount shall be deducted at the rate of \$13.00 per *pd* *do* where applicable.

f) The applicable cost of Workers Compensation premiums.

g) The total amount of any penalties and/or fines incurred for parking violations plus an additional administration fee of Ten (\$10.00) Dollars for each such individual violation;

h) Except as provided in item (i) below, for use of any credit card or credit account in the name of the Company, the principal amount incurred together with interest thereon at the rate of prime plus two percent (2%) per month; prime shall mean the prime rate as established from time to time by the C.I.B.C. Bank;

i) for use of any credit card or credit account in the name of the Company to procure a cash advance and/or to purchase fuel, the principal amount of such cash advance or fuel purchase after conversion of such amounts into Canadian funds, with interest thereon at the rate of twenty-four percent (24%) per annum, calculated and payable monthly.

5. a) In respect of the Company's collision, public liability, property damage, and all risks insurance for the benefit of the Owner/Operator the deductible amount payable by the Owner/Operator in respect of each occurrence is as follows:

i) The first \$1,000 including but not limited to, damages ensured pursuant to collision and comprehensive coverage.

5) Where the company provides collision, public liability and property damage insurance for the benefit of the Owner/Operator, the deductible amount payable by the Owner/Operator in respect of each occurrence are as follows:

i) \$1,000 for collision and comprehensive.

6. The company shall be responsible for the following:

a) The supply of one Ontario Hospitalization Insurance Plan per unit.

b) The supply of one group benefit package per unit.

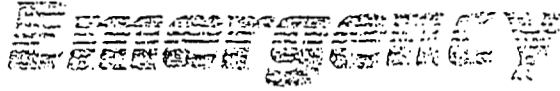
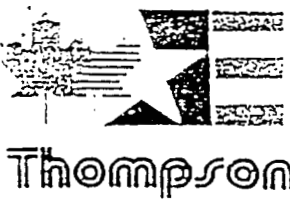
c) Interest payable on holdback or set-off in the following manner:

INITIALS

Company: _____

Owner/Operator: _____

Handwritten notes and signatures on the right margin, including the name "E. M. JOHNSON" and a signature.



Emergency Freight System
1932 Ambassador Drive
Windsor, Ontario N9C 3R3
1-800-265-7332 Windsor 969-9006

Handwritten notes:
A.
Am
JOL
G
K

Thompson Emergency Company Policies
Governing the Actions of All Drivers

The following rules and regulations and the penalties to be charged for their violations are to be placed in effect.

Nothing in these rules and regulations shall deprive the driver of the right to challenge a penalty.

Nothing contained herein shall prejudice the right of the company to institute additional rules and regulations which do not conflict with those contained herein.

All infractions of the Highway Traffic Act and municipal by-laws shall be the responsibility of the driver except those which are, by their nature, the responsibility of the company.

1. Accidents

- A. Accidents for which the employee is at fault or for which his action or lack of action is a contributory factor, will result in disciplinary action, which may range from "reprimand" to "dismissal" according to the seriousness of the accident, the degree of negligence or carelessness, and frequency of accidents.
- B. Failure to report any accident immediately will result in the driver being subject to dismissal.
- C. The company reserves the right to negotiate all claims.

2. Conduct and Behavior

- A. Consuming intoxicants while on duty or on the company's property:
1st offence - immediate dismissal.
- B. Reporting for duty while under the influence of an intoxicant:
1st offence - immediate dismissal.
- C. Theft, dishonesty or willfull damage or failure to turn in monies collected:-
1st offence - immediate dismissal
- D. Discourtesy to a customer (subject to investigation):
1st offence - 3 days off
2nd offence - subject to dismissal

- E. Refusal of dispatch:
 - 1st offence - 3 days off
 - 2nd offence - 1 week off
 - 3rd offence - immediate dismissal
- F. Failure to obey instructions of authorized personnel :
 - 1st offence - 3 days off
 - 2nd offence - subject to dismissal
- G. Conviction resulting in loss of driver's license:
 - 1st offence - subject to dismissal
- H. Late time deliveries when stipulated:
 - 1st offence - warning **letter**
 - 2nd offence - 3 days off
 - 3rd offence - subject to dismissal

Jim
JOL
[Signature]

✓

3. Reports

- A. Failure to report to dispatcher at specified times when required to do so while on duty:
 - 1st offence - 3 days off
 - 2nd offence - subject to dismissal
- B. Any driver failing to report for work for 3 consecutive days without reason will be considered to have terminated his/her employment with the company.

4. Drugs

- A. The use of or possession of Bensedrine or other similar barbituate drugs is a violation of the Drug Act and company regulations. Any driver found to be in possession of or using same will be dismissed,

5. Passengers

- A. Unauthorized passengers are prohibited.
- B. Any use of company owned vehicles other than company business is prohibited,
 - 1st offence - 1 week off ✓
 - 2nd offence - dismissal of driver

6. Outside Charges

- A. All outside charges will be charged back to the driver at a 13% mark up for billing, All charges must be approved by authorized personnel and accompanied by a purchase order number issued by the company.

Handwritten notes:
ST
CIN
FOR
G
J.M.

7. Dispatch Procedures

- A. Each driver shall record with the company a single telephone number which will be used to call and advise drivers that a trip is available. All numbers will be kept in strict confidence.
- B. In the event that a driver does not answer the telephone or respond to the pager within a fifteen (15) minute period or thirty minutes (30) while on the road, the driver will be put to the bottom of the rotation.
- C. All drivers booked out for sleep will be kept posted:
 - home domicile - ten (10) hours
 - foreign domicile - eight (8) hours

8. Call-In Procedures

All drivers must call in at times listed below:

- 1. When arriving at vendor
- 2. When loaded, with specifications, at vendor.
- 3. When clearing at customs
- 4. When arriving at consignee.
- 5. When empty at consignee.
- 6. When there is an extended delay.

Drivers will be kept posted in rotation at the airport. All HOT shipments **will be** dispatched from the airport.

9. Hours of Service

Owner/Operators of vehicles with a gross weight of over 4500 kgs are governed by the Provincial rules and regulations pertaining to the hours of service. .

This will now include all Owner/Operators regardless of weight, if they so desire.

Dispatch Procedures

There are 3 zones that make up the dispatch area, they are East, Central and West, as follows:

- West: Starts in Windsor and goes east to Bloomfield Rd in Chatham
- Central: Starts at Bloomfield Road in Chatham and goes east to #97 Highway in Cambridge
- East: Starts at #97 Highway and continues to the Quebec border.

There are 3 rotations within each zone; minivans, 1 and 3 tons, and 5 tons. These rotations work on a first in, first out basis.

As trucks are dispatched on trips from one zone to another, they are moved up in rotation until they get a trip taking them out of that zone, and are empty. When the truck arrives at a different zone and is empty, dispatch will post it at the bottom of the respective rotation. This process continues always.

If for example a truck is 10th out, meaning there are nine trucks ahead of it. This does not always mean a long wait. Some of the trucks could be on personal time or out for sleep. This means that a truck might be 10th out but the second truck available for a trip.

-When a truck does a local trip, it does not lose it's position in rotation. A local trip is usually within a 100 mile radius.

If a driver wants time off (weekends, holidays) he/she must talk to a dispatch supervisor. He is the only person who can authorize this, and must be contacted a week in advance of the time off requested.

If a driver needs to book off for sleep it is his/her duty to contact dispatch. Drivers are allowed 10 hours of sleep time if they are at home, and 8 hours if they are out of town. Again, it is a must to call in dispatch and book off.

Operating Your Vehicle in an Unsafe Manner

Should any driver be reported or observed operating their vehicle in an unsafe manner the following actions will be taken:

1. Speeding, 1 to 10 Km over the posted speed limit:

- 1st offence: written warning
- 2nd offence: written reprimand, and time off
- 3rd offence: subject to dismissal

2. Speeding, 10 Km over the posted speed limit:

- 1st offence: written reprimand and time off
- 2nd offence: subject to dismissal

Handwritten notes:
K.T.
G.W.
J.O.R.
S.K.M.

NTS Cards

NTS Cards are to **be** used for EMERGENCIES only, when you are in the States. If you are in Canada there are plenty of places to **fuel up**; Windsor, Talbotville, and Mississauga.

Your co-operation in this matter is expected and appreciated.

Net
2/11
JOL

J KM