

COLLECTIVE AGREEMENT

BETWEEN:

PRTI TRANSPORT INC.

(THE COMPANY)

AND:

CANADIAN OWNER-OPERATOR WORKERS' ASSOCIATION

(CHARTERED LOCAL UNION 2001)

(THE UNION)



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CANADIAN
OWNER-OPERATOR
WORKERS' ASSOCIATION

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COLLECTIVE BARGAINING AGREEMENT

It is the intent and purpose of the Parties hereto that this Agreement will promote and improve industrial and economic relationships between the Company and the Union, and to set forth the basic Agreement covering rates of pay and conditions of work to be observed between the Parties hereto. Wherever the use of the male gender is used herein, it shall also apply to the female gender where applicable.

Article 1

Bargaining Agency and Recognition

- 1.01 The Company recognizes the union as the sole and exclusive bargaining agent for its dependent contractors and drivers of dependent contractors as described in the current Certification issued by the Canada Industrial Relations Board.

Article 2

Management

- 2.01 Management rights exercised by the Company, unless expressly limited by this Agreement are reserved to **and** are vested exclusively in the Company. This Article will not be used in a discriminatory manner against any bargaining unit member.

Article 3

Union Security

- 3.01 All dependent contractors and drivers of dependent contractors who become qualified by the Company after the date of the signing of this Agreement, shall become members of the Union, and pay to the Union, initiation fees, dues, fines and/or assessments to maintain their membership.
- 3.02 Upon receiving one (1) month's notice from the Union, by registered mail, of a change in the initiation fees, dues, fines and/or assessments charged by the Union to its members, the Company shall make deductions in accordance with the notice, effective the date given. The Union will indemnify the Company for all such deductions and remittance when in accordance with Union's instructions.
- 3.03 All Union dues shall be made payable to the Canadian Owner-Operator Workers' Association, Local Union 2001 and forwarded to the head office at the following address:

20411 Powell Avenue
Maple Ridge, British Columbia V2X 4N3

Dues will be paid no later than fifteen (15) days from the date the deduction was made.

Article 4

Hours of Service

- 4.01 All bargaining unit members shall be bound by the maximum hours of work as prescribed by the National Safety Code and/or United States Department of Transportation, and this Collective Agreement.

Article 5

Conflicting Agreements

- 5.01 The Company agrees not to enter into any Agreement or Contract with dependent contractors or drivers of dependent contractors of the Company, members of the Union, individually or collectively, which **in** any way, conflicts with the terms and provisions of this Agreement. Any such Agreement and/or Contract shall be null and void.

Article 6

New Equipment and Classifications

- 6.01 Prior to any new types of equipment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation.
- 6.02 The matter shall become the subject of discussion between the parties for rates governing such equipment. The Company and the Union shall finalize within thirty (30) days after such implementation a rate to be established and said rate to be retroactive to the implementation date.

Article 7

No Mandatory Source

- 7.01 Under no circumstances shall the Company directly or indirectly specify a mandatory source of fuel, tires, maintenance/repairs or collision insurance to be used by a member of **the** bargaining unit.

Article 8

Transfer of Company Title or Interest

- 8.01 This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. **In** the event of an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof shall continue to **be** subject to the terms and conditions of this Agreement for the life thereof.

The Company shall notify the Union in writing, not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership or bankruptcy proceedings, not including financial arrangements thereof.

Article 9

Safety Conditions

- 9.01 Maintenance of Equipment – it is to the mutual advantage of the Company that bargaining unit members shall not operate vehicles which are not in safe operating condition.
- 9.02 Bargaining unit members shall not be required to operate Company equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing safety requirements for mobile equipment (ie: air lines, tires, brakes, all necessary lighting equipment).
- 9.03 It shall be the obligation **of** the Company to direct the repairs a necessary to conform with the safe and efficient operation of that equipment.
- 9.04 The Company shall inform, direct, and supply to members of the bargaining unit, proper information **and** handling devices or equipment for handling of dangerous goods cargo.

Article 10

Union Decal

- 10.01 It shall not be a violation of this Agreement for members of the bargaining unit to post the Union's decal in a conspicuous place on the glass area of the equipment he is operating. Said decal will **not** be attached to any area which will impair the vision of the driver. Said decal shall remain a property of the Union.

Article 11

Seniority

- 11.01 Seniority for the purpose of this Agreement shall mean the length of service of the truck (or replacement truck) with the Company.
- 11.02 Seniority shall be maintained **in** the reduction and restoration of **the** working force, providing the senior truck is capable of performing the remaining job or jobs, and has the required equipment. Dependent contractor will be allowed fourteen (14) calendar days **to** obtain the required equipment.

- 11.03 The Company will assign work on a truck seniority basis. It is, however, understood, that there may be instances where operational requirements may determine the need to work around this process, and in so doing, the Company can be asked to justify this action. A written request from a Union officer and/or Steward submitted to the Terminal Manager within forty-eight (48) hours of the dispatch must be submitted. The Terminal Manager will investigate the action and reply within the same time period. If the Union is *not* satisfied with the operational reasons provided, the Union may proceed with the grievance procedure, with the date of the response counted as the first day of discovery.
- 11.04 The Company shall, upon request, provide the Union with the most current list of all bargaining unit members covered by this Agreement. Such list will include the start date of the truck. This list will be posted on the Union board at all times and be updated in January and July of each year.
- 11.05 Newly qualified drivers shall be on probation for the first ninety (90) calendar days. There shall be no responsibility on the part of the Company with respect to the status of those on probation should they be laid off for lack of work or disqualified during the probationary period. The Company will inform the individual, in writing, of the reason or reasons for the disqualification or lay off, with a copy to the Union.
- 11.06 The Company shall not be responsible for the Health and Welfare remittance to the Plan Administrator during the probationary period.
- 11.07.1 In the event the Company purchases a business or any part thereof, the bargaining unit members of which are covered by the Union, seniority of said truck shall be computed from the date that they respectively first become bargaining unit members of the business aforesaid.
- 11.08 In the event of a lay off, the truck shall be laid off in reverse order of their seniority. A laid off truck shall retain its seniority and recall rights with the Company for one hundred and twenty (120) calendar days after the effective date of lay off.
- 11.09 In the event of a lay off, the Company will take into account:
- a) The type of equipment, licenses, and permits necessary for the services required.
 - b) The seniority of the truck.
 - c) In the application of this Article, senior truck who would otherwise be laid off, shall have the option to secure the type of equipment, licenses, and/or permits necessary for the service required. Trucks that choose to exercise this option must provide the Company with proper notice of intent within forty eight (48) hours of being advised of lay off and secure such equipment, licenses, and/or permits within fourteen (14) calendar days.

Article 12

Dependent Contractor Security

- 12.01 Provided qualified bargaining unit members with the required equipment are available, the Company shall not contract out bargaining unit work.

Article 13

Past Practice

- 13.01 Any rights and privileges of bargaining unit members now in effect, but not specifically mentioned in this Agreement, shall be continued and no changes **shall** be put into effect unless mutually agreed by the Company and the Union.

Article 14

Discipline Record

- 14.01 When a member of the bargaining unit is given verbal or written warning, a record of that warning shall also be placed in the driver's file. The individual shall be permitted to make a response to the warning which shall also be placed in the driver's file. **Any** incident causing such written reprimand or warning letter, over a period of twelve (12) months, shall **not** be used to coinpound other disciplinary action against said individual. The Union shall be notified, in writing of any written warnings.

Article 15

Protection of Rights

- 15.01 It shall not be a violation of this Agreement, or cause for discipline, for a member of the bargaining unit, in the performance of his duties, to refuse to cross a legal picket line recognized by the Union.
- 15.02 The Union shall notify the Company as soon as possible of the existence of such recognized legal picket lines.

Article 16

Disclosure of Earnings

- 16.01 Except as otherwise mutually agreed between the parties, members of the bargaining unit shall be paid not **less** frequently **than** once a week.
- 16.02 a) The Company shall provide bargaining unit members with a separate of detachable, printed, and itemize statement of revenue earned in a one (1) week period.
- b) The Company will make every effort to advise bargaining unit members of any deductions other than those mutually agreed to from their settlement at least one week before the deduction **is** applied. Deductions made by corporate accounting without notifying **the terminal** will be researched and information provided to the member within a reasonable period of time, **but no** more than five (5) work days after the deduction was brought to management's attention.

- 16.03 If an error occurs in a bargaining member's settlement cheque and the amount is equal to one (1) day or more, he shall be entitled, on request, to a cheque being issued in favour of such individual on the next settlement period.
- 16.04 Upon disqualification or self-termination, the Company shall pay all earned money due a member of the bargaining unit within forty five (45) days, subject to member's satisfaction of required Company documentation and availability of maximum amount of hold back funds.
- 16.05 Discrepancy forms will be readily available for bargaining unit members. Bargaining unit members must file their discrepancy within ten (10) working days from the date which the settlement cheque was picked up at the Company office. The Company will have a written reply to a discrepancy within ten (10) working days. Discrepancies found to be in favour of the bargaining unit member will be paid on the following settlement period.

Article 17

Physical or Medical Examination – Drug Testing

- 17.01 Company required physical and/or medical examination shall be complied with by all members of the bargaining unit. The Company shall pay for all such physical and/or medical examinations.
- 17.02 The Company will make every effort to conduct drug testing first thing in the morning.

Article 18

Leave of Absence

- 18.01 A bargaining unit member who has completed one (1) year or more of continuous active service may be granted a leave of absence for a period of ninety (90) days. An extension of sixty (60) days may be granted subject to the member submitting a written request within thirty (30) days prior to the expiration of the original leave period. Said request will be approved by terminal management subject to operational needs. It will be the responsibility of the requestor to contact terminal management for approval. It will also be the responsibility of the member to submit all required documentation material, settle all monetary obligations, and meet with the Company for closure prior to starting the leave of absence. Drivers not under dispatch for thirty (30) days must pass a drug test for controlled substances prior to returning to dispatch. A member of the bargaining unit who has been granted a leave of absence must complete a year of continuous active service before becoming eligible for another leave of absence.
- 18.02 Engaging in employment while on a leave of absence or misrepresenting the reason for ■ leave of absence shall be good cause for disqualification.

- 18.03 During any leave of absence, the Company will not be under any obligation to pay Health and Welfare contributions for the member of the bargaining unit. A member on leave may pay the entire contribution to keep his policy current and in force. It shall be the individual's responsibility to exercise this option and to do so in a timely manner.
- 18.04 A member of the bargaining unit on leave of absence must report to the Company within five (5) days after the mutually agreed expiration of the leave. Failure to do so shall be construed as self-termination and grounds for disqualification.

Article 19

License and Insurance

- 19.01 During the terms of this Agreement, the tractor shall be operated at all times under the licenses, permits, and operating authorities of the Company. The tractor shall be licensed and registered in the joint names of the Company and a member of the bargaining unit for the purposes of insurance, licensing and authorities of the Company. However, it is understood and agreed that the transfer of registration of the tractor to the Company is for insurance, licensing, and operating purposes as aforesaid and that it is not intended thereby to transfer beneficial ownership of the tractor from the member of the bargaining unit to the Company.

Article 20

Visiting Privileges

- 20.01 Authorized representative of the Union shall notify the Company prior to accessing the Company's establishment during working hours for the purpose of investigation conditions related to this Agreement and shall, in no way, interrupt the Company's working schedule.

Article 21

Grievance and Arbitration Procedures

- 21.01 The Company and the Union recognize and agree that prompt resolution of differences concerning the interpretation, application, administration and/or alleged contravention of this Agreement is of utmost importance.
- 21.02 A grievance concerning the interpretation, application, administration, and/or alleged contravention of this Agreement or alleging that a member of the bargaining unit has been unjustly disciplined or disqualified shall be dealt with in the manner set out in this Article.

21.03 Grievance filing and reply time limits will be as follows:

Step Number	Filing Time	Reply Time
One	Within three (3) days of discovery or of occurrence of the alleged infraction. Appointment to be set for step one meeting within 24 hours and no later than 48 hours.	Two Days
Two	Within five (5) days of Company response	Five Days
Three	Within five (5) days of Company response	Five Days
Four	Within five (5) days of Company response	

Time limits may be extended by mutual consent based on reasonable needs and in writing from either side. Time limits are expressed in working days. If either party fails to act within any of the time limits or within an agreed extension, it will be deemed that the party has abandoned its position and that the position of the other party has been established, except in a case where the Union withdraws the grievance.

If a member believes that he has been unjustly disqualified, he may commence the grievance procedure and it will be instituted at Step Two.

Members may **only** be warned, suspended, and/or disqualified for **just** cause. Suspension days will run as consecutive calendar days.

Grievances of a group or general nature will be put in writing and instituted at Step Two.

At each of the three grievance steps, the Company and the Union may have equal representation.

If the Company's administrative staff is such that the same Company representative would be involved in Steps Two and Three, then Step Two will not be used except in termination of contract and time limits - failure to act.

21.04 Whenever a dispute arises between the Company and the Union or between the Company and one or more members, the grievor or grievors shall continue to work, except in matters of disqualification, and the dispute shall be adjusted in accordance with the following procedures:

Step One - Shop Steward(s) with the aggrieved member will attempt to settle the grievance with the Supervisor (designated by the Company) involved in the dispute. Failure to settle the grievance at that time, the company representative will advise the Union in writing of the decision within the specified time limits. If settlement is not reached, the grievance will proceed to **Step Two**.

Step Two - Shop Steward(s) with the aggrieved member will attempt to settle the grievance with the Supervisor's superior. Failure to settle the grievance at that time, the Company will advise the Union in writing of the decision within the specified time limits. If settlement is not reached, the grievance will proceed to Step Three.

Step Three – Company management, a Union representative (if available), Shop Steward(s), with the aggrieved member will attempt to settle the grievance. Failure to settle the grievance at this time, Company management will advise the **Union** in writing of the decision within the specified time limits. **If** settlement is not reached, the grievance will proceed to Step Four (Arbitration).

Step Four – Arbitration

Dates of suspension, except as shown on Article 25.01 (e), if upheld, will be determined by the Company at the conclusion of the Step Three meeting and imposed immediately at the Company's discretion.

21.05 If the parties fail to agree upon a neutral Arbitrator within five (5) business days after one party has served written notice **on the other** party of its intention, the Minister of Labour will be requested to appoint a neutral Arbitrator.

21.06 The Arbitrator shall be required to hand down **his** decision following completion of the hearing and his decision will be final and binding **on** the two parties to the dispute and shall be applied forthwith. The decision of the Arbitrator shall be specifically limited to the matter submitted to him, and he shall have **no** authority in any manner to amend, alter, or change any provisions of this Agreement.

21.07 The cost of the Arbitrator will be borne equally by the Union and the Company.

Article 22

Shop Stewards

22.01.1 The Union shall elect or appoint Shop Stewards from among its members of the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of Shop Stewards so elected or appointed. The Company will recognize **Shop** Stewards and **not** discriminate against them for lawful Union activity. The Company will notify the Union forty eight (48) hours prior to disqualification of a **Shop** Steward.

Article 23

Savings Clause

23.01 Should any part of this Agreement or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any judgement or order of a court, tribunal, or board of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect.

23.02 In the event that any clause or section is held invalid or enforcement of or compliance with which has been restrained as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either party for the purpose of implementing the requirements of any such order, judgement or legislation or for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the matter to arbitration.

Article 24

Risks and Responsibilities

- 24.01 Contractor shall assume and pay any tax levy, fee or fine imposed or as against the equipment described herein, the cargo transported thereby, or the Carrier, by any Governmental authority as a result of any action by the Contractor or Contractor's employees.
- 24.02 Contractor understands and accepts that insurance coverage will be comprised of two main components, both of which are provided by the Company and costs of which are remitted back to the Company from the Contractor.
- 24.03 The first component is for public liability, bodily injury, vehicle collision, and comprehensive, and other such public interests. Insurance coverage is underwritten by the insurance Corporation of British Columbia (ICBC). Payment of such coverage can be made in full by the Contractor at the time of issuance, or prepaid by the Company at a rate of prime +1% over a deduction period of nine (9) months, or the balance of the term, whichever is shorter.
- 24.04 The second component is for cargo coverage. This includes coverage for both cargo and trailing equipment which will be purchased by the Company and charged back to the contractor at a rate of 1.5% of the gross settlement to the contractor. Deductions will commence on the first settlement issued.
- a) In the event of an at fault accident the contractor warrants acceptance of the cost of the deductible in the amount of twenty five hundred dollars. (\$3500.00)
 - b) Contractor shall be solely responsible for the payment of wages, expenses, social security, WCB assessments, unemployment compensation and payroll taxes and any other relevant expenses for himself, his employees or agents, and upon demand by the Company, produce evidence of payment.
 - c) Contractor expressly undertakes to immediately register as an employer under Workers' Compensation Act and to maintain that registration in good standing.
 - d) Contractor undertakes to remit quarterly, all Workers' Compensation assessments in respect to its Company and its employees. The Company reserves the right to request proof of payment at any time.
 - e) Contractor shall hold the Company harmless from any liability arising from the relationship between the Contractor and any of the Contractor's employees.

Article 25

Default – Breach – Disqualification

25.01 The Company may impose disciplinary action, up to and including disqualification, subject to Article 21 in the event:

- a) He violates this Agreement, or any safety rules or regulations of any federal, state or provincial government agency.
- b) Carry on or permit to carry on any illegal operations with the equipment described in Schedule A.
- c) Perform commercial driving services for anyone other than the Company.
- d) Fail to report to Terminal Manager or Safety Supervisor any loss or damage to any equipment or cargo within four (4) hours of occurrence or discovery. During times when the terminal may be closed and the phone is forwarded to a voice mail, the contractor or driver will leave a detailed message of the loss or damage at time of the call.
- e) For the purposes of this Agreement, chargeable accidents and moving violations will be handled in the following manner:
 1. First Chargeable Accident – Letter of Warning will be issued to the bargaining unit member and placed in his file.
 2. Second Chargeable Accident – Letter of Warning advising the member of the bargaining unit of a five (5) day suspension effective the day after the decision on chargeability is received.
 3. Third Chargeable Accident – Immediate disqualification of bargaining unit member.

Contractors that are contracted and have previous moving violations and/or chargeable accidents will be advised of the three year timeline and handled in accordance with the above procedures.

PRTI Corporate Safety Department will determine chargeability of accidents using accident reports, driver's statements, police reports, and any or not other information available.

- f) Failure to report for dispatch for three (3) consecutive working days, unless otherwise agreed to by the Company and the driver. Driver who will be off duty for more than three consecutive working days must advise the Company of his status and become available at a pre-determined date unless extended by mutual agreement. A driver that is found to be in violation of this Article will be given a warning letter for the first offence, a one (1) day suspension for the second offence, and a two (2) days suspension for the third offence. A fourth offence will result in immediate disqualification.
- 25.02 Should the contractor terminate this Agreement without having given ten (10) days notice, the Company may retain the sum of \$500.00 from the contractor's reserve account as liquidated damages; and should the Contractor fail to complete all its scheduled movements prior to termination, the Company may retain from the Contractor's general reserve account, such sums as may be necessary to reimburse the Company for Contractor's failure to perform.
- 25.03 If Contractor gives proper ten (10) days written notice of termination and returns plates, unused portions of license fees, cab cards, credit cards, and any other equipment or documents belonging to the Company, removes Company issued decal from equipment, then the Contractor under this paragraph will not be charged a \$500.00 short term cancellation. If Contractor does not adhere to the terms of this Agreement and makes the equipment described in Schedule A unavailable to the Company, it will be considered a breach of this Agreement and Contractor will be advised of termination via registered mail, and in such case, no unused portions of license or permits will be returned to Contractor and its account will be debited for a \$500.00 short term cancellation.
- 25.04 Subject to the terms and conditions of this Agreement, the parties shall use their efforts to effect a final settlement of all accounts between them within ninety (90) days subsequent to the ten (10) day notice of termination in addition to the holdback set out in this Agreement. Forthwith upon any notice of termination being given, Contractor shall, at his sole cost, risk, and expense return the Company's equipment at such location or locations as may be designated by or on behalf of the Company, and Contractor shall remove all of the Company's license plates, licenses, certificates, permits, signs, logos, insignia and other property from Contractor's equipment and return same to the Company. Contractor hereby grants the Company a right to ingress and egress to any premises or locations where any of the Company's equipment, licenses, license plates, certificates, permits, signs, logos, insignia or other property are located for the purpose of taking possession of the same should Contractor fail to meet its obligations. For purposes of compliance, the company will accept a clear and dated photograph of the tractor with signs, logos, DOT number, and insignia removed.
- 25.05 Disciplinary actions will be administered to members of the bargaining unit that are found to be in violation of the safety rules and regulations established by the Company's Corporate Safety Department. The Company and the Union recognize progressive discipline with regards to log submissions and critical violations. The Union agrees to cooperate with the Company in ensuring these rules and regulations are followed.

Disciplinary action to be taken with regards to these violations are as follows:

- a) First Offense – Verbal counseling with Union representation.
- b) Second Offense – Written warning with copy included in driver’s file.
- c) Third Offense – One day suspension.
- d) Fourth Offense – Two days suspension.
- e) Fifth Offense – Disqualification.
Disqualification will only be enforced if all offences are within a two (2) year period.

25.06 Disciplinary action will be administered to members of the bargaining unit that are found to be in violation of equipment safety, care, and responsibility. Progressive discipline identical to Article 25.05 will be applicable.

Article 26

Equipment

26.01 Contractor shall provide and exclusively dedicate equipment set out in Schedule A to the Company and **shall** not provide any transportation of commercial services to any other party except in accordance with the Company’s instructions.

26.02 Schedule A shall be amended from time to time to show any addition or substitution in equipment approved in advance by the Company and confirmed by execution of revised Schedule A.

26.03 Any equipment provided by the Contractor to perform the services shall meet the following **minimum** requirements:

- a) In good mechanical and operating condition and able to pass all safety inspections required by Provincial, Federal, and/or **US** agencies as required.
- b) All equipment furnished by Contractor shall be fully operable **and** in good operating condition, **shall** meet the specifications of the Company, including auxiliary equipment they **may** require, and shall be maintained fully operable and in good operating condition, by Contractor, at his sole expense during the full term of this Agreement.
- c) So as to comply with the Provincial **and** State Fuel Tax Requirements, the Contractor shall be required to submit all original fuel purchase receipts to the Company for processing. Receipts **deemed** acceptable to legislative authorities must contain the following information:

*Date Purchased	*Price per gallon or litre
*Quantity Purchased	*Total price
*Vendor name and full address	*Unit number
*Purchaser’s name and full address	

- c) The Contractor understands and accepts that failure to comply, as required by the legislative authority, may cause the Company to remit additional tax and/or penalties. Any and all payout of this nature will be passed to the Contractor along with any handling fees applied.
- 26.04 in the event that the equipment described herein is not in proper mechanical condition or is otherwise deemed inadequate, the Company shall have authority to transfer any shipment from this equipment according to its best judgment.
- 26.05 If a Contractor pulls the Company's trailing equipment, the Company will be responsible for the licensing and maintenance of said equipment. Damage to the Company's trailing equipment caused by negligence on part of the Contractor will be charged back to the Contractor. If Contractor pulls the Company's trailing equipment which is damaged and does not advise the Company at time of hooking, he shall be deemed responsible for the damage. The Company will provide an interchange agreement on all Company trailing equipment at time of dispatch.
- 26.06 Contractor will not, under any circumstances, charge any item to the Company without explicit consent of designated terminal representative who must confirm such purchase with a purchase order.
- 26.07 Contractor will cause his equipment to be inspected from time to time for safety or other purposes at certified locations as may be required by the laws of any jurisdiction where Contractor's equipment is operated and provide all necessary inspection certificates to the Company.

Article 27

Identification

- 27.01 During all periods of operations hereunder, the tractor described in Schedule A shall display on each cab door the Company name and fleet number. Such identification shall be in a form and size acceptable to Provincial and/or Federal regulatory agencies and shall be put upon the equipment at the expense of the Contractor and shall be removed or obliterated by the Company and Contractor upon termination of this Agreement.

Contractor shall maintain, at his sole risk and expense, the equipment described in Schedule A, cleaned and washed at all times.

- 27.02 Decals and logos will be supplied by the Company at no cost to the Contractor.

Article 28

Reports Required of Contractor and Contractor's Drivers

- 28.01 So that the Company can comply with the rules and regulations of the regulatory agencies of Canada and the United States having jurisdiction over their operations, Contractor and Contractor's employees, shall at all times comply with the rules and regulations as set forth by such agencies and furnish the Company with the following documents and information:
- a) Paperwork along with daily log to be handed in on a daily basis unless the driver is outside of the jurisdiction, with the latest receipt at the Company by no later than 10:00 AM each Monday.
 - b) Original copy of the Driver's monthly vehicle condition report for vehicles used in the performance of this contract.
 - c) Original or true copies of all scale tickets, toll receipts, customs documents, and delivery receipts for each load transported. Toll tickets shall contain the container and tractor number whereas the scale ticket should include both numbers along with the breakdown of axle weights.
 - d) Such other documents or data which must be maintained by the Contractor or filed by PRTI pursuant to complying with the regulations of such agencies..
- 28.02 The contractor will be responsible to report to the Safety Coordinator or Terminal Manager within four (4) hours of an accident. During times when the terminal may be closed and the phones are forwarded to a voice mail, the Contractor will leave a detailed message of the accident and time of call. Failure to comply will be handled in accordance with Article 25 of this Agreement.
- 28.03 Delivery trip reports in a form acceptable to the Company forthwith upon completion of each trip, and with such reports deliver all delivery receipts, bills of lading, signed freight bills, customs documents, original copies of vehicle condition or inspection reports, and original and true copies of all scale tickets, toll receipts and all maintenance reports and records required by law from time to time in any jurisdiction in which the services are performed. Bill of lading must be signed by customers.

Article 29

Confidentiality

29.01 Contractor agrees to receive and hold, and cause an alternate driver to receive and hold, all information and materials of a confidential or proprietor nature provided by the Company on a confidential basis, and Contractor agrees that it shall not disclose or use any confidential information or material for his own benefit or gain or for any purpose other than was authorized by the Company in writing from time to time, and without limit any other rights or remedies that the Company may have against Contractor for breach of this clause. It is understood and agreed by the Parties that Contractor shall be required to account to the Company for all profit or gain realized by Contractor or his employees, as a result of use of the confidential information or materials. Upon termination, the Contractor shall forthwith return all of the Company's written information and material of any kind provided to Contractor by the Company.

Article 30

Collection of Accounts

30.01.1 Contractor shall fully and adequately account to and pay the Company for all monies or other evidences of payment received by Contractor or its employees from any of the Company's customers or other third parties forthwith upon receipt thereof and in accordance with any instructions given to Contractor by or on behalf of the Company in that regard if C.O.D. freight only.

Article 31

Duration

31.01 This Agreement shall be in full force and effect from January 1, 2004 to and including December 31, 2006 and will continue in full and effect from year to year thereafter, subject to the right of either party to this Agreement, within four (4) months immediately preceding the expiry of this Agreement, to give written notice to the other party to commence collective bargaining.

31.02 There will be no strike or lock-out so long as this Agreement continues in force.

31.03 Should either party give written notice to the other party pursuant hereto, or such notice be deemed to be given by operation of law, this Agreement will thereafter continue in full force and effect until:

- a) The Union shall commence a legal strike;
- b) The Company shall commence a legal lock-out; or
- c) The parties conclude a renewal or revision of the Agreement or a new Collective Agreement.

Signed at Delta, British Columbia this 30th

Day of November, 2004.

PRRI Transport Inc.
Vancouver Terminal

[Signature]

11/30/04

Canadian Owner-Operator
Worker's Association,
Local Union 2001

[Signature] President

SCHEDULE "B" COMPENSATION, DEDUCTIONS AND DISPATCH RULES

PRTI shall pay the following compensation rates on a round trip basis between Vancouver, BC and the points named herein. Rates include both pickup **and** delivery, as required, of the intermodal marine container AND chassis/flatbed as applicable.

VANCOUVER / SEATTLE (Bare chassis paid at legal) (Bobtail is tractor only)	Legal Flatdeck Bobtail	\$445.00 \$445.00 \$400.00
	Tridem/Flatdeck	H/H \$580.00 H/L \$500.00
VANCOUVER / TACOMA (Bare chassis paid at legal) (Bobtail is tractor only)	Legal Flatdeck Bobtail	\$480.00 \$480.00 \$440.00
	Tridem/Flatdeck	H/H \$610.00 H/L \$530.00
VANCOUVER / SEATTLE / TACOMA COMBO	Legal	\$500.00
VANCOUVER / PORTLAND (Bare Chassis paid at legal) (Bobtail is tractor only)	Legal Flatdeck Bobtail	\$795.00 \$795.00 \$740.00
VANCOUVER / KENT	Legal	\$480.00
VANCOUVER / AUBURN	Legal	\$480.00
VANCOUVER / SEA-TAC	Legal	\$455.00

When moving empty containers from Kent or Auburn to Seattle or Tacoma piers, drivers will be paid \$75.00

SUPER CHASSIS RATES

VANCOUVER / SEATTLE	Legal – Load	\$340.00	Empty	\$222.50
	\$475.00 one-way return with bare chassis			
VANCOUVER / TACOMA	Legal – Load	\$380.00	Empty	\$240.00
	\$ 500.00 one-way return with bare chassis			

20' over 48,000 lbs gross container weight and drop axle utilized to effect delivery
40' over 85,000 lbs GVW

The Company will pay the super chassis rate at all times whenever the drop axle is utilized to effect delivery regardless of the weight (eg. Nose heavy).

20

Schedule B**MILEAGE RATES**

Line haul points not listed below within the United States and British Columbia Pacific Northwest Region will be paid at \$1.20 per mile (CAD) for legal load or empty as outlined by the practical miles of the PC Miler based out of Vancouver.

Tridem load or empty for H/H & H/L are paid at \$1.30 per mile as outlined by the practical miles of the PC Miler based out of Vancouver.

Forty-foot super chassis load over 85,000 lbs (or empty) and twenty-foot super chassis load over 48,000 lbs (or empty) will be paid *RI* \$1.50 per mile when pulling a Company super chassis as outlined by the practical miles of the PC Miler based out of Vancouver.

Point to point rates based out of Vancouver according to the practical miles of the PC Miler with Vancouver return as follows:

	Miles (r/t)	Legal	Tridem	Super
Hood River	740	890.00	960.00	1100.00
Odell. Or.	750	900.00	975.00	1125.00
Wenatchee	470/550	660.00	715.00	825.00
Yakima	550	660.00	715.00	825.00
Spokane	825	990.00	1070.00	1240.00
Eugene	860	1030.00	1110.00	1290.00
Centralia	455	545.00	590.00	680.00
Kalama	560	670.00	730.00	840.00
Kelowna	575	690.00	700.00	
Winfield	590	700.00	770.00	
Summerland	510	610.00	660.00	
Osoyoos	495	595.00	640.00	
Oliver	505	600.00	650.00	
Kamloops	540	650.00	700.00	
Princeton	350	420.00	490.00 plus 70.00 far Centerm	
Westbank	540	600.00	700.00	
Vernon	630	755.00	820.00	
Armstrong	660	790.00	855.00	
Brewster	580	670.00	740.00	835.00
Quincy	580	670.00	740.00	835.00
Arlington	200	305.00		
Mt. Vernon	160	305.00		
Bellingham	100	305.00		
Everett	225	325.00		
Calgary	1320	1500.00	1625.00	

Current rate or mileage whichever is greater will be paid to these destinations.

Schedule B**VANCOUVER LOCAL**

In-town work not on the current zone rate sheet will be paid a revenue split of 72% - 28% in favour of the bargaining unit member. The Company will give full disclosure on the revenue statement of the rate charged. Wrongful dispatches will be paid at the zone rate.

Zone 1 - Tilbury Island, Delta (incl. Hudd River)	Load	\$ 60.00
	Empty	\$ 50.00
Zone 2 - Vancouver, Burnaby, Richmond New Westminster	Load	\$ 70.00
	Empty	\$ 55.00
Zone 3 - Surrey, Langley, Port Kells, Coquitlam, Port Coquitlam, N. Vancouver	Load	\$ 80.00
	Empty	\$ 75.00
Zone 4 - Abbotsford	50/50 split	\$230.00
Zone 5 - Mission	50/50 split	\$235.00
Zone 6 - Chilliwack/Sardis	50/50 split	\$260.00
Zone 7 - Hope	50/50 Split	\$320.00

ORIGIN**DESTINATION - (R/T L/E)**

CP Rail, Pitt Meadows	Greater Vancouver	\$155.00
TPCT, Port Coquitlam	CP Rail, Pitt Meadows	\$ 30.00

* Braber / BE rate remains intact \$ 230.00 50/50 for all points

* Pacific highway to Vancouver - \$ 100.00

Schedule B

VANCOUVER LOCAL

Fraser Surrey Dock to & from	Vancouver to 41 st Ave.	\$135.00
	South Vancouver	\$135.00
	North Vancouver	\$160.00
	North Burnaby	\$135.00
	North Richmond	\$135.00
	South Burnaby	\$135.00
	South Richmond	\$130.00
	New Westminster	\$135.00
	Coquitlam	\$155.00
	Port Coquitlam	\$155.00
	Annacis Island	\$140.00
	West Vancouver	\$165.00
	Delta / Tilbury Island	\$125.00
	Surrey	\$140.00
	Port Kells	\$155.00
	Pitt Meadows	\$160.00
	Cloverdale	\$155.00
	Langley / Fort Langley	\$155.00
	South Surrey	\$155.00
	Maple Ridge	\$170.00
	South Langley	\$160.00
	Pacific Highway	\$160.00
	West Vancouver	\$170.00
	Deep Cove / Indian Arm	\$150.00
	Chilliwack	\$260.00
	Mission	\$235.00
	Hope	\$320.00
	Abbotsford	\$230.00

Schedule B -

PAYOUT RATES – LOCAL

To and From	Vanterm / Centerm			Deltaport		
	<u>Round-Trip</u>	<u>Load</u>	<u>/ Empty</u>	<u>Round-Trip</u>	<u>Load</u>	<u>/ Empty</u>
Vancouver to 41 st	133.00	75.00	/ 58.00	170.00	95.00	/ 75.00
South Vancouver	133.00	75.00	/ 58.00	170.00	95.00	/ 75.00
North Vancouver	135.00	75.00	/ 60.00	170.00	95.00	/ 75.00
North Burnaby	140.00	80.00	/ 60.00	175.00	100.00	/ 75.00
North Richmond	140.00	80.00	/ 60.00	170.00	95.00	/ 75.00
South Burnaby	145.00	85.00	/ 60.00	165.00	90.00	/ 75.00
South Richmond	145.00	85.00	/ 60.00	140.00	80.00	/ 60.00
New Westminster	140.00	80.00	/ 60.00	165.00	90.00	/ 75.00
Annacis Island	160.00	90.00	/ 70.00	155.00	85.00	/ 70.00
Tilbury Island	160.00	90.00	/ 70.00	130.00	70.00	/ 60.00
Delta	160.00	90.00	/ 70.00	130.00	70.00	/ 60.00
Coquitlam	150.00	85.00	/ 65.00	170.00	95.00	/ 75.00
Mayfair	150.00	85.00	/ 65.00	170.00	95.00	/ 75.00
West Vancouver	150.00	85.00	/ 65.00	200.00	110.00	/ 90.00
Port Coquitlam	155.00	85.00	/ 70.00	185.00	100.00	/ 85.00
TPCT	155.00	85.00	/ 70.00	185.00	100.00	/ 85.00
Surrey	155.00	85.00	/ 70.00	155.00	85.00	/ 70.00
Port Kells	165.00	90.00	/ 75.00	170.00	95.00	/ 75.00
Pitt Meadows	165.00	90.00	/ 75.00	200.00	110.00	/ 90.00
Cloverdale	180.00	100.00	/ 80.00	160.00	90.00	/ 70.00
Langley City	180.00	100.00	/ 80.00	170.00	95.00	/ 75.00
Fort Langley	180.00	100.00	/ 80.00	170.00	95.00	/ 75.00
South Surrey	175.00	100.00	/ 75.00	155.00	85.00	/ 70.00
Maple Ridge	180.00	100.00	/ 80.00	210.00	120.00	/ 90.00
White Rock	180.00	100.00	/ 80.00	160.00	90.00	/ 70.00
South Langley	230.00	130.00	/ 100.00	155.00	85.00	/ 70.00
Pacific Highway	230.00	130.00	/ 100.00	160.00	90.00	/ 70.00
Alder Grove	230.00	130.00	/ 100.00	210.00	120.00	/ 90.00
Clearbrook	230.00	130.00	/ 100.00	210.00	120.00	/ 90.00
Abbotsford	230.00	130.00	/ 100.00	235.00	130.00	/ 105.00
Mission	245.00	140.00	/ 105.00	250.00	140.00	/ 110.00
Chilliwack	280.00	160.00	/ 120.00	280.00	160.00	/ 120.00
Sardis	280.00	160.00	/ 120.00	280.00	160.00	/ 120.00
Illope	320.00	180.00	/ 140.00	320.00	180.00	/ 140.00

Schedule B

DEDUCTIONS AND DISPATCH RULES

- [A] **SECURITY HOLDBACK:** A holdback amount of **CAD \$2,500.00** will be deducted from the Contractor's settlement with an applicable interest rate of 3.5% compounded annually after satisfaction of full bond. This will be deducted in equal installments over a twelve (12) month period commencing with the first remittance by PRTI. Upon termination of the contract herein, these monies will be held for ninety (90) days to cover any late back charges or claims not covered by the Contractor's insurance.
- [B] **DELAYS:** If the Contractor cannot complete an assigned and accepted dispatch, PRTI will undertake to complete the dispatch and charge the Contractor any added costs incurred beyond what would have been paid to the Contractor.
- [C] **SHORT & DAMAGES:** If there is a short and/or damage on delivery, the Contractor may be charged, unless the shipment is a shipper load, seal, and count and the original shipper seal can be confirmed in-tact on delivery by the consignee, and so noted on the original delivery receipt.
- [D] **LAY-OVERS:** Compensation in the amount of CAD \$125.00 will be remitted in specific, pre-approved cases. It will only be paid in cases where the Contractor/Driver has notified dispatch at the first indication of a potential problem and arrangements can be made, in advance, with the customer to effect payment of same.
- [E] **WAITING TIME – CERTIFIED:** When a driver is delayed due to a situation completely out of his control, waiting time will apply in the amount of \$40.00 CAD per hour following the first two (2) hours of free time. Waiting time will only be paid in cases where the contractor has notified dispatch at the first indication of the potential situation and advised by dispatch to continue to wait and complete the transaction. Every effort must be made by the contractor to note the periods on the bill of lading, get a signature, and said bill of lading must be submitted to the company within 24 hours. This does not include normal pier waiting time.
- When a driver is waiting for Company trailing equipment to be repaired waiting time shall be \$40.00 CAD per hour. If the driver is found negligent of these repairs involving tire repairs, no waiting time will be paid and the driver will be liable for all costs.
- [F] **HEALTH & WELFARE:** The Company will contribute one-hundred-forty-six dollars (\$146.00) towards the Health & Welfare Plan premium per month, For all bargaining unit members. The noted payment will be made to D.A. Townley & Associates Ltd. by the 15th of the month following. Bargaining unit members with more than one (1) year of service, taking a vacation or leave of absence. must be off work more than thirty-one (31) days before the Company charges the full month's premium for Health and Welfare coverage.
- [G] **The Company will supply drag chains for Company trailing equipment.**

Schedule B


- [H] JOB POSTING -- HIGHWAY AND IN-TOWN: Any requirement for additional truck(s), either for the highway or in-town fleet, shall be posted on the Union Bulletin Board for five (5) working days. The senior bargaining unit member(s) possessing the required equipment, or attaining the required equipment within a mutually agreed time-frame, shall be given priority.
- JOB POSTING -- PERMANENT ASSIGNMENT: Any permanent assignment of one driver or more at a customer's place of business, shall be posted for five (5) working days. The senior bargaining unit member(s) possessing the required equipment, or attaining the required equipment within a mutually agreed time-frame, shall be given priority.
- SUPER-CHASSIS DISTRIBUTION: Before additional super chassis come on the fleet, the Company will post a notice on the Union Board for five (5) working days. The senior truck possessing the required equipment or attaining the required equipment within fourteen (14) days, shall be given priority.
- [I] ONE PROBATIONARY PERIOD: The Company agrees that when a driver of an owner-operator becomes an owner-operator, or if an owner-operator becomes a driver for an owner-operator, the person will not have to pass a second probationary period of nine (90) calendar days.
- [J] QUARTERLY INSPECTIONS: Bargaining unit members will have a choice to either take their tractor to Delta Truck Repair or Annacis Truck Repair for the Company required inspection. Any month in which a bargaining unit member passes a government required semi-annual inspection before the Company required inspection is due, that inspection shall serve as the Company required inspection.
- [K] QUARTERLY MEETINGS: The Company agrees to meet quarterly with Union representatives and Shop Stewards to discuss matters of concern.
- [L] The Company Drug & Alcohol Testing policy will be part of the Collective Agreement
- [M] The Company will pay the current U.S. Customs User fee Decal cost of USD \$100.00 for all prorated trucks.
- [N] Fuel surcharge will be addressed in accordance with the letter of understanding.
- [O] PRTI will reimburse the Contractor for all bridge, toll charges, permits, scale Fees, lumper fees, etc. All original receipts with container number must be tendered with the trip documents at the conclusion of each trip in order to effect refund.
- [P] Driver's name and current Month for Health & Welfare and Union dues deductions to be recorded on the weekly statement in which the deductions occur.

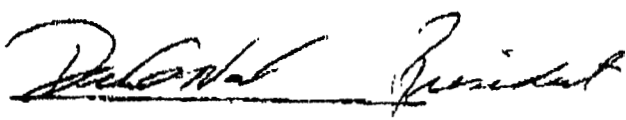
Schedule B

Signed this 30th day of November, 2004.

PRTI Transport Inc.

Canadian Owner-Operators Workers' Association, Local Union 2001


11/30/04


President

LETTER OF UNDERSTANDING

BETWEEN:

PRTI Transport, Inc.

AND:

Canadian Owner-Operator Workers' Association, Local 2001

Fuel surcharge will be paid in accordance with these brackets:

Highway Drivers:

<u>Fuel Cost per gal in US currency</u>	<u>Fuel Surcharge %</u>
1.45 - 1.54	3
1.55 - 1.64	4
1.65 - 1.74	5
1.75 - 1.84	6
1.85 - 1.94	7
1.95 - 2.04	8
2.05 - 2.14	9
2.15 - 2.24	10
2.25 - 2.34	11
2.35 -	Subject to immediate discussion between both parties.

Local Drivers:

<u>Fuel Cost per gal in US currency</u>	<u>Fuel Surcharge %</u>
1.45 - 2.00	2
2.01 - 2.34	3
2.35 -	Subject to immediate discussion between both parties.

It is understood and agreed to that the Fuel Surcharge is not retroactive to the effective date of this agreement and will **not** be effective until the Monday immediately after the signing of this agreement. Basis for cost of fuel to be in accordance **with** weekly corporate report and can be provided to Union on request.

Signed by:

for PRTI Transport, Inc.

for COOWA, Local 2001

Date: _____

Date: _____

LETTER OF UNDERSTANDING

BETWEEN:

PRTI Transport, Inc.

ANI)

Canadian Owner-Operator Workers' Association, Local 2001


For members of the bargaining unit that were contracted during the life of the previous agreement (January 1, 2001 – December 31, 2003), Article 25.01 (e) will be applicable,

It is the company's position that application of the terms of this specific article will not deter *the* management from making decisions as directed by the corporate policy included in this agreement.

This letter will be removed on December 31, 2006.

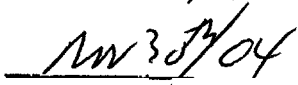
Signed by:

for PRTI Transport, Inc.



for COOWA, Local 2001

Date



Date

LETTER OF UNDERSTANDING

BETWEEN :

PRTI Transport Inc.

AND :

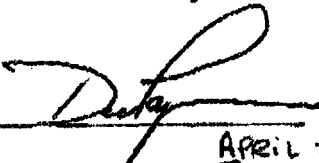
Canadian Owner-Operator Workers' Association, Local 2001

If a bargaining unit member refuses a particular dispatch, the bargaining unit member will not be given another dispatch until the entire respective fleet has been dispatched.

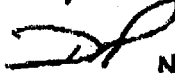
Once the dispatch list has gone full circle and the refused dispatch has been covered, the bargaining unit member will then receive another dispatch.

SIGNED THIS 2nd DAY OF APRIL, 2002.

PRTI Transport Inc.



APRIL 2, 2002



NOV 30, 2004

Canadian Owner-Operator Workers' Association, Local 2001





30/1