

MEMORANDUM OF AGREEMENT

BETWEEN:

THOMPSON EMERGENCY FREIGHT SYSTEM

- AND -

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

Jan. 1, 2004

RECEIVED  
JUN 07 2004

(010104)

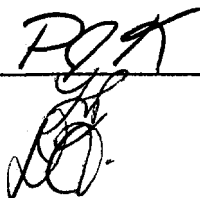


10225(05)

# INDEX

## ARTICLE

1.	INTENT AND PURPOSE	1-1
2.	RECOGNITION	1-2
3.	MANAGEMENT RIGHTS	2
4.	DISCRIMINATION	3
5.	STEWARDS	3
6.	GRIEVANCE PROCEDURES AND ARBITRATION	3-5
7.	STRIKE AND LOCKOUT	6
8.	SAFETY COMMITTEE	6
9.	MEDICAL EXAMINATION	6
10.	PASSENGERS	6
11.	EXTRA CONTRACT AGREEMENTS	6
12.	LAY OFF AND RECALL	7
13.	MISCELLANEOUS WORKING CONDITIONS	7-8
14.	RATES	8-10
15.	HEALTH & WELFARE BENEFITS	11
16.	VACATION PAY	11-12
17.	DURATION	12
	LETTER	12
	APPENDIX " A "	13-22
	APPENDIX " B "	23-30
	APPENDIX " C "	NEW CONTRACT FOR THOSE HIRED AFTER JUNE 1ST, 2004



**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 Transportation and General 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 been terminated. This list shall be forwarded to the Unit Chairperson at the end of each month.
- 2.04 The Company shall deduct regular Union dues in the amount **as** provided for in the Union by-laws and Constitution from the settlement cheques. Half to be deducted from the first cheque of the month and the other half to be taken off the last cheque of the 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.

(010104)

Handwritten signature and initials, possibly "POX" and "JOS", written in black ink.

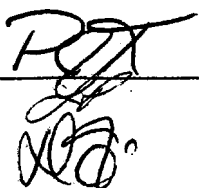
3

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.

**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:

- 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, 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 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 excessively 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".

Handwritten signatures and initials, including a large signature that appears to be 'RDT' and another signature below it.

**ARTICLE 4 - DISCRIMINATION**

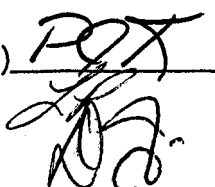
- 4.01 No person shall be refused employment or in any manner discriminated against or coerced, restrained or influenced, on account of membership or non-membership in any labour organization.
- 4.02 The union, its members and/or its agents, shall not intimidate or coerce or attempt to intimidate or coerce, in any manner whatsoever. Owner-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 unauthorized 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 own-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:

(010104) 

**STEP 1**

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

(010104) 

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 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 A. If requested by the Company to attend a grievance settlement meeting, the Unit Chair or designate shall be paid mileage ( at their applicable base rate) to travel to such a meeting.

B. Union Steward will not lose position in rotation to attend meetings or settle grievances providing the meetings are to be held with the company regarding union business and providing the steward only books off on the day of the meeting. In order to hold rotation they must book on in the zone that the meeting is in, The company will make every effort possible to assure the steward gets a trip to the area the meeting is to be held in.

Handwritten signatures and initials, including a large signature that appears to be 'POA' and other illegible marks.

**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**

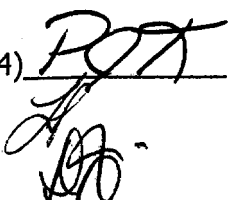
9.01 Any medical examinations requested by the Company shall be promptly complied with by all Owner-Operators, provided however, that the Company shall pay for all such examinations.  
The Company reserves the right to select their **own** medical examiner or physician and the Union may, if in their 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 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. Where practical, the Company will advise the Union and the members of any policy changes thirty(30) days prior to implementation in order to allow consultation with the Union

A handwritten signature in black ink, appearing to be 'ROA' with a flourish underneath.



**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 cell phones for those owner/operators currently receiving this payment. In order to receive this the phones must be in service and accessible to dispatch.
- 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.(Waiting time is charged after 1 hour free and billed in 15 minute increments thereafter.) OR, at the option of the Owner/Operators the company will pay \$25.00 for a suspended order or waiting time in excess of (1) one hour billable time.
- 13.03 Any local trips we may enter into will be done on a spot bid and the broker will be paid an agreed amount to make it worth his/her time.
- 13.04 All owner/operators under contract as of date of ratification(Jan.23, 1996) will continue to receive \$37.00 per month
- 13.05 In the event of a discrepancy over a pay statement the Owner/Operator may, within sixty (60) days of receiving the statement request a review of the billing documents which shall be done within seven (7) days of the request. *This* sixty(60) day period shall apply to both parties as an expiry date to challenge a pay statement.
- 13.06 Letter of Intent: Anyone that wishes to stay posted for any possible weekend loads must notify dispatch by the Thursday night prior to the weekend. If not working the weekend you must call in by 10:00 pm Sunday to be reposted in rotation, at which time you can book 10 hours sleep or 4 hours personal, or both.

*BOA*  
*[Signature]*  
*[Signature]*

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

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. These meetings to be attended by Unit Chair and up to two Stewards shall be scheduled the first Monday of each quarter(i.e. January, April, July and October).

13.09 Reimbursement for tolls will be paid on the pay cheque following the date of the pay period you hand in the toll receipts. Exchange rate will be the rate of the day the toll was spent.

NOTE: Tolls will be specified on the pay sheet as Toll/Expense Refund The Company will pay border tolls once for Brokers returning to their home domicile if within 100 miles of the delivered load or directed by dispatch

NOTE: Any rates referred to as NLM Rates will include all freight awarded by the NLM System and also include Delphi and American Axle.

**ARTICLE 14 - RATES**

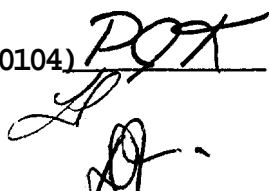
14.01 All requests for dock level equipment (fifty-four inches (54") ) to be paid at dock level rates regardless of weight or rotation. The equipment must be accessible to the dock plate and twelve feet(12') to twenty-four (24') feet in length, fork lift accessible with landing gear. Dock level requests are billed from the 5001 column.

**14.02 FREIGHT PAID FOR BY NLM DOCK HIGH EQUIPMENT**

Number 1 trip will be paid at the following rate

1 - 500 lbs:	1.02 per loaded mile
501 - 2000 lbs:	1.03 per loaded mile
2001 - 5000 lbs:	1.07 per loaded mile
5001 - 7500 lbs:	1.09 per loaded mile
7501 -10000 lbs:	1.15 per loaded mile
10001 -13000 lbs:	1.22 per loaded mile

Number 2 trips and all multiples thereafter will be paid at .69 per loaded mile.

(010104) 

**FREIGHT PAID FOR BY NLM ALL OTHER EQUIPMENT**

Number 1 trip will be paid at the following rate

1 - 500 lbs:	.69 per loaded mile
501 - 2000 lbs:	.75 per loaded mile
2001 - 5000 lbs:	.97 per loaded mile
5001 - 7500 lbs:	1.09 per loaded mile

Number 2 trips and all multiples thereafter will be paid at .54 per loaded mile.

**ALL FREIGHT NOT PAID FOR BY NLM, DOCK HIGH EQUIPMENT**

Number 1 trip will be paid at the following rate

1 - 500 lbs:	1.14 per loaded mile
501 - 2000 lbs:	1.15 per loaded mile
2001 - 5000 lbs:	1.17 per loaded mile
5001 - 7500 lbs:	1.22 per loaded mile
7501 - 10000 lbs:	1.35 per loaded mile
10001 - 13000 lbs:	1.45 per loaded mile

Number 2 trips and all multiples thereafter will be paid at .69 per loaded mile.

**ALL FREIGHT NOT PAID BY NLM, ALL OTHER EQUIPMENT**

Number 1 trip will be paid at the following rate

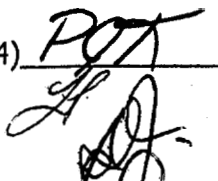
1 - 500 lbs:	.77 per loaded mile
501 - 2000 lbs:	.85 per loaded mile
2001 - 5000 lbs:	1.07 per loaded mile
5001 - 7500 lbs:	1.22 per loaded mile

Number 2 trips and all multiples thereafter will be paid at .57 per loaded mile.

**NOTE:** Stopoffs are paid as total mileage and total weight from mile 1 plus a \$35.00 stopoff charge

**NOTE:** All mileages are based on P.C. Miler current version  
We have to keep up with the versions our customers are at.

**NOTE:** The number 1 load will be the highest weight unless the next load is more than 100 miles from the first destination. In that case they may be switched to make the longest mileage the number 1 trip.

(010104) 

14.03 This contract provides for a .01 increase on all loaded per mile rates in 14.02 on Jan. 1, 2005, a further .01 on July 1, 2005, and a further .02 on Jan. 1, 2006

14.04 In the event of a local cartage move the following Dispatch rules will apply. If there is more than one Owner/Operator booked on in the area the first truck available will have the right of refusal on Locals. In the event the first declines the load the last truck in rotation must take it. If the first truck is the only truck, he does not have rights of refusal. Owner/Operators doing local trips will not lose their place in rotation if they wish to return to their original posting spot. If they decide to stay where they end up and there are other units there, they will go to the ~~bottom~~ of the list.

Note: Company will pay all cross dock charges.

Note: A local is within a 100 mile radius. The Broker will have the option of retaining his posting at point of dispatch or reposting at his destination point.

14.05 The empty mile policy will be as follows and empty miles will be put in automatically if the following criteria applies.

(a) After ~~fifty~~ (50) empty miles all dock level equipment will receive .42 cents per empty mile All other equipment will receive .27 cents per mile.

(b) If you are required to stay overnight for freight, outside the 100 mile radius the company will pay the broker \$40.00 if your truck is not equipped with a sleeper. Vans do not apply as they have lots of sleeping room in the back.

(c) Empty miles will only be paid if you will remain in the area for the amount of time allotted by dispatch to a destination determined by dispatch. The time 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. If a broker has the weekend off his/her weekend will begin at 17:00 on Friday, the 6 hour rule does not apply in this case.

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

(e) 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, the following empty mile policy is in effect. After 50 miles free, dock level equipment will receive .27 per mile. All other equipment will receive .17 per mile after 50 miles free.

(f) Anyone wishing to go home early will not be paid empty mile.

(010104)

Handwritten signatures and initials, including a large signature that appears to be 'POT' and other initials below it.

(g) 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 fifty(50) miles:

Dock level equipment: 0.42 per mile  
1 ton or van: \$0.27 per mile.

- (h) Empty miles will also be paid from:  
Kapusksasing, Ontario to Toronto Ontario, Cornwall Ontario to Oshawa Ontario and Quebec to Oshawa, Ontario.
- (i) In Ontario when a broker is required to go empty from one zone to another zone to pickup freight, empty miles will be paid from mile zero.

**ARTICLE 15 - HEALTH & WELFARE BENEFITS**

**15.01 (A)** The Company will make available to the Owner/Operator One National **Truck** League Package. This includes **24/365** accidental coverage whether you **are** working or not, short term and long term, (see plan for much more benefits). For this package the Company will pay for the basic package. If the Owner/Operator wishes **more** coverage he/she may purchase it on a payroll deduction plan.

**15.01 (B)** The company will continue to pay the premium cost for the following benefits.

- 1. Extended Health Benefits;
- 2. Dental Care Benefits.
- 3. Drug benefits are \$2.00 co-pay per perscription. No yearly cap.
- 4. Life insurance of **\$25,000** for all **full** time Owner/Operators.
- 5. Dependent Life Insurance.

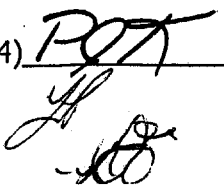
**15.02** Benefit information is contained in the books to be distributed to Owner/Operators but it is understood that the terms of the master policy of insurance govern.

**15.03** Article **15.01** shall not apply to Owner/Operators hired after the date of ratification **as** they will be hired under Appendix "C",

**ARTICLE 16 - VACATION PAY**

**16.01** Ali 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
<b>Two to 6</b> years service:	<b>\$800.00</b>
6 or more years of service	<b>\$1200.00</b>

(010104) 

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

**ARTICLE 17 - DURATION**

17.01 This agreement shall have a term of operation from Jan 1, 2004 to Dec 31, 2006 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.

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

Amounts in the agreement are in Canadian dollars

**FOR THE COMPANY**

**FOR THE UNION**

\_\_\_\_\_  
*P. J. ...*  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*San Louie*  
*D. J. ...*  
\_\_\_\_\_

**LETTER**

**Unless otherwise provided for, the monetary changes agreed to during negotiations shall be effective June 1, 2004.**

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.

(010104) *PJT*  
*JP*

APPENDIX "A"  
INDEPENDENT CONTRACTOR OPERATING AGREEMENT

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 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

1.1a Subject to the terms and conditions hereof, the company hereby contracts for the services of the Owner/Operator and 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.

(010104)   


1.1b In order to qualify for company benefits or vacation pay you must be a full time contractor With this company. "Full Time" for the purpose of this agreement is a contractor who is available for work on 60 days of each quarter of the calendar year. Jan 1 - ~~Mar 31~~, Apr 1 - Jun 30, Jul 1 - Sept. 30, Oct. 1 - Dec. 31. Exceptions to this rule are as follows. Layoff, sick or accident, equipment failure or leave of absense granted by the company. In the event a Contractor does not quailify he/she will be charged back for the full cost of benefits + insurance and vacation pay.

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.

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; In the event an owner/operators drivers licence is suspended his agreement will be terminated without pay or without benefits. Upon reinstatement of his drivers licence he will be reinstated without loss of seniority. If the owner/operator is found not guilty he will be reinbursed for any benefit charges incurred during his suspension, that are covered in our benefit plan.
- (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. The union can be involved in the review of the incident but the company reserves the right to make the final decision. The union has the right to greive if they dissagree with the decision.
- (d) Loses his driver's license or is otherwise prohibited or suspended from driving.

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.

Charges for Company provided communication equipment, such as pagers, will be prorated to the date of its return to the Company.

*POT*  
*[Signature]*  
*[Signature]*



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 licenses, 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 licensing, 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 debt/dedness 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.

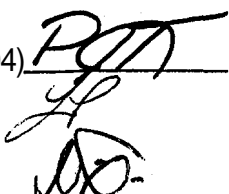
2.4 Prior to commencing operations under this agreement, the Owner/Operator shall, at his expense, cause the vehicle to be painted with such lettering, names, logos or decals **as** the company may in its able discretion direct or **as** may be in accordance with the company's established policy **from** 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.

Operation and maintenance of the vehicle

3.1 The Owner/Operator covenants and agrees with the company **as** follows:

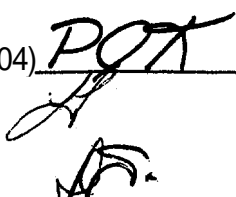
- i) To maintain the vehicle at a high level of mechanical fitness in accordance with all municipal, provincial, federal and Interstate Commerce Commission regulations laws or statutes in effect from time to time or **as** may be reasonable required by the company.
- ii) To permit the Company or its 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 shall be disclosed by such inspection;

Handwritten signature and initials in black ink, appearing to be 'POT' and 'W.D.'.

- iii) To provide at the Owner/Operator's expense, Strap, load bars, safety boots, safety glasses, orange vests, flares, first aid kits, 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;  
NOTE: No loads shall be dispatched in a manner that would not allow sufficient time to adequately and legally deliver such load.
- v) To keep the vehicle clean and in 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.
- viii) In the event that an owner/operator experiences continued equipment failure resulting in his/her not being available for or booking off assignments, he/she will be given 90 days notice by registered mail to repair or replace the vehicle. In the event the equipment failure continues after the 90 day notice the owner/operator may be terminated.

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, by-laws, statutes and ordinances promulgated by any municipal, provincial, federal, Interstate Commerce Commission or other authority of competent jurisdiction relating to or 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.

(010104) POA  


**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/Operators 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 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 will pay to the company forthwith upon demand all costs and expenses, and 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. There will be an administrative charge to the Owner/Operator for any fuel or ComData expenses charged to the Company's account **as** follows:

- (a) \$5.00 (plus G.S.T.) per pay period for charges of \$250.00 or less;
- (b) 2% (plus G.S.T.) per pay period for charges greater **than** \$250.00.

#### **4. Payment Terms**

**4.1** The Owner/Operator shall promptly and in accordance with 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 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 of the Owner/Operator under the agreement, the company shall pay to the Owner/Operator the amount or amounts at such time or times **as** determine in accordance with schedule "B" attached hereto.

5. **Holdback and Set-Off**

5.1 Through 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 set for the month by the C.I.B.C. provided for in schedule "B" hereto. Interest payments only begin when the owner/operator has the full \$1000.00 in escrow.

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

6.1 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:

- 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 determined in the company's discretion from time to time; and
- iii) Insurance in respect of such other risks and perils the company may determine in its discretion from time to time.
- iv) Newly hired Owner/Operators shall pay to the Company by payroll deduction, 1% of the Owner/Operators gross earnings, + G.S.T. for a period not to exceed one year at which time the deductions for insurance will cease.
- v) Any owner/Operator who is not posted in service on the board who uses his/her truck for personal use and gets in an accident will be subject to double the deductible if proven at fault for the accident.

*[Handwritten signature]*  
*[Handwritten signature]*  
*[Handwritten signature]*

- 6.2 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;
- 6.3 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.
- 6.4 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 "**B**" hereto.
- 6.5 The following statements shall render the insurance coverage null and void for physical damage to the vehicular equipment.
- i) reporting for duty under the influence of drugs or alcohol or the consumption of drugs and alcohol while on duty.
  - ii) the use of unauthorized drivers
  - iii) transportation of cargo other than **as** tendered by the company.
  - iv) if convicted of impaired driving after an accident, while driving a truck insured by the company.
- 6.6 (a) Any Owner/Operator hired after the date of ratification will pay 1% of there **gross** for insurance over the first (12) twelve months of their employment.
- (b) **Any** Owner/Operator not posted on the Board/in service who **uses** his vehicle for personal use and is involved in an accident will pay double the deductible if proven at fault.

Handwritten signature and initials, possibly 'P.A.' and 'A.', written in black ink over a horizontal line.

## 7. Customer Goodwill

7.1 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 from all liability incurred by the company due to the Owner/Operator's failure to comply with this provision.

## 8. Licenses

8.1 The vehicle shall, 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 permits 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 cost of the unused portion of any non-transferable fuel stickers that have been supplied by the company.

## 9. Pledging Credit and Indemnity

9.1 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.

(010104)



The block contains a handwritten signature in black ink, which appears to be 'D. J. [unclear]', written over a horizontal line. Below the signature, there are several smaller, less distinct handwritten marks or initials.

Provided such indemnity shall not extend to 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.

**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 be deemed to be an independent contractor and not an employee, partner, or joint venture 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** 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 entitled thereto based upon 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 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 the cost of road **tax** calculation. **This** cost is calculated at \$18.00 plus GST per pay.

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.

(010104) ROX

*[Handwritten signature]*

*[Handwritten signature]*

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 delivery 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 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.

**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

(010104) POT  
[Signature]  
[Signature]



SCHEDULE "A"

Vehicle

The vehicle consists of a stake truck or van being a 19 \_\_\_\_\_

Make: \_\_\_\_\_

Model: \_\_\_\_\_

Serial No: \_\_\_\_\_

APPENDIX " B "

EMERGENCY FREIGHT DIVISION - CANADIAN OWNER OPE \_\_\_\_\_

1. The company shall pay to the Owner/Operator the sums calculated in accordance with article 14, 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.

2. 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 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 One Thousand (\$1000.00) Dollars has not been deducted, then the company shall be intitled 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 (\$1000.00) Dollars.

3. 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;
- 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:

<b>\$</b>	
<b>' E</b>	/

4a) 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:

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

b) 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:

1) \$1,000 + G.S.T. for collision and comprehensive.

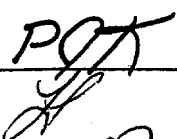

5. The company shall be responsible for the following:

- a) The supply of one Ontario Hospitalization Insurance Plan per unit.
- b) The supply of one group benefit package per unit. **NOTE:** this takes effect after (9) nine months of service as per item 15.03.

INITIALS

Company: \_\_\_\_\_

Owner/Operator: \_\_\_\_\_

(010104) PGT  
  


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.

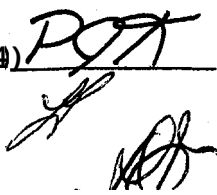
Nothing in these rules and regulations shall deprive the driver of the right to challenge a penalty.

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.

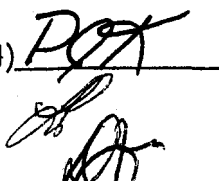
1. **Accidents**

- 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 dismissed.
- c. The owner/operator has the right to have the vehicle repaired at the garage of his choice providing the body shop will accept the appraisal cost of the repairs (including transportation costs) **as** provided by the insurance appraisal supplied by the company. In the event that the owner/operator disagrees with the appraisal he may, within 14 days, have his own appraisal done at his/her own expense.

Handwritten signatures and initials, including a large signature that appears to be 'POT' and several smaller, less legible signatures below it.

2. Conduct and Behavior

- a. Consuming intoxicants while on duty or on the company's property:  
1st offense - immediate dismissal.
- b. Reporting for duty while under the influence of an intoxicant:  
1st offense - immediate dismissal.
- c. Theft, dishonest or will full damage or failure to turn in monies collected:  
1st offense - immediate dismissal.
- d. Discourtesy to a customer (subject to investigation):  
1st offense - 3 days off  
2nd offense - subject to dismissal.
- e. Refusal of dispatch:  
1st offense - 3 days off  
2nd offense - 1 week off  
3rd offense - immediate dismissal
- f. Failure to obey reasonable instructions of authorized personnel:  
1st offense - 3 days off  
2nd offense - subject to dismissal
- g. Conviction resulting in loss of driver's license:  
1st offense - subject to dismissal
- h. Late time deliveries when stipulated:  
1st offense - warning letter  
2nd offence - 3 days off  
3rd offence - subject to dismissal
- 1. Dispatchers or Supervisors do not have the right to suspend any owner/operator. If a dispute arises they may not take a person off the board but may write them up and post them to the bottom of the rotation, The Fleet Manager must review the write-up not later than the next business day he is at work.(mon.- Fri.)



Handwritten signatures and initials, including a large signature that appears to be 'DCA' and several smaller initials below it.

3. **Reports**

- A. Failure to report to dispatcher at specified times when required to do so while on duty:  
1st offense - 3 days off  
2nd offense - subject to dismissal
- B. Any driver failing to report to 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 Benzedrine or other similar barbiturate 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**

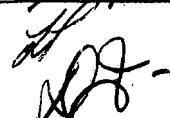
- A. Unauthorized passengers **are** prohibited.
- B. Any use of company owned vehicles other than company business is prohibited.  
1st offense - 1 week off.  
2nd offense - dismissal of driver

6. **Dispatch Procedures**

- a. Each driver shall record with the company a home telephone number and a cell phone number (preferably a Telus Mike Phone) 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 "Mike", telephone or respond to the pager (if he/she has one) the driver will be put to the bottom of the rotation.

**NOTE:** Mike phones or Cellular phones will be the first line of communication will all units.

- c. All drivers can request 4 hours personal at any time in the day, providing it is done before they are called for a trip, they will not lose rotation. All drivers will be allowed to book out for ten (10) hours sleep in a 24 hour period. Brokers out for sleep will not lose their rotation.
- d. all trucks must be equipped with working two way communication, cell phones, satellite, Telus mike phone, etc: pagers **are** not two way communication.

POT  


7. 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.

8. Hours of Service

All Owner/Operators are governed by the Provincial rules and regulations pertaining to the hours of service.

### 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

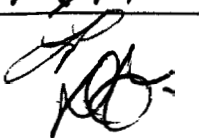
Central: Starts at Bloomfield Road in Chatham and goes east to # 97 Highway in Cambridge.

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 you arrive at your plant destination and for some reason ie: plant is closed you will be posted in rotation not available until you unload in the morning.

**NOTE:** Any trucks that are legally off for the weekend, and out of zone, will be posted ahead of home based trucks on Friday afternoon and Saturday to **try** and get them home for the weekend.

*DOT*  


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.

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. Again, **it is a must to call in dispatch and book off.**

If a driver feels that they have been gone around they have every right to call the Operations Manager and make an appointment to come in and go over it with him.

### Operating Your Vehicle in a 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 offense: ~~written~~ warning

2nd offense: Written reprimand, and time off

3rd offense: Subject to dismissal

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

1st offense: written reprimand and time off

2nd offense: Subject to dismissal

### ComData Cards

ComData 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.

Handwritten signature and initials, possibly 'DOR' and 'AB'.

Thompson Emergency Fuel Depots

- WINDSOR Walker ~~Road~~ Discount ~~Gas~~ (Pioneer)  
- Walker Rd., between E. C. Row Expressway and County Rd. #42
- CHATHAM: Bloomfield Truck Stop  
- 401 and Bloomfield Rd.
- ST. THOMAS : Flying "M " Truck Stop  
- 401 Highway # 4 South, 1 1/2 miles on left.
- MISSISSAUGA: Sunoco  
- 401 Dixie Rd South to the second light, turn **right**, on left side
- WHITBY: Sunoco  
- 301 Thickson Rd.

**ALL FIFTH WHEEL TRUCK STOPS IN CANADA**

**ITEM:** The Company and the Union agree that harassment will not be tolerated in the workplace. Harassment is defined as a "course of vexatious conduct that is known or ought reasonably be known to be unwelcome, that denies individual dignity and respect on basis such as gender, disability, race, colour or other prohibited grounds as stated in the applicable Human Rights legislation".

The workplace includes Company property or locations where an employee is directed to be by the Company. Allegations of harassment shall be brought to the attention of the Company and the Union.

**NOTE:** Ai Owner/Operators contracted after June 1st 2004 shall be bound by all articles, rate schedules, rules and regs. of Appendix "C"

32

Handwritten signatures and initials, including what appears to be 'RJT' and 'MS'.



APPENDIX "C"

**MEMORANDUM OF AGREEMENT**

**BETWEEN:**

**THOMPSON EMERGENCY FREIGHT SYSTEM**

**-AND-**

**THE NATIONAL AUTOMOBILE, AEROSPACE  
AND  
TRANSPORTATION AND GERNERAL WORKERS UNION OF CANADA  
(C.A.W. - CANADA), LOCAL 4268**

**June 1, 2004**

## INDEX

### ARTICLE

1.	INTENT AND PURPOSE.....	3
2.	RECOGNITION.....	3-4
3.	MANAGEMENT RIGHTS.....	<b>4</b>
4.	DISCRIMINATION.....	5
5.	STEWARDS.....	5
6.	GRIEVANCE PROCEDURES AND ARBITRATION.....	<b>5-7</b>
7.	STRIKE AND LOCKOUT.....	8
8.	SAFETY COMMITTEE.....	8
9.	MEDICAL EXAMINATION.....	8
10.	PASSENGERS.....	8
11.	EXTRA CONTRACT AGREEMENTS.....	8
12.	LAY OFF AND RECALL.....	<b>9</b>
13.	MISCELLANEOUS WORKING CONDITIONS.....	9-10
14.	DURATION.....	10
	<b>Schedule "A"</b> .....	<b>11-21</b>
	Independent Contractor Operating Agreement.....	<b>11</b>
	Agreement and Term.....	<b>12</b>
	Status of Vehicle.....	<b>13</b>
	Operation and Maintenance of Vehicle.....	<b>13-15</b>
	Payment Terms.....	15
	Holdback and Set-Off.....	<b>16</b>
	Insurance.....	<b>16-17</b>
	Customer Goodwill.....	<b>18</b>
	Licenses.....	<b>18</b>
	Pledging Credit and Indemnity.....	<b>18-19</b>
	General Provisions.....	<b>19-20</b>
	Signatures.....	<b>21</b>
	<b>Schedule "B"</b> .....	<b>22-29</b>
	Emergency Freight Division-Canadian Owner-Operator.....	<b>22</b>
	Company Deductions.....	<b>22</b>
	Health and Welfare Benefits.....	<b>23</b>
	Progressive Rate Scales.....	<b>24-25</b>
	Miscellaneous Working Conditions.....	<b>25</b>
	Empty Miles.....	<b>25</b>
	Thompson Emergency Company Policies.....	<b>25-29</b>
	Accidents.....	<b>26</b>
	Conduct and Behavior.....	<b>26-27</b>
	Reports.....	<b>27</b>
	Drugs.....	<b>27</b>
	Passengers.....	<b>27</b>
	Dispatch Procedures.....	<b>28</b>
	Call-In Procedures.....	<b>28</b>
	Hours of Service.....	<b>28</b>
	Operating Vehicle in an Unsafe Manner.....	<b>28-29</b>
	ComData Cards.....	<b>29</b>

## **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-Operators working at or out of Windsor, Ontario.
- 2.02 Owner-Operators covered by this Agreement must be members of the National Automobile, Aerospace and Transportation and General 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 been terminated.. This list shall be forwarded to the Unit Chairperson at the end **of** each month.
- 2.04 The Company shall deduct regular Union dues in the amount as provided for in the Union by-laws and Constitution from the settlement cheques. Half to be deducted from the first cheque of the month and the other half to be taken off the last cheque of the 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.

### **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:

- 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, 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 operations, the subcontracting 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-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 unauthorized 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 and 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, 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 the 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 in accordance with the provisions herein.

**6.03** During any of the above outlined steps of 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 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

A. If requested by the Company to attend a grievance settlement meeting, the Unit Chair or designate shall be paid mileage (at their applicable base rate) to travel to such a meeting.

B. Union Steward will not lose position in rotation to attend meetings or settle grievances providing the meetings are to be held with the Company regarding Union business and providing the Steward only books off on the day of the meeting. In order to hold rotation they must book on in the zone that the meeting is in. The Company will make every effort possible to assure the Steward gets a trip to the area the meeting is to be held in.

## **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 to 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 Owner-Operators authorized by the Company who are on duty or other transport drivers broken down on the highway, to ride in 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 Agreements or Contracts 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 Schedule "A" and Schedule "B", shall be incorporated by reference into this collective Agreement. Where practical, the Company will advise the Union and the members of any policy changes thirty (30) days prior to implementation in order to allow consultation with the Union.



## **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 pay to Owner-Operators seventy-five percent (75%) of the amounts it may bill and collect for suspended orders and waiting time (waiting time is charged after two (2) hours free and billed in fifteen (15) minute increments thereafter) OR at the option of the Owner-Operators the Company will pay twenty-five dollars (\$25.00) for a suspended order or waiting time in excess of two (2) hours billable time. In order to receive the twenty-five dollars (\$25.00) the Owner-Operator must turn in a signed delivery slip.
- 13.02 Any local trips we may enter into will be done on a spot bid and the Owner-Operator will be paid an agreed amount to make it worth his/her time.
- 13.03 In the event of a discrepancy over a pay statement the Owner-Operator may, within sixty (60) days of receiving the statement request a review of the billing documents which shall be done within seven (7) days of the request. This sixty (60) day period shall apply to both parties an expiry date to challenge a pay statement.
- 13.04 Anyone that wishes to stay posted for any possible weekend loads must notify dispatch by the Thursday night prior to the weekend. If not working the weekend, you must notify dispatch of your intention by Thursday night also. To be reposted after the weekend you must call in by 22:00 Sunday, at which time the Owner-Operator can book ten (10) hours sleep or four (4) hours personal, or both.
- 13.05 Owner-Operators will be paid on the twelfth (12<sup>th</sup>) day and the twenty-seventh (27<sup>th</sup>) day of each month or the previous business day when the twelfth (12<sup>th</sup>) day or the twenty-seventh (27<sup>th</sup>) day of the month falls on a Saturday or Sunday or a Holiday.

The Company will provide fuel statements each pay period.

- 13.06 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. These meetings to be attended by Unit Chair and **up** to

two (2) Stewards shall be scheduled the first (1<sup>st</sup>) Monday of each quarter (i.e. January, April, July and October.)

13.07 Reimbursement for tolls will be paid on the pay cheque following the date of the pay period you hand in the toll receipts. Exchange rate will be applied at the rate of the day the toll was spent.

**NOTE:** Tolls will be specified on the pay sheet as Toll/Expense Refund. The Company will pay border tolls once for Owner-Operators returning to their home domicile if within one hundred (100) miles of the delivered load or directed by dispatch.

**ARTICLE 14 - DURATION**

14.01 This agreement shall have a term of operation ~~from~~ June 1, 2004 to Dec 31, 2006 and ~~fi-om~~ 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.

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

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

*Amounts in the Agreement are in Canadian dollars.*

**FOR THE COMPANY**

**FOR THE UNION**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**LETTER**

**Monetary changes agreed to during negotiations shall be effective June 1, 2004.**

**SCHEDULE "A"**

**DEPENDENT CONTRACT OPERATING AGREEMENT**

THIS AGREEMENT made the \_\_\_\_\_, 20\_\_\_\_\_  
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 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 thirty-one (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.
- 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; In the event an Owner-Operator's driver's license is suspended his Agreement will be terminated without pay or without benefits. Upon reinstatement of his driver's license he will be reinstated.
  - (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.
- 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, fuel cards or operator's manuals.

Charges for Company provided communication equipment, such as pagers, will be prorated to the date of its return to the Company.

2. **Status of Vehicle**

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.

The Owner-Operator acknowledges and agrees the Company may have such licenses, 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 licensing, 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 debts 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 able 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 reasonable 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 repair, as the case may be, any misuse want of maintenance, service or repair of the Vehicle shall be disclosed by such inspection;
- iii) To provide at the Owner-Operator's expense, flares, first aid kits, orange vests

safety boots, safety glasses, straps, load bars 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 the posted speed limit.

NOTE: No loads shall be dispatched in a manner that would not allow sufficient time to adequately and legally deliver such load.

- v) To keep the Vehicle clean and in 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.
- viii) In the event that an Owner-Operator experiences continued equipment failure resulting in his/her not being available for or booking off assignments, he/she will be given ninety (90) days notice by registered mail to repair or replace the Vehicle. In the event the equipment failure continues after the ninety (90) day notice the Owner-Operator may be terminated.

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 or 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-Operators 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 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 will pay to the Company forthwith upon demand all costs and expenses, and 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. There will be an administrative charge to the Owner-Operator for any fuel or ComData expenses charged to the Company's account as follows:
- (a) \$5.00 (plus G.S.T.) per pay period for charges of \$250.00 or less;
  - (b) 2% (plus G.S.T.) per pay period for charges greater than \$250.00.

#### 4. Payment Terms

- 4.1 The Owner-Operator shall promptly and in accordance with directives of the Company, file with the Company all necessary forms including, without limiting the generality of the foregoing, ail 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 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 of 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 "B" attached hereto.

## 5. **Holdback and Set-off**

- 5.1 Through 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 set for the month by the C.I.B.C. provided for in Schedule "B" hereto. Interest payments only begin when the Owner-Operator has the full one thousand dollars (\$1000.00) in escrow.
- 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**

- 6.1 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:
- 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 the Company may determine in its discretion from time to time.
  - iv) Owner-Operators shall pay to the Company by payroll deduction, one percent (1%) of the Owner-Operators gross earnings + G.S.T. to offset the high cost of insurance.



- 6.2 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.
- 6.3 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.
- 6.4 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 "B" hereto.
- 6.5 The following statements shall render the insurance coverage null and void for physical damage to the vehicular equipment.
- i) Reporting for duty under the influence of drugs or alcohol or the consumption of drugs and alcohol while on duty.
  - ii) The use of unauthorized drivers.
  - iii) Transportation of cargo other than as tendered by the Company.
  - iv) If convicted of impaired driving after an accident, while driving a truck insured by the Company.
- 6.6 Any Owner-Operator not posted on the Board/in service who uses his Vehicle for personal use and is involved in an accident will pay double the deductible if proven at fault.

## **7. Customer Goodwill**

7.1 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 from all liability incurred by the Company due to the Owner-Operator's failure to comply with this provision.

## **8. Licenses**

8.1 The Vehicle shall, 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** permits 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 cost of the unused portion of any non-transferable fuel stickers that have been supplied by the Company.

## **9. Pledging Credit and Indemnity**

9.1 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.

Provided such indemnity shall not extend to 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.

## 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 be deemed to be an independent contractor and not an employee, partner, or joint venture 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 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 jurisdictions. 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 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 the cost of road tax calculation. This cost is calculated at eighteen dollars (\$18.00) plus (+) G.S.T. per pay.

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 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.

**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

**Vehicle Information**

The Vehicle consists of a stake truck or van being a 19\_\_\_\_ or 20\_\_\_\_

Make: \_\_\_\_\_

Model: \_\_\_\_\_

Serial No: \_\_\_\_\_

## SCHEDULE "B"

### EMERGENCY FREIGHT DIVISION - CANADIAN OWNER OPERATOR

1. The Company shall pay to the Owner-Operator the sums calculated in accordance with rates on page 24, item 6 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, Schedule "A" of this Agreement.
2. The holdback provided for under paragraph 5.1, Schedule "A" of this Agreement may be deducted from the monies payable to the Owner-Operator under paragraph 1, Schedule "B", at the rate of One Hundred dollars (\$100.00) per pay. The total amount of 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 One Thousand Dollars (\$1000.00) has not been deducted, 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 Dollars (\$1000.00).
3. The Company shall be entitled to deduct from the monies payable to the Owner-Operator under paragraph 1, Schedule "B", the following:
  - a) Licensing fees on a pro-rata basis.
  - 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.
4.
  - 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:

***The first One Thousand Dollars (\$1 000.00) + G.S.T. including but not limited to damages ensured pursuant to collision and comprehensive coverage.***
  - b) 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:

***One Thousand Dollars (\$1 000.00) + G.S.T. for collision and comprehensive.***

5. The Company shall be responsible for the following:

a) The supply of one (1) Ontario Hospitalization Insurance ~~Plan~~ per unit.

b) The supply of one (1) group benefit package per unit.

NOTE: c, d, and e takes effect after four (4) months of service.

c) Dental Care Benefits

d) Eye Glass Benefits

e) Drug Benefits are five dollars (\$5.00) co-pay per prescription.

Two thousand, five hundred dollars (\$2500.00) yearly cap.

f) Life Insurance in the amount of twenty-five thousand dollars (\$25,000).

g) Dependant Life Insurance

h) The Company will provide one (1) basic package per unit from National Truck League providing accidental coverage for short and long term benefits. The Owner-Operator will pay forty dollars (\$40.00) + G.S.T. per pay for this program. This will be paid for by payroll deduction. In case of Team Owner-Operators, two (2) packages will be supplied and the deduction will be sixty dollars (\$60.00) + G.S.T. from the Owner-Operators settlement cheque.

**NOTE: IF THE OWNER-OPERATOR FEELS HE/SHE REQUIRES ANY OTHER COVERAGE THAT IS OFFERED, THE NATIONAL TRUCK LEAGUE WILL MAKE IT AVAILABLE.**

Benefit information is contained in the books to be distributed to the Owner-Operator but it is understood that the terms of the master policy of insurance govern.

6.0

**THE FOLLOWING PROGRESSIVE RATE SCALES BELOW WILL SHOW YOU YOUR RATE OF PAY DEPENDING ON DRIVING RECORD AND EXPERIENCE.**

PAY LEVELS	EXPERIENCE	MILES	ACCIDENTS	CLAIMS	VIOLATIONS	RATE
LEVEL 1	1 to 2	>80,000	2	1	4	1.12
LEVEL 2	2 to 3	>160,000	-2-		2	1.13
LEVEL 3	3 to 4	>220,000	-1-		1	1.14
LEVEL 4	> 4	>320,000	-0-		0	1.16

PAY LEVELS	EXPERIENCE	MILES	ACCIDENTS	CLAIMS	VIOLATIONS	RATE
LEVEL 1	1 to 2	>80,000	2	1	4	1.20
LEVEL 2	2 to 3	>160,000	-2-		2	1.21
LEVEL 3	3 to 4	>220,000	-1-		1	1.22
LEVEL 4	> 4	>320,000	-0-		0	1.24

PAY LEVELS	EXPERIENCE	MILES	ACCIDENTS	CLAIMS	VIOLATIONS	RATE
LEVEL 1	1 to 2	>75,000	2	1	4	0.70
LEVEL 2	2 to 3	>145,000	-2-		2	0.71
LEVEL 3	3 to 4	>210,000	-1-		1	0.72
LEVEL 4	> 4	>290,000	-0-		0	0.74

PAY LEVELS	EXPERIENCE	MILES	ACCIDENTS	CLAIMS	VIOLATIONS	RATE
LEVEL 1	1 to 2	>75,000	2	1	4	0.80
LEVEL 2	2 to 3	>145,000	-2-		2	0.81
LEVEL 3	3 to 4	>210,000	-1-		1	0.82
LEVEL 4	> 4	>290,000	-0-		0	0.84

6.1 RULES FOR MULTI-LEVEL PAY RATES

1. Owner-Operators will be assigned to the appropriate level of their qualifications.
2. **Evaluations for pay levels will be done on Jan 1<sup>st</sup> of every year.**
3. Experience will be defined as Commercial Driving Experience.
4. All miles must be loaded miles to qualify.
5. Accidents/Violations/Claims are based on prior three (3) years history.



6.2 **MISCELLANEOUS WORKING CONDITIONS**

- a. Stop Offs are paid as total mileage and total weight from mile one (1) plus a thirty-five dollar (\$35.00) stop **off** charge.
- b. Dock level straight trucks will be paid a minimum **of** seventy-five dollars (\$75.00) if a trip pays less than that.
- c. Vans will be paid a minimum **of** fifty-nine dollars (\$59.00) if the trip pays less.

7. **EMPTY MILES**

**EMPTY MILES WILL APPLY AFTER 100 FREE MILES.**

VANS = \$0.27 PER MILE

DOCK HIGH = \$0.42 PER MILE

- a. MUST HAVE EMPTIED IN THE UNITED STATES AT LEAST **ONE HUNDRED (100) MILES** FROM THE NEAREST **CANADIAN BORDER**.
- b. MUST WAIT TWENTY FOUR (**24**) HOURS AFTER **UNLOADING** AT DESTINATION TO BE ELIGIBLE FOR EMPTY MILES UNLESS, MOVED TO A BETTER LOCATION BY DISPATCH.

**Thompson Emergency Company Policies  
Governing the Actions of All Owner-Operators**

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 Owner-Operator 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 Owner-Operator except those which are, by their nature, the responsibility of the Company.

1. **Accidents**

- a. Accidents for which the Owner-Operator or 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 Owner-Operator being subject to dismissal.
- c. The Owner-Operator has the right to have the Vehicle repaired at the garage of his choice providing the body shop will accept the appraisal cost of the repairs (including transportation costs) as provided by the insurance appraisal supplied by the Company. In the event that the Owner-Operator disagrees with the appraisal he may, within fourteen (14) days, have his own appraisal done at his/her own expense.

2. **Conduct and Behavior**

- a. Consuming intoxicants while on duty or on the Company's property:  
1st offense - immediate dismissal.
- b. Reporting for duty while under the influence of an intoxicant:  
1st offense - immediate dismissal.
- c. Theft, dishonest or willful damage or failure to turn in monies collected:  
1st offense - immediate dismissal.
- d. Discourtesy to a customer (subject to investigation):  
1st offense - 3 days off.  
2nd offense - subject to dismissal.
- e. Refusal of dispatch:  
1st offense - 3 days off.  
2nd offense - 1 week off.  
3rd offense - immediate dismissal.
- f. Failure to obey reasonable instructions of authorized personnel:  
1st offense - 3 days off.  
2nd offense - subject to dismissal.

- g. Conviction resulting in loss of Owner-Operators driver's license:  
1st offense - subject to dismissal.
- h. Late time deliveries when stipulated:  
1st offense - warning letter.  
2nd offence - 3 days off.  
3rd offence - subject to dismissal.

3. **Reports**

- a. Failure to report to dispatcher at specified times when required to do so while on duty:  
1st offense - 3 days off.  
2nd offense - subject to dismissal.
- b. Any Owner-Operator failing to report to work for three (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 Benzedrine or other similar barbiturate drugs is a violation of the Drug Act and Company regulations. Any Owner-Operator 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 for other than Company business is prohibited.  
1st offense - 1 week off.  
2nd offense - dismissal of Owner-Operator.

6. **Dispatch Procedures**

- a. Each Owner-Operator shall record with the Company a Home and Cell telephone (preferably Telus Mike Phone) number which will be used to call and advise Owner-Operators that trip is available. All numbers will be kept in strict confidence.
- b. In the event that **an** Owner-Operator does not answer the Mike, Telephone or respond **to** the pager, the Owner-Operator will be put to the bottom **of** the rotation.

**NOTE: Cellular phones will be the first line of communication will all units.**

- c. All Owner-Operators can request four **(4)** hours personal at any time in the day, providing it is done before they are called for a trip, they will not lose rotation. All Owner-Operators will be allowed to book out for ten (10) hours sleep in a twenty-four **(24)** hour period. Owner-Operators out for sleep will not lose their rotation.

7. **Call - In Procedures**

All Owner-Operators 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.

8. **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.

9. **Operating Your Vehicle in a Unsafe Manner**

Should any Owner-Operator be reported or observed operating their Vehicle in an unsafe manner the following actions will be taken.

- a. Speeding 1 to 10 Km over the posted speed limit:  
1st offense: written warning.  
2nd offense: Written reprimand and time off,  
3rd offense: Subject to dismissal.

- b. Speeding 10 Km over the posted speed limit:  
1st offense: written reprimand and time off.  
2nd offense: Subject to dismissal.

10. **ComData Cards**

ComData 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, Oshawa **and** St. Catharines.

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

INITIALS

Company: \_\_\_\_\_

Owner-Operator: \_\_\_\_\_

61