

COLLECTIVE AGREEMENT

Between:

ACTIVE TRANSPORT INC.

- and -

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters

April 1st, 2002 – March 31st, 2005

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CHANGE OF ADDRESS

Dear Brothers/Sisters:

We require up-to-date addresses for all of our Teamster members. When you receive your Union dues receipt, if the receipt reads **BAD ADR** this means **BAD ADDRESS** or **INCORRECT ADDRESS**.

If your dues receipt reads **BAD ADDRESS**, or the address on the receipt **is incorrect**, please let us know by either mailing in a correct address to TEAMSTERS LOCAL NO. 879, 460 Parkdale Avenue N., Hamilton, Ontario, L8H 5Y2 or by calling the Hamilton office at:

(905) 547-3231 or 1-800-528-8879

Your assistance in this matter would be appreciated.

ATTENTION

TEAMSTERS LOCAL 879 MEMBERS

It is extremely important that if you receive a job-related injury the following steps and recommendations be followed enabling the W.S.I.B. to process your reports in a timely fashion.

Important WSIB Information All Members Should Know:
How to Report an Incident and/or Accident

“Steps to Follow in Case of Injury”

1. **INCIDENT AND/OR ACCIDENT:** Report immediately to supervisor, (foreman) and union steward. If Doctor or health care professional suggest time off, get it in writing at the time it is recommended.
2. **REPORT INJURY PROPERLY:** Workers reporting incidents and/or injuries must always include: time, place, type and cause of injury, full names of witnesses and a full explanation of how the injury occurred and what they were doing.
3. **COLLECT WITNESS INFORMATION:** Have your witnesses write down what happened, date, time, and sign it. When reporting an incident and/or injury it is in your best interest to have a job steward or witness present.
4. **BE CONSISTENT IN YOUR REPORTS:** You have to fill out first-aid, employer, hospital admittance, emergency room doctors and your own doctors' reports. WSIB will receive copies of all reports.
5. **LET PEOPLE KNOW OF YOUR PAIN:** This helps document injuries that are not visible or seem inconsequential at the time.
6. **KEEP ALL CORRESPONDENCE:** Keep a journal of all conversations with WSIB. Keep short notes of what both parties have said. Take copies of all correspondence and keep a copy for your personal file.
7. **KEEP COOL:** When talking to the WSIB, stay cool. The Board documents all incidents.

UNION DUES RECEIPTS

Please be advised that receipts for Union dues are sent to your Steward, generally the Chief Steward.

If you have not received your dues receipt, check with your Steward.

Should you have any questions in this regard, contact the dues department in the Teamsters 879 Hamilton office at 547-3231 or 1-800-528-8879.

ER'S REMINDER

APPLICATION FOR WITHDRAWAL

Application for a withdrawal card must be filed with the Union office within ten(10) days by the member who has been laid-off, terminated or is discharged from the Company, including sickness, accident or leave-of-absence.

THIS IS THE SOLE RESPONSIBILITY OF THE MEMBER.

Members who fail to file an application for withdrawal with the Union office will immediately fall into arrears.

Should a member **return to work at any time** during this period the withdrawal application will become null and void, and if once again absent for work for any reason must re-apply for withdrawal.

Applications for Withdrawal are to be sent to:

TEAMSTERS LOCAL UNION NO. 879
460 Parkdale Ave. N.
Hamilton, Ontario L8H 5Y2
Phone: (905) 547-3231
Fax: (905) 545-4633

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COLLECTIVE AGREEMENT

BETWEEN:

ACTIVE TRANSPORT INC.

-and -

TEAMSTERS LOCAL UNION NO. 879

Affiliated with the
International Brotherhood of Teamsters

ARTICLE I - PREAMBLE [REC GNITION

- 1.01 The Company does hereby recognize the Union as the exclusive bargaining agent for all Owner-Operators employed by the Company who are and will at all times be considered as independent contractors.
- 1.02 It is agreed that the effective date of this Agreement shall be April 1st, 2002, and that the term of the Agreement shall be from that date to March 31st, 2005.
- 1.03 The intent and purpose of this Agreement shall be to promote and improve industrial and economic relations and to establish and maintain a high degree of discipline and efficiency, and to set forth herein the basic procedures covering hours of work and conditions of employment which will render justice to all. It is also the purpose of this Agreement to provide a method of fair and peaceful adjustment of all disputes which may arise between the parties.

ARTICLE II - UNION DUES

- 2.01 All Owner-Operators covered by this Agreement must be members of the Union, must remain members of the Union in good standing as a condition of continued employment, and in addition, they shall have deducted from their earnings such initiation fees as prescribed by the Union in accordance with its Constitution.
- 2.02 All Owner-Operators covered by this Agreement hired prior to the date of the signing of same, must **as** a condition of their continued employment with the Company, become a member of the Union, and authorize the company, for the duration **of** this Agreement, to deduct from their earnings on the day the Union's dues deductions are made, an amount equal to **the** Union's monthly dues.
- 2.03 The Company agrees for the duration **of** this Agreement to deduct from the last cheque each month the monthly dues of any Owner-Operator covered by this Agreement, and to remit such monies so deducted to the Union along with a list of personnel from whom the monies were deducted. The check-off list will include the social insurance numbers, domicile, name of each person from whom the Union dues were deducted.
- 2.04 The Union will notify the Company in writing **of** any arrears in dues, initiation or re-initiation fees and the Company will immediately commence deductions in amounts prescribed in such written notice and forward such monies to the Local Union along with the monthly dues as provided for above.

ARTICLE III - MANAGEMENT FUNCTIONS

- 3.01 The Union recognizes that the company has the right:
- (1) to maintain order, discipline **and** efficiency;
 - (2) to hire, classify, direct, assign, promote, demote, transfer, discipline, suspend and discharge Owner-Operators as outlined in section 1.01 and to increase and decrease working forces, provided that a claim of discrimination without just cause, may become the subject of a grievance and will be dealt with as hereinafter provided;
 - (3) generally *to* manage the **Company** and without restricting the generality of the foregoing, to determine the number and the location of establishments, the methods and processes to be used, schedules of work, kinds and locations of equipment to be used, selection, installation and requirements in the operation of any equipment or materials it decides to use and handle; and
 - (4) to make, alter and enforce rules and regulations to be observed by Owner-Operators as outlined in section 1.01 not inconsistent with the terms of this Agreement: Such changes shall be discussed with the Union prior to implementation.
- 3.02 The above clause shall not deprive the Union member of the right to exercise the Grievance Procedure **as** outlined in this Agreement.

ARTICLE IV - SHOP STEWARDS

- 4.01 The Company acknowledges the right of the Union to appoint one (1) shop Steward, and if the operations are such that they cannot be covered by one (1) shop Steward, then additional Stewards may be appointed, not to exceed a ratio of one (1) shop Steward for every forty (40) Owner-Operators.
- 4.02 Wherever possible, grievances shall be processed during the normal working hours of the Steward, and preferably on the premises of the Company.
- 4.03 The Union will inform the Company in writing of the name of the Steward or Stewards and of any subsequent change in the name of the Steward or Stewards. The Company shall not be asked to recognize any Steward until such notification has been received from the Union.
- 4.04 The Company will notify the Union by registered mail or telegram if it takes disciplinary action against a Steward which results in dismissal or suspension.

ARTICLE V-GRIEVANCE PROCEDURE & ARBITRATION

- 5.01 A grievance shall consist of a dispute concerning interpretation and application of any clause in this Agreement, alleged violations of the Agreement, and alleged abuses of discretion by supervision in the treatment of Owner-Operators contrary to the terms of this Agreement. If any question arises as to whether a particular dispute is or is not a grievance within the meaning of these provisions, the question may be taken up through the grievance procedure and determined, if necessary, by Arbitration.

- 5.02 There shall be an earnest effort on the part of both parties to settle such grievances promptly through the following steps:
- 01) By a conference between the aggrieved Owner-Operator and the Branch Manager, if any, and/or his designate. Failing settlement, the grievance must be submitted to the Company in writing and received by the Company within seven (7) calendar days from the date of the alleged violation of the Agreement. Failure to comply with the above is an automatic waiver of any grievance,
 - 02) Failing settlement at the above step, the Branch Manager shall render his decision in writing, and shall refer the grievance to and arrange a meeting between the Union and the General Manager or his designate within seven (7) calendar days from the date that the grievance was registered in writing. The General Manager or his designate shall render his decision in writing within seven (7) calendar days from the date of that meeting
 - 03) In the event the Union or the Company has a grievance it shall be the responsibility of the griever to advise the other party in writing within seven (7) calendar days and received by the party of the alleged violation of the Agreement, and by such notification arrange a meeting within fourteen (14) calendar days between the General Manager or **his** designate and the Representative of the Union or his designate. Should the griever fail to reach a satisfactory settlement, the grievance may be submitted to a Board **of** Arbitration as outlined in 5.02.04.

- 04) Should the parties fail to reach a satisfactory settlement in the preceding steps, the final settlement **of** the grievances may be submitted to **an** Arbitration Board.
- 05) Grievances dealing with discharges, discipline and suspensions shall be registered in writing and received by the Company notwithstanding subsection 5.03.01, within seventy-two (72) hours (Saturdays, Sundays and General Holidays excluded) from the time of the discharge or suspension and shall commence with the second step **of** the grievance procedure as outlined in subsection 5.02.02.

5.03 It shall be the responsibility of the **party** desiring Arbitration to so inform the other party in writing and received by the other party in the case of:

- 01) an employee grievance within fourteen (14) calendar days **after** the General Manager or his designate has rendered a decision or failed to render a decision as provided for in 5.02.02.
- 02) a Company grievance within fourteen (14) calendar days after the meeting with the Union Representative;
- 03) a Union grievance within fourteen (14) calendar days after the meeting with the Company's Representative.

A notice **of** intent **to** arbitrate under the foregoing provision shall contain the name **of** the aggrieved **party's** nominee to the Board of Arbitration and within fifteen (15) calendar days from the receipt of the notice of intent to arbitrate, the other **party** must in **turn** name their nominee. **A** third member to act

as Chairman shall be appointed by the respective nominees. Should either party fail to name their nominee within the required fifteen (15) calendar days or should the nominees fail to select a Chairman within thirty (30) calendar days from the date of their appointment, either party's nominee shall request the Federal Minister of Labour to make such appropriate appointment.

- 5.04 The Board of Arbitration shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in this Agreement or to give any decision inconsistent with the terms and provisions of this Agreement.
- 5.05 Each of the parties hereto will bear the expense of their nominee to the Board of Arbitration and the parties will equally bear the fees and the expenses of the Chairman.
- 5.06 The Company shall not be responsible for the payment of time used by a Steward in the investigation and settlement of a grievance.
- 5.07 Either party may ask for an extension of the time limits, and by mutual agreement, such time limits as specified in this Article will be extended.

ARTICLE VI- STRIKES, LOCKOUTS & PICKET LINES

- 6.01 During the term of this Agreement, there shall be no lockout by the company, or any strike, sit-down, work stoppage, sympathy strike, picketing, interference or suspension of work, either complete or partial, for any reason by the Owner-Operators covered by this Agreement.

- 6.02 Any Union member who instigates, participates, or becomes involved in **any** illegal strike, including picketing, or any disruption of the Company's customer's premises will be subject to immediate dismissal.

ARTICLE VII - SENIORITY

- 7.01 The purpose of seniority is to provide a policy governing work preference, lay-offs **and** recalls.
- 7.02 In the event of a lay-off, the Company shall consider:
- 01) the seniority of the Owner-Operators;
 - 02) the qualifications of the Owner-Operators for the work that must be performed;
 - 03) the suitability of the Owner-Operator's equipment for the work which must be performed;
 - 04) in the event that the qualifications of the Owner-Operators and the suitability **of** the Owner-Operator's equipment are relatively equal, then the Owner-Operator's seniority shall be the determining factor.
- 7.03 Seniority lists containing the names and starting dates of Owner-Operators will be prepared and posted every year on the bulletin board with sufficient copies for Stewards **and** Representatives.

- 7.04 Owner-Operators shall be considered probationary until they have completed forty-five (45) work days of employment, at which time they shall be placed on the seniority list, in accordance with their starting dates.
- 7.05 Probationary Owner-Operators will work under the operational provisions of this Agreement during their probationary period, and they may be discharged or disciplined without recourse to the Grievance Procedure. Upon completion of the Owner-Operator's probationary period all conditions of the Agreement will then apply, including the Health and Welfare provisions.
- 7.06 Employment shall be terminated for any of the following reasons:
- 01) if an Owner-Operator voluntarily quits;
 - 02) if an Owner-Operator is discharged and not reinstated pursuant to the Grievance Procedure as provided **for** in this Agreement;
 - 03) if an Owner-Operator has laid off and **has** refused to return to work within twenty-four (24) hours after being contacted personally by the Company. When the Owner-Operator cannot **be** contacted personally, or is employed elsewhere, then the Company will notify him by registered mail to his last known address, to return to work. He will then be given a maximum of five (5) consecutive days from the date of receipt of notification to report for duty;

- 04) if an Owner-Operator is absent from work without securing a leave of absence for more than three (3) consecutive work days;
- 05) if an Owner-Operator refuses work or a job assignment and that assignment has not violated this Agreement or any Federal regulations or other rules attached to this Agreement;
- 06) if an Owner-Operator has been laid off and not recalled for a period beyond three (3) consecutive months.

ARTICLE VIII - ALLOCATION & HOURS OF WORK

- 8.01 The work week shall commence on Sunday provided loads are available and work will be allocated as outlined in 8.02, provided that the Owner-Operators have the necessary time off duty and that their equipment is suitable for the work to be performed.
- 8.02 In order that all Owner-Operators receive a fair share of available work, dispatches from their home terminal will be given out on a rotation basis, commencing with the senior Owner-Operator and progressing through the seniority list as work becomes available. When all personnel have received their first dispatch, any future dispatch for that week shall be on a first-in, first-out basis, which shall include a phoned in report for dispatch time.

- 8.03 The known Sunday night dispatch will be made available at least twenty-four (24) hours prior to the time of dispatch, and any Owner-Operator wishing to book off on Sunday night must request to do so not later than the preceding Friday at 4:00 p.m.
- 8.04 Owner-Operators who are required by the Company to perform work for one customer only, will have preference on such work without regard to his position on the seniority list.
- 8.05 Owner-Operators will not be required to work in violation of the applicable Federal Hours of Work Regulations.
- 8.06 If an Owner-Operator's equipment is removed from service, his name shall be removed from the dispatch list and he will not be entitled to any Company benefits until his equipment is again made available, provided his equipment has not been out of service for more than three (3) months, in which case such Owner-Operator shall be removed from the seniority list..

ARTICLE IX - GENERAL HOLIDAYS

- 9.01 No Owner-Operator will be required to work on a General Holiday proclaimed by the Federal Government.
- 9.02 Payment to an Owner-Operator for work performed on a General Holiday proclaimed by the Federal Government will be specified in the Owner-Operator's Agreement with the Company.

ARTICLE X - VACATIONS

- 10.01 All Owner-Operators who have completed one (1) year of service will receive two (2) weeks of vacation per year, commencing in the year in which his first anniversary date occurs.
- 10.02 All Owner-Operators who have completed six (6) years of service will receive three (3) weeks of vacation per year, commencing in the year in which his sixth anniversary occurs.
- 10.03 All holidays shall commence on a **Sunday**.
- 10.04 Payment for any vacation purposes will be specified in the agreement between the Owner-Operator and the Company.

ARTICLE XI - HEALTH & WELFARE

- 11.01 To be eligible for the Company Health and Welfare Plan and Ontario Health Insurance Plan (OHIP), Owner-Operators must have completed three (3) calendar months work.
- 11.02 The Company shall arrange to register Owner-Operators with OHIP in order to provide adequate hospital and medical care for Owner-Operators and their dependents.
- 11.03 Cost of Health and Welfare and OHIP premiums shall be paid by the Company.
- 11.04 The Company shall further arrange with a private insurance company to provide Owner-Operators with Supplementary Health and Life Insurance coverage as outlined below and subject to the terms of the policy:

01) **Life Insurance and Accidental Death or Dismemberment**

Life Insurance - * \$25,000.00
 Accidental Death - \$25,000.00

Loss of both hands or both feet or sight of both eyes- \$25,000.00

Loss of one hand and one foot - \$25,000.00

Loss of one hand and sight of one eye - \$25,000.00

Loss of one foot and sight of one eye - \$25,000.00

Loss of one hand, or one foot, or sight of one eye - 50% of \$25,000.00

* An amount equal to annual salary to a maximum of \$25,000.00.

02) **Major Medical Benefits**

One hundred percent (100%) in accordance with the limitations in the Health & Welfare Policy

for: All prescription drugs

Ambulance

Wheelchair, crutches, artificial limbs, etc.

03) **Supplementary Hospital**

Semi-private coverage

11.05 Payment of premium of above will be one hundred percent (100%) by the Company.

ARTICLE XII - PAYMENT FOR EQUIPMENT & SERVICES

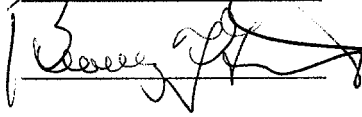
- 12.01 The rates of compensation for the services of each Owner-Operator and his equipment shall be contained in an Owner-Operator's Contract and is a private arrangement between each individual Owner-Operator and the Company and as such shall supersede this Agreement in the event of any conflict.
- 12.02 Amendments to the standard Owner-Operator's Contract will be discussed with affected individuals before the amendments are made.
- 12.03 Owner-Operators who are in disagreement with any amendments to their Owner-Operator's Contract may, without penalty or notice, terminate his contract with the Company.
- 12.04 The Company and the Union agree that the Company shall use its best efforts to hire all Owner-Operators for its job force. It is also agreed between the **Union** and the Company that in the event the Company cannot hire as many Owner-Operators as needed, the Company has the right to utilize casual or supplemental personnel who are neither Owner-Operators nor employees of the Company. The Company agrees, in such cases, to pay to the Union **an** amount equal to the Union dues for these personnel who have worked for the Company. The dues will be deducted from the casual or supplemental personnel the last week of the month and that amount will be sent to the Union **as** specified in this Agreement, along with a list of the casual or supplemental personnel from whom the monies were so deducted.

ARTICLE XIII - DURATION OF AGREEMENT

- 13.01 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns.
- 13.02 If any of the terms **of** this Agreement are in violation **of** any Federal or applicable Provincial Law, then to the extent of the violation, this Agreement shall become null and void, and subject to renegotiation. If **any** portion of this Agreement is declared illegal, it shall not in any way affect the remaining provisions **of** the Agreement.
- 13.03 This Agreement shall remain in full force and effect from April 1st, 2002 to March 31st, 2005, and shall continue thereafter, subject to the right **of** either party, within ninety (90) days immediately preceding the expiry date, by written notice, either party may require the other party to commence collective bargaining with a view to revising or amending this Agreement.

EACH OF THE PARTIES hereto has caused this Agreement to be signed by its duly authorized officials as of the 29 day of March 2004.

FOR THE COMPANY:



FOR THE UNION:

