COLLECTIVE AGREEMENT

between

LE CONSEIL CANADIEN DES TEAMSTERS

represented by local 106

hereinafter refered to as "the union"

and

TORQUE TRANSPORT (1989) INC.

hereinafter refered to as "the company" and/or "the employer"

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INTERPRETATIONS

It is understood that in the event of conflict concerning the interpretation of this collective agreement, the french version of the agreement will prevail.

ARTICLE 1

<u>PURPOSE</u>

1.1 a) The general purpose and intent of this agreement shall be to establish mutually satisfactory relations between the company, the union and the owner-operator covered hereunder; to provide for the methodswhich will further the safety of the owner-operator; to establish and maintain a satisfactory procedure to cover the settlement of differences arising out of this contract; and to set forth wage rates, hours of work and other working conditions. It is recognized by this agreement to be the duty of the company, the union and the owner-operators to cooperate fully, individually and collectively for the advancement of these conditions.

b) All references to "union" shall mean "Le Conseil Canadien des Teamsters, represented by local 106."

c) All references to "company" shall mean "Torque Transport (1989) Inc."

d) All references to "employee" shall mean "owner-operator".

1.2 Meetings between the officers of the union and officials of the company shall be held whenever deemed advisable to discuss matters of mutual concern.

<u>ARTICLE 2</u>

RECOGNITION

2.1 This agreement shall apply to all owner-operators employed by "Torque Transport (1989) Inc.".

2.2 The company recognizes the union as the sole negotiator agent for all owner-operators as defined at the present.

ARTICLE 3

MANAGEMENT RIGHTS

3.1 The union recognizes the right and authority of the company to exercise its managerial functions, providing that all owner-operators covered by this agreement shall be treated with equal justice without violating the terms of this agreement, and all owner-operators shall be entitled to utilize the provisions of this agreement for the review and adjustment of grievances.

3.2 The union recognizes the right of the company to maintain order and discipline and to establish and enforce reasonable rules and regulations to govern the conduct of owner-operators and to discipline or discharge for just cause, subject to the grievance and arbitration procedure.

ARTICLE 4

STRIKES, LOCK-OUTS

4.1 During the term of this agreement, there shall be no lock-out by the company or any strike, sit down, work stoppage or suspension of work, either complete or partial, for any reason by the owner-operators.

4.2 The company acknowledges the right of the owner-operators to recognize and refuse to cross a picket line.

4.3 In such case, a meeting will be held in order to mutually agree on a policy. In the event that the company and the union cannot agree, each party reserves the right to take whatever action it deems necessary and appropriate.

4.4 The union recognizes the right of the company to protect its business and the property of its customers.

<u>ARTICLE 5</u>

UNION SECURITY

5.1 All employees shall, as a condition of employment, become union members and maintain their membership in good standing for the duration of this collective agreement.

5.2 Any new employee shall, as a condition of employment, become and remain a member in good standing after the completion of his probationary period. The employer shall deduct from the salary of each employee after the completion of his probationary period, the amount due for his initiation in a twenty-five dollars (\$25.00) payment per month. However as of his first pay, he must pay dues as established by the union.

5.3 The union secretary-treasurer will provide to the employer, a letter confirming the amount of the union dues, the initiation fees, the arrears, etc... to be retained, for each employee. The employer deducts from the employees' pay, all regular dues, special or arrears at the right moment according to the amounts indicated in the said secretary-treasurer's letter.

5.4 The amount so deducted by the company from the pay of each employee according to the previous article shall be remitted to the union secretary-treasurer on the monthly basis before the fifteenth (15th) day of the following month. These remittances must be accompanied with a list showing the name, address and social insurance numbers. Beside each employee name, the employer must inscribe the amounts deducted during the month, indicating separately the said sums deducted for union dues and arrear fees.

5.5 The employer shall indicate the amount of annual union dues deductions on employees' T4 slips and releve 1.

5.6 It will be the employer's responsibility to have all new employees sign a union membership card on the day they are hired. It is the employer's responsibility to make sure that these documents are duly signed and returned to the union with the next union dues remittance.

<u>ARTICLE 6</u>

PREROGATIVES AND SPECIAL CONDITIONS APPLICABLE TO STEWARDS, UNION DELEGATES AND OFFICERS

6.1 The company acknowledges the right of the union to appoint stewards among the owner-operators.

6.2 The union shall inform the company in writing of the name of any steward. The company shall not be requested to recognize any steward until such union notification has been received by certified mail or by fax.

6.3 The union representative shall have access to the company premises during working hours to investigate grievances or tend to the application of the collective agreement, provided he has obtained permission from the president or his authorized representative. Such permission shall only be denied if the presence of the union representative affects operations in any way.

6.4 The company shall advise the union by certified mail, telegram or fax before suspending or dismissing a shop steward. Failure to comply at this procedure shall render the dismissal or suspension null and void.

6.5 The company shall pay for two (2) owner-operators (one (1) the canadian operations and one (1) for the american operations) appointed by the union, the amount of three hundred dollars (\$300.00) for each day during which negotiation or conciliation meetings take place. However, this provision precludes any negotiation meetings held during a work stoppage, strike, complete or partial suspension of work.

6.6 The company agrees to grant, to all present owner-operators and all future owner-operators, an indefinite leave of absence to work for the union, retaining and accumulating seniority with their respective terminal and company seniority. Owner-operators desiring a leave of absence to work with the union shall give the company fourteen (14) day's notice of their intentions and such leave of absence shall be revocable upon fourteen (14) day's notice by the owner-operators.

6.7 All activities and representations by the shop steward will have to be made by official appointments, mutually agreed upon by both parties. It is agreed that the hourly rate of payfor such meetings will be fifteen dollars (\$15.00) per hour, for the shop steward.

ARTICLE 7

<u>GRIEVA ;EL</u>

7.1 Difference of interpretation or violation of any of the stipulations of this agreement by the company or by any or all owner-operator(s) covered by this agreement as well as any other complaint related to working conditions, constitutes a grievance, providing it is submitted in writing within fifteen (15) calendar days, except when it is specifically established otherwise in this agreement.

7.2 <u>First step</u>

The owner-operator or owner-operators concerned must first discuss the difference of interpretation or presumed violation with the department supervisor or other immediate supervisor, whose decision should be rendered within two (2) working days. The owner-operator may be accompanied by a steward or union representative if he so desires.

7.3 <u>Second step</u>

Failing an answer or a satisfactory settlement, the owneroperator must submit the grievance in writing, to the responsible representative. At this stage, the owner-operator may be accompanied by a union steward or representative of the union providing that they be available. The representative of the employer should render a written decision to the union with a copy to the union steward within five (5) working days of the remittance of the grievance. If there is no satisfactory settlement in the following days, the business agent of the union may meet the representative of the employer in order to discuss the said grievance or grievances and a final written answer following the said meeting, and should be sent to the business agent of the union within ten (10) working days of the said meeting. The delay provided at article 8.2 will begin as of the date which the employer rendered final decision in regards to the grievance or grievances stated.

7.4 Group grievance

The company will recognize a group grievance as one which directly affects more than one (1) owner-operator and in which the facts in issue in respect to each such owner-operator are the same. In such cases, a single grievance shall be processed commencing at, and in accordance with, second step, within the time limits set out herein providing all griever sign the grievance form. In the event a griever or grievers are unable to sign the grievance form due to inability or other absence from work, their names shall be printed on the grievance form and initialled by the steward. A representative griever will attend the grievance meetings.

7.5 If the event that the union submits a grievance, it is its responsibility to notify the company in writing within thirty (30) calendar days following the alleged violation of the agreement and, by such notice, schedule a meeting between the duly authorized business agent and the general manager or his designate. Failing a satisfactory settlement between the parties, the grievance must be submitted to arbitration, as described in article 8.

7.6 It is understood that none of the parties involved shall sign any contractor agreement with owner-operator which would conflict with the terms and stipulations of this collective agreement.

7.7 Except for delays mentioned in **7.1** and **7.5** which are rigorous, all other indicated delays in the present article are procedural delays and failure to respect them may not be called upon before an arbitrator to prevent him from hearing the validity of the grievance.

ARTICLE 8

ARBITRATION

8.1 Failing the settlement of the grievance, after exhausting the above mentionned steps, it is then be submitted to arbitration in accordance with the established jurisdiction in the certification detained by the union as mentioned herein, and the following rules shall apply.

8.2 The party submitting the grievance shall give written notice to the other party within ten (10) working days following expiration of step 2, of its intention to submit the grievance to arbitration.

8.3 Within ten (10) working days of the notice mentioned in subparagraphs 8.2 or 8.3, whichever applies, both (2) parties shall meet and try to agree on an arbitrator.

8.4 If within such ten (10) working days limit, the parties do not meet or do not agree on an arbitrator, the grieving party must request within five (5) days following the expiry of the ten (10) working days limit, that the Labour Minister appoint an arbitrator.

8.5 The arbitrator's decision is final and binding on both parties.

8.6 Any monetary grievance mutually awarded or decided upon by arbitration shall be paid to the owner-operator concerned within ten (10) working days following settlement or following reception of the arbitration decision, or according to the owner-operator's pay day.

8.7 a) In a case where an aggrieved owner-operator has been suspended or dismissed and his grievance has been upheld entirely or partially following settlement or decision by management or an arbitrator, such owner-operator will be reinstated to his former position without loss of seniority within three (3) working days of the date of settlement or of receipt of the arbitrator's decision.

b) The arbitrator will have the jurisdiction to render any and all decisions including the power to reduce or increase disciplinary measures. However, he does not have the jurisdiction to submit a decision which is inconsistent with the dispositions of this agreement, nor change, alter or amend any part of this agreement. The arbitrator must render his decision within thirty (30) calendar days of the hearing.

8.8 It is understood that both parties share equally the costs and expenses of arbitration.

8.9 The delays outlined in the present article are not rigorous and failure to comply, except in cases of negligence or bad faith, shall not be brought before an arbitrator to prevent him from hearing the validity of the grievance.

ARTICLE 9

NOTICE TO OWNER-OPERATORS

9.1 The company pays to owner-operators discharged, laid off or otherwise leaving the service of the company, all wages owed to them by the company, as soon as possible, but no later than fifteen (15) working days from the owner-operator's termination date.

ARTICLE 10

RERS AND NEW OPERATIONS

10.1 a) Should the company acquire an existing company and integrate the operations of that company with the operations of the present company, the newly-acquired owner-operators shall be credited with the seniority they had at the date of acquisition.

b) Terminal seniority for all purposes other than those mentioned in 10.1 a) shall be as outlined in this agreement and shall be from the date of acquisition.

c) The company and the union agree that if the operations of new acquisitions are merged with the present operations of the company, the newly-acquired owner-operators will be recognized as a part of this bargaining unit and will be dealt with in accordance with articles 10.1 a) and 10.1 b).

10.2 Should the company open a new terminal, the owner-operators on the company-wideseniority list shall have first opportunity to transfer to the new terminal, provided they have the necessary qualifications.

Should this terminal ever close the owner-operator who originally transferred would be allowed to return to their original terminal with full seniority.

ARTICLE 11

BULLETIN BOARD

II.1 The company agrees to posting of union meeting notices or other union functions as well as the collective agreement on a board provided by the company for this purpose. No other notice shall be posted without prior approval by company management.

ARTICLE 12

EQUIPMENTAND SAFETY

12.1 Owner-operators will have the right to refuse unsafe loads providing each refusal is justified. Any disagreements as to the justification of a refusal shall be settled under the provisions of article 7 and 8.

12.2 All expeditions may not circulated without the proper placards, furnish or given by the expeditor, the company or the owner-operator. It shall be the responsibility of the owner-operators to install and remove the placards.

12.3 The company will inform all owner-operators of rules and regulations governing the federal and provincial dangerous goods act and owner-operators will be required to attend the meetings the company will organize for this purpose.

ARTICLE 13

OPERATING PERMITS AND COMMERCIAL LICENCES

13.1 It is agreed and understood that the owner-operator shall pay the base commercial registration permit as required to operate the equipment in the jurisdictions in which the equipment is intended to be operated, it being agreed and understood that the company shall take all such steps necessary to obtain such permit and the company is hereby authorized to deduct from the monies owing by the company to the owner-operator, from time to time, all such monies extended on account of said operating licence.

13.2 The company will provide haulaway permits, as required, for each owner-operator in his name at a cost of fifty dollars (\$50.00) payable by the owner-operator. Maintaining this permit will be the responsibility of the owner-operator. Should the permit expire the cost to reinstate will be paid in full by the owner-operator.

13.3 All licenses, permits, bingo cards, fuel taxes and reporting of such, as well as road taxes and tolls will be paid by the owner-operators, when required. "Torque Transport (1989) Inc." will pay these costs (except tolls) on behalf of the owner-operators and then deduct them from the weekly pays, except for licenses and permits which will be deducted on a fifty-two (52) weeks annually basis.

ARTICLE 14

: RULES AND REGULATIONS

14.1 Owner-operators are to adhere to the posted speed limits.

14.2 Owner-operators are to adhere to any other company rules and regulations relating to conduct while operating as a sub-contractor for the company. Furthermore, all penalties and ticket to forty-eight (48) hours must be reported. This penalties shall be immediately deducted on the next pay, in addition to a charge of fifty dollars (\$50.00) for administration fees with shall be held in reserv and there will be a full reimburse if the penalty is cancelled.

ARTICLE 15

HOLDBACK

15.1 The parties agree, and the owner-operator hereby authorizes the company to withhold a holdback of **two** thousand dollars (\$2,000.00) to be deducted at the rate of the ten percent (10%) per pay until paid up in full. Such holdback shall be kept by the company and deposit in trust throughout the term of this contract, and for a period of ninety (90) days following the termination of this agreement, and shall be used by the company for the responsibility of the owner-operator towards the company for the lost of cargo or damages such as stipulated in the present. These holdbacks shall be applied by the company to the other sums, costs or penalties payable by the owner-operator. The balance

of such holdbacks will be returned to the owner-operator immediately after the expiration of the period of ninety (90) days.

15.2 The company will reimburse holdback to owner-operators who have been discharged, laid off or otherwise leaving the service of the company as soon as possible but not later then ninety (90) days.

However holdback could be delayed past ninety (90) days in the following cases: accident, claims, bills not received (i.e. NTS, fuel, phone cards).

ARTICLE 16

SENIORITY

16.1 a) The purpose of seniority in this agreement is to provide a policy governing work preference, layoffs and recalls. Seniority shall mean duration of service with the company and will be terminal-wide for all purposes, unless otherwise specified in this agreement.

b) The owner-operator may hire drivers to drive their trucks. However, these drivers will be expressly and totally excluded from the present collective agreement.

c) It is agreed that in the eventuality where an owner-operator is incapable to drive his truck because a sickness, accident established by the medical certificate or authorized vacation by the company, the last said will maintain his rank on the seniority list and his rights established and shall for the duration of this absence hire a driver to drive his truck; the said driver/employee shall not be govern by the present agreement.

d) It is agreed that an owner-operator may not continue to have his equipment work for the company when he is or will become a staff employee for the company, who will not however be allowed to dispatch his own unit. The company shall give any owner-operator becoming staff, a period of ninety (90) days to reintegrate the bargaining unit, failing which he will lose his seniority as an owner-operator.

16.2 Seniority lists shall be prepared containing the name, starting date and terminal of all owner-operators covered by this agreement and shall be forwarded to the secretary-treasurer of the local upon request, but in this case, the secretary-treasure shall receive a current list, every six (6) months, commencing January 1st of each year of the current agreement.

16.3 <u>Termination of seniority</u>

An owner-operator's employment shall be terminated for any of the following reasons:

a) If an owner-operator terminates his contract with the company;

b) If an owner-operator is discharged for just cause and is not reinstated pursuant to the grievance procedure as provided in this agreement;

c) If an owner-operator has been laid off and fails to report for work within seven (7) days from date of signed receipt of written notice to report to work, sent by registered mail, to his last address registered with the company, provided that when an owner-operator is recalled to work and does not report within forty-eight (48) hours, the company may recall the next owner-operator in line, but he is subject to being displaced if the first owner-operator recalled reports for work within seven (7) days;

d) If an owner-operator takes employment other than that declared and agreed upon when applying for a leave of absence;

e) If an owner-operator is absent from work for three (3) consecutive days without having notified the company and received permission to be absent in advance, where this is possible;

f) If an owner-operator is laid off and not recalled for a period extending beyond twelve (12) months.

g) If an owner-operators equipment is removed from service for a period of more than six (6) months.

16.4 Absence due to a bona fide illness or injury shall not be caused for discharge, and seniority shall continue to accumulate during said absence. The owner-operator shall notify the company when he becomes aware of an expected or predetermined date of return to work. For illness in excess of three (3) consecutive days, the company may request a doctor's certificate.

16.5 a) In the event of a lay off, the company shall consider the seniority and qualifications of the owner-operators. Where qualifications are equal, seniority will govern. Prior to lay off the owner-operator will have the opportunity to meet the qualification requirements. On lay off the principle of last on first off will be applied.

b) On recalls, the principle of "last off, first on" shall be applied.

c) At the time of lay off which the duration is superior to thirty (30) working days, the owner-operator will meet the company to discuss of an expected date of return. If there is no return, the lay off will be considered official.

d) Owner-operators that are laid off and as a result work for another division shall have the right of recall when and if work is available in their division subject to article 16.5.

e) It is understood that the company will continue the practice of maintaining two separate seniority lists, one for the Canadian and one for the American board for dispatching loads. Therefore, if there is a repositioning to a dispatch board other than that which the owneroperator is normally positioned, the owner-operator repositioned will be at the bottom of the seniority list on the repositioned board unless there is a closing or a lay-off in his normal division. In this event the owneroperator will then be allowed to assume his company seniority on the repositioned board after a thirty (30) days waiting period. However, if there is a re-opening or rehiring in his former division the owneroperator will then beforced to resume his original position on that board or to assume the seniority rank on the repositioned board as of the date of his repositioning.

16.6 <u>Dispatch rules</u>

a) Due to the geographic and operational differences somes dispatch rules working application may differ between the home terminals. All such differences must be noted and agreed to by both company and union and posted.

b) All dispatches will be offered by seniority at the start of each week which may be Sunday or Monday. Where it is possible, Sunday night dispatches should be made kwown to the owner-operator on Saturday. All disptaches for the balance of the week will be offered on a first available/first out basis. All loads dispatched on a Saturday shall be offered by seniority providing the owner-operator is available. For the balance of the week, all loads will be dispatched in accordance with the daily seniority (first in, first out) and in accordance with the priority of the load. Dispatches will not be held or hidden for the purpose of denying the senior men their seniority.

c) When an owner-operator does not finish on a Friday in his home terminal, the company cannot force dispatch him on a load unless this load returns him to his home terminal or unless the load covers a minimum distance of 750 miles, failing which, the owneroperator may go home on his own and at his expense and report himself available for dispatch in Sunday night at his home terminal.

d) Owner-operators will be considered available only if they meet the following requirements:

I) If they have delivered their load or have been relieved from delivering their load by the dispatcher.

2) If they have not advised their dispatcher that they were booking off duty for rest period.

3) If they have not advised their dispatcher that they were booking off duty for the truck maintenance.

4) If they have advised their dispatcher of the day and time they are available.

e) No information on loads available will be communicated to an owner-operator until he is available and has confirmed the day and time of his availability. When an owner-operator makes himself available and has been assigned a load, he will not have the right to refuse it or to change his availability.

f) The company will reposition for a load an owner-operator licensed for more than one division to a division other than his base division unless no owner-operator in the repositioned division is available to cover the said load.

g) <u>Bid runs</u>

If the company decide to apply the offers of a regular bid runs, he must have a submission on the bulletin board during a period of fifteen (15) calendar days and the eldest owner-operator which will have signed will benefit the said trips and will remain binded to this submission until the next year submission.

16.7 Owner-operators shall be considered probationary until they have completed sixty (60) work days, at which time they shall be placed on the seniority list. On attaining seniority, the probationary owner-operator shall be accorded his seniority from the first day worked for the company.

ARTICLE 17

CIVIL RESPONSIBILITY INSURANCE AND CARGO

17.1 The owners-operators must procure themselve a civil responsibility insurance plan for the amount of 3,000,000.00 and also a 300,000.00 for the cargo in order to work for "Torque Transport (\$89) Inc.".

ARTICLE 18

CSST PREMIUM (QUEBEC) WCB PREMIUM (ONTARIO)

18.1 The company will deduct the WCB or CSST premiums from the owner-operators and remit them on their behalf to the respective

government boards according to law. The owner-operator will obtain his CSST or WCB file registration number, failing which the company will do so on his behalf and supply him with the details. The remittances will be made by the company for the owner-operator, to be credited to his registration number. The Quebec resident owner-operators, operating under an incorporated company, can opt out of the Quebec CSST plan. The owner-operator then assumes all responsibility for respecting the applicable laws. In these cases, the company will not deduct CSST premiums. The same does not apply for WCB.

ARTICLE 19

DISCIPLINARY MEASURE

19.1 a) For disciplinary measures, all the offences to the rules and regulations shall be withdrawnre from the record of the owner-operators after a period of one (1) year. Nothing in these rules and regulations shall deprive the owner-operator of the right to challenge a penalty through the regular grievance procedure. All infractions of the Highway Traffic Act and Municipal Bylaws shall be the responsibility of the operator except those which are, by their nature, the responsibility of the company.

b) The owner-operator requested to sign for the receipt of an incident report may be accompanied by a steward or any union representative.

c) All penalties and reprimands must be issued to the owneroperator within fifteen (15) calendar days from the time the infraction became known. Otherwise, the penalty or reprimand will be considered null and void. A copy shall be forwarded to the union.

ARTICLE 20

GENERAL PROVISIONS

20.1 Each owner-operator will sign an individual owner-operator contract with the company. These contracts will be identical in content and will be considered as an extension of the main agreement (see appendix "B" of the present collective labour agreement).

20.2 The company agrees to provide and maintain adequate and clean facilities in respect of waiting rooms and washrooms.

20.3 The weekly pay cheques shall be placed in sealed envelopes prior to distribution and the employer may not withold more than two (2) weeks of work before the said pay.

20.4 The company commits itself to translate the present collective agreement into english. In the case of dispute concerning the differences between the french and the english version, the french version will prevail.

20.5 a) <u>New equipment</u>

At the time to purchase a new equipment, all new owneroperators must verify with the company to determine the required particularity for the new equipment.

b) In all time, the company accept that the owners-operators for "Torque Transport (189) Inc." be dispatched by seniority, mentionned at the article 16.1 for the present agreement.

20.6 In the measure that a disposition of the collective agreement is totally or partly contrary to a disposition of a public law, the said disposition will be reputed to be **unwriten** and reputed to be replace by the judicious disposition of the public order law.

ARTICLE 21

REMUNERATION

21.1 The company shall pay the owner-operator for the use of his equipment as provided in appendix "A".

21.2 In order to receive payment for the work performed, the owner-operator will have to submit:

- a) A bill of lading and pro bill duly signed;
- b) Any other documents required by the company.

21.3 The owner-operator shall submit his account for services rendered to the company weekly. Any adjustment claimed or dispute made by the owner-operator with the company's statement and payment shall be made by the owner-operator to the company at its home terminal within thrity (30) days after his receipt of the statement, and thereafter a statement shall be final and binding.

21.4 The company shall deduct from the owner-operator's earnings, any cost or expense incurred by the company in completing pick-up or delivery services for the owner-operator, in assisting the owner-operator in moving cargo from the consignor to the consignee. In cases where company equipment breakdown, the owner-operator will not be charged.

ARTICLE 22

PRINTING, TYPING AND DISTRIBUTION OF THE AGREEMENT

22.1 The typing and printing of the present agreement will be the union's responsibility but the employer distribute the collective agreement to its owner-operators during the week following their delivery.

ARTICLE 23

DURATION

23.1 The present agreement is in force as of January 1st 2002 to terminate the December 31th 2005.

23.2 If one or the other party to the present wishes to negociate the terms of this agreement, a written notice giving at least eight (8) days prior to the date, the hour and place where representatives are to meet the other party's representatives for renewal of the collective agreement must be sent to the other party within ninety (90) days prior to the expiry of the present agreement.

23.3 This agreement must remain in force until another collective agreement is signed.

IN WITNESSETH THEREOF, the parties have signed on this 2^{th} day of May 2002.

FOR THE EMPLOYER heeld X

FOR THE UNION

APPENDIX "A"

This appendix is an integral part of the present collective agreement.

D	Canadian domestic dispatch:		
	At January 1 st 2002:	85% of total income for the duration of the agreement.	
2)	American dispatch:		
	At January 1 st 2002:	86% of total income for the duration of the agreement.	

3) The owner-operator will be deducted 8% of total income when using company trailers or equipment.

4) All any other benefits or working conditions are eliminated.

5) Before the signature of this agreement, considering that there are brokers that presently work partially for "Torque Transport (1989) Inc." and/or that buy trips of "Torque Transport (1989) Inc." and that are paid at a higher rate of those mentionned above will not be affected by the said enumerated rates in this present appendix "A".

APPENDIX "B"

OWNER-OPERATOR AGREEMENT

(This owner-operator agreement will be considered complementary at the collective agreement, such as indicated at article 20.1)

CONTRACT MADE THIS ____ DAY OF ____20___.

BETWEEN: TORQUE TRANSPORT (1989) INC.

(hereinafter called the "company")

AND:	NAME:	
	ADDRESS:	
	CITY:	
	ZIP CODE:	

(hereinafter called the "owner-operator")

WHEREAS the company performs the transport of merchandises for compensation;

AND WHEREAS the owner-operators does business as a independant trucking contractor;

AND WHEREAS the parties agree to carry out an agreement under which the owner-operator will furnish certain transportation services to the company.

ARTICLE

EQUIPMENT

1.1 By the present, the company hereby leases from the owner-operator and the owner-operator leases from the company, the equipment such as described below:

<u>Type Year Trademark Serial No.</u>

Tractor Trailer

In addition to the tractor and the trailer, the equipment of the owner-operators should include:

- 15 chains
- 15 binders
- 16 metallic corners
- 2 tarps
- 12 wooden blocks (90" x 4 " x 4 ")
- 12 reel supports
- anchorage chains into the trailer
- kit rack and tarp at the request of the employer

For the owner-operators transporting gyproc, the equipment must include in addition the items mentioned below:

4 pipe supports

ARTICLE 2

PRESENTATION AND WARRANTIES

2.1 The owner-operator guarantee that:

a) The owner-operator agree to keep his vehicle and his services to the disposition of the company for the transportation of merchandises and freight such as submitted to the owner-operator by the company, according to the conditions described hereinafter.

b) The owner-operator will be responsible for all fuel taxes. If they are decreases of the government taxes, the owner-operator will receive his part of the discount.

The company must:

c) According to his discretion and the event where the equipment is at fault, replacing the said vehicle or equipment such as required in order to complete the transport initially in course by the owner-operator.

If the owner-operator is inable to complete his delivery, the company will paid the owner-operator his part of the income of the cargo and will charge the owner-operator, afterwards, the costs caused to finish the said delivery.

ARTICLE 3

MAINTENANCE AND CARE OL EQUIPMENT

3.1 The owner-operator agrees to the following:

a) To accept all risks for depreciation, loss or damage to equipment and agrees to pay all operating and maintenance costs and to keep and maintain the equipment in good condition as to mechanical repair, in good physical appearance and in good running order.

The owner-operator must submit his equipment to a safety inspection per year. This inspection must be performed by a garage duly certified and licence to do this kind of inspection and the cost of inspection shall be the responsibility of the owner-operator. If the company requires more frequent inspections, the company will assume the cost of these inspections.

b) Operating the equipment in all times in accordance with applicable rules and requirements of mandated authorities to implant

the rules and all rules relating to traffic safety, highway protection and road requirements to promulgate by the company.

c) In the event that the company would grant a credit to the owner-operator or would furnish gasoline, diesel fuel, oil, antifreeze, tires, pipes, filters or any other services, parts or raw materials, the owner-operator will be charged for these services, parts or materials and these shall be deducted from his earnings. The company assumes no responsibility towards the owner-operator or to third parties for any services, materials, equipment or repairs provided to the owner-operator and the owner-operator agrees to idemnify and protect the company against any claims arising therefrom. If the company gives numbers (P.O. ??) or consents the credit to the owner-operator, the foresaid will be imposed administration costs of 3% percent until a maximum of twenty dollars (\$20.00). These costs will not apply to the purchase of fuel, motor oil or antifreeze.

d) Ten (10) days after expiration of the contract, the owneroperator will take off all identification of the company on the equipment in question.

e) The owner-operator must not pledge the credit of the company, or undertake responsibilities in its name or on behalf of the company.

f) All receipts must be sent to the company for the fuel tax. It is agreed that the company will not submit requisition and the owneroperator must not used the company credit to buy fuel at places other than the stations of the company.

ARTICLE 4

FINANCIAL RESPONSIBILITIES

4.1 The company will have the right to use the equipment for any legal use in accordance with his transport business and will have full possession and control of equipment during this contract. The equipment will not be used during this contract for all other use indicated by the company to execute his public services.

4.2 The company will not assign the located equipment to a owner-operator to an other owner-operator or trucker without having asked to permission to do so.

<u>ARTICLE 5</u>

OWNER-OPERATOR EMPLOYMENT

5.1 The parties agree that all services rendered by the commercial vehicle equipment of the owner-operator at the time of operating or during the services of the company shall be billed by the intervention of the company.

5.2 The owner-operator shall accept upon the instructions of the company, of the freight submitted by the company or by the customer of the company and transport the freight according to the terms of the loading receipt, such as remitted by the company or by the customer of a company above aforesaid.

5.3 All the loadings shall be shipped in conformity to the seniority of the owner-operator as well as the equipments required to manipulate the cargo.

5.4 a) The owner-operator shall be responsible for all transported merchandises by himselh or by his employees, during the time in his possession or control. This responsibility shall be assumed at the pick-up moment and will during until company delivery or at company customer in conformity with bill-off loading terms. The cargo of freight must be sealed and the numbers of the said seals must be writen on bill-off loading.

b) The company must approved all other person than the owner-operator before to permit at this person to drive.

5.5 In all time, in case where the owner-operator must serve his equipment to pull the company equipment, the owner-operator will be held responsible for all damage caused by company equipment, of any nature, all the times that the company equipment is under his control and in his possession. The company is authorized to deduct the cost of the repairs on the income payable by the company to the **owner**-operator. Before leaving the company premises or any other places

with the equipment of the company, the owner-operator must bring to the attention of the personnelmembers authorized by the company, on the defect or damages caused at the company equipment, inorder that the owner-operator is not held responsible for the damages caused by himself only.

<u>ARTICLE 6</u>

COMPANY RULES

6.1 The owner-operators working for "Torque Transport (1989) Inc." must respect the legal speed limit permit by the law and all other rules concerning the conduct of the driver for the time that he works as a sub-contractor of the company.

ARTICLE 7

CONTRACT ANNULATION

7.1 When the owner-operator or his employee drive the equipment, he must paid all amends to inflect at the company when he will infringes the road code or all other province law or the juridiction in which the equipment is used. Furthermore, the owner-operator must pay all legal costs incurred at the time of the defense of these accusations. The owner-operator admits that he understands the laws of the region within the one he is operating according to the road code and in particular without limiting the foresaid, the weight limits, the length, the width and all security limits included within the said laws and in addition recognizes that he is familiar with the operating conditions according to the operation permits of the company. The owner-operator will not be held responsible for the exceeding weight if the loading bills indicates an error in the weight or if the owner-operator did not witness or did not assist the loading. It is agreed that the company will not force the owner-operator to accept the excess load.

ARTICLE 8

NOTICE

8.1 For the purpose of this agreement, notice shall be given, in writing to the company at:

151 Reverchon Office 170 Pointe-Claire, QC H9P 1K1

and to the owner-operator at:

ARTICLE 9

INDEMNITY

9.1 The company will pay the owner-operator for the use of his equipment such as stipulated at appendix "A".

In order to receive a payment for the work accomplished, the owner-operator should remit the following parts.

a) A bill loading or a receipt of delivery duly signed and any other documents required by the company.

b) A travel warrant for each trip.

9.2 The owner-operator should submit his report for the services rendered to the company each day. All adjustments or conflicts on behalf of the owner-operator concerning the statement of accounts of the company and the payment will be submitted by the owner-operator to the company at his home terminal within thirty (30) days following the reception of the statement of accounts, and afterwards, the declaration will be considered final and nil.

ARTICLE 10

WORKING HOURS

10.1 The owner-operator should conform himself to the provincial and federal canadian laws and american in regards to the working hours including the rules attached to the consecutive hours of work and to the hours worked during a certain specific time period.

ARTICLE 11

TERM OF AGREEMENT

11.1 a) The present agreement will enter in force after the execution date mentioned in the present and will remain in force an one (1) year period as of the date of execution unless that a contract is canceled as one's right by the mutual consentment of the parties or as the dispositions of the present contract.

b) Failing to cancel the present contract will be automatically renewed and will remain in force until annulation upon a notice from the negociator executed by one or the other party, not less than thirty (30) days, but not more than nighty (90) hours prior to the expiration.

11.2 This contract may be canceled:

a) After the expiration of the thirty (30) days of notice by one or the two parties concerning the cancellation and the settlement of the monies owed, (article 13);

b) Or at the expiration of the twelve (12) months after the lay off notice if no resumption of work is in view;

c) Immediately after the presentation of the option made by one of the two parties upon notice, after the rupture by the other party by any of the conditions of the present contract;

d) On December 31st of each year and all the following December 31st.

11.3 At the time of cancellation of the present contract, the company should immediately transfert the equipment to the owner-operator only if they receive the amounts owed by the owner-operator to the company, in conformity to the present contract.

11.4 Furthermore, the owner-operator should return all the immatriculation plates and the permits of the vehicle to the company along as his log book.

IN WITNESSETH THEREOF, the parties have signed, sealed and delivered the presents, this ______th day of ______ 20___.

TORQUE TRANSPORT (1989) INC. OWNER-OPERATOR

ADDRESS: _____

TEL.: _____

LETTER OF AGREEMENT #1

BETWEEN: LE CONSEIL CANADIEN DES TEAMSTERS REPRESENTED THE LOCAL 106

hereinafter referred to as "the union"

AND: TORQUE TRANSPORT (1989) INC.

hereinafter referred to as "the company"

A) IT **B** AGREED THAT the company "Torque Transport **(1**89) Inc." will continue his actual practice this is to say, to maintain for Mr. Dave Levy the benefits that are defined as follows:

1) Mr. Levy will use the permits of "Torque Transport (1989) Inc.".

2) Mr. Levy will be pay for the trips executed, and this one week after the remittance of these documents.

3) Mr. Levy may use the fuel cards of "Torque Transport (\$89) Inc.".

4) Mr. Levy will have the possibility to demand an order form for repairs or purchases for his equipment.

5) Mr. Levy may have make his CSST remittance by "Torque Transport (1989) Inc.", amount that will deducted from his remuneration.

6) Mr. Lévy will have the possibility for his insurances to prevail his for the weekly deduction executed by "Torque Transport (**1**89) Inc.".

7) Mr. Levy will be assured that "Torque Transport (1989) Inc." will make the renewal of his plates and the employer will deducted the amount required by equal weekly payment. 8) Seniority: Mr. Lévy may take vacations without being worried, due to the fact that his seniority will not be questionned.

B) IT IS EQUALLY AGREED THAT in return, Mr. Lévy has accepted to assure himself for the civil responsibility and for the cargo such as mentionned at article 17, with the insurance company "Chartier Ltd.", the whole to the conditions enumerated in the letter of July 5th 1996, signed between Mr. Lionel Lefebvre of "Torque Transport (1989) Inc." and Mr. Dave Lévy.

IN WITNESSETH THEREOF, the parties have signed on this 2^{th} day of May 2002.

OR THE EMPLOYER

FOR THE UNION

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