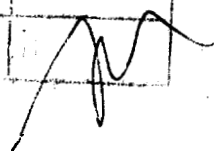


SOURCE			
EFE.			
TERM.			
No. OF EMPLOYEES			
NOMBRE D'EMPLOYÉS			



COLLECTIVE AGREEMENT

BETWEEN :

HAMEL BULK CARRIERS LIMITED

(Hereinafter referred to as "The Company")

AND :

CANADIAN OWNER-OPERATOR WORKERS' ASSOCIATION
(ON BEHALF OF LOCAL UNION 2001)

(Hereinafter referred to as "The Union")

*APRIL 1/95
to
MARCH 31/98*

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WHEREAS, 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 herein the basic Agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

GENDER: Wherever the use of the male gender is used herein, it shall also apply to the female gender where applicable.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the parties hereto mutually agree as follows:

ARTICLE 1 - BARGAINING AGENCY AND RECOGNITION

1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for its employees, as described in the current Certification issued by the Canada Labour Relations Board.

ARTICLE 2 - DEFINITION OF EMPLOYEE

2.01 The term "employee" as used in and for the purpose of this Agreement shall mean those owner-operators and drivers of the Company at and from the Company's present premises for which the Union is certified.

ARTICLE 3 - MANAGEMENT

3.01 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 employee or group of employees.

ARTICLE 4 - UNION SECURITY

- 4.01 (a) All employees who become employed after the date of the signing of this Agreement, shall become members of the Union and maintain their membership as a condition of employment.
- (b) All employees covered by the Certification shall pay dues and/or assessments to the Union.

4.02 The Company agrees to deduct, once each month, from the earnings of every employee covered by this Agreement, such Union dues and/or assessments fixed by the Union. The total dues and/or assessments so deducted shall be forwarded to the Union, along with an itemized statement of same as provided in 4.03 herein, no later than fifteen (15) days from the date the deduction was made.

4.03 All union dues and/or assessments shall be made payable to the Canadian Owner-Operator Workers' Association, Local Union 2001 and forwarded to the head office located at:

20411 Powell Avenue
Maple Ridge, British Columbia
V2X 4N3

ARTICLE 5 - HEALTH AND WELFARE PLAN

5.01 The Company shall submit contributions for the COOWA Health and Welfare Plan to the Plan Administrator:

D.A. Townley & Associates Ltd,
101-4190 Lougheed Highway
Burnaby, British Columbia
V5C 6A8

not later than the twentieth (20th) day of the month for which coverage is required.

ARTICLE 6 - SENIORITY

6.01 The Company shall, upon request, provide the Union with an up-to-date list of all employees covered by this Agreement showing the date each employee commenced his employment and will post the list in a conspicuous place on the premises.

6.02 Seniority for the purpose of this Agreement shall mean the length of service with the Company.

- 6.03 Newly hired employees shall be on a probationary period for ninety (90) calendar days and during this period seniority will not be applicable. Upon successful completion of the probationary period, the employee will be granted seniority effective from the first day of the probationary period.
- 6.04 The Company shall, where operationally possible, attempt to assign work to their employees on an equal rotational basis.
- 6.05 In the event of a lay-off, employees shall be laid off in reverse order of their seniority. A laid off employee shall retain his seniority and recall rights with the Company for three (3) months after the date of layoff.

ARTICLE 7 - PAST PRACTICE

- 7.01 Any rights and privileges of employees 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 8 - DISCIPLINE RECORD

- 8.01 When an employee is given a verbal or written warning, a record of that warning shall also be placed in the employee's personnel file. The employee will be permitted to make a written response to the warning which will also be placed in the employee's file. The Union will be notified of any verbal or written warning.

ARTICLE 9 - PICKET LINE

- 9.01 It shall not be a violation of this Agreement or cause for discipline for an employee who, in performance of his duties, refuses to cross a legal picket line.

ARTICLE 10 - VACATION

- 10.01 Prior to the commencement of the vacation year, the Company will post a calendar on which the employees will indicate their preference for their annual vacation. No more than one employee may be away on vacation at the same time. Where two or more requests for the same period of vacation time are received, seniority will determine which employee will receive the time period, operational requirements permissins.
- 10.02 (a) The Company will not assume any responsibility for damage incurred by the replacement driver to the owner-operator's truck, the Company's property, or for third party damage caused by the replacement driver in the course of operating the owner-operator's truck.
- (b) Where the owner-operator utilizes a replacement driver, the Company assumes no responsibility for payment of the replacement driver. The obligation to make any payment to the replacement driver rests solely with the owner-operator.
- (c) The replacement driver must be approved by the Company in advance of the appointment.
- (d) Upon completion of one year's service, a Company driver shall receive two **(2)** consecutive weeks vacation with eighty (80) hours pay or four percent **(4%)** of annual gross earnings, whichever is the greater. Vacation pay at four percent **(4%)** shall be paid to all Company drivers with less than one (1) year of service.
- (e) Any Company driver completing three **(3)** years of continuous service shall receive three **(3)** weeks vacation with one-hundred-and-twenty (120) hours **pay** or **six** percent **(6%)** of annual gross earnings, whichever is the greater.

ARTICLE 11 - MONETARY

11.01 The Company shall continue to pay the present rates of pay to its owner-operators and Company drivers,

ARTICLE 12 - GRIEVANCE PROCEDURE

12.01 When a difference arises between an employee and the Company, or between the Company and the Union, relating to the discharge or discipline of an employee or to the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether a matter is arbitrable, it shall be finally and conclusively settled, without slowdown, interference with, or stoppage of work, according to the grievance and arbitration procedure which follows.

12.02 All grievances must be initiated within 10 days of the occurrence of the event giving rise to the grievance.

12.03 **Informal Step:** Both parties encourage employees to informally resolve potential problems with the President or his designate prior to initiating a formal grievance. An employee has no grievance until such time as he has brought the situation to the attention of the President or his designate and they have had an opportunity to resolve it.

12.04 **Step 1:** Failing successful resolution of the informal step, the Shop Steward and the employee will present a written grievance to the President or his designate. A meeting shall take place between the parties within 10 days of presenting **the** written grievance.

The President or his designate shall have the opportunity to resolve the grievance at that meeting and shall submit a written reply within 10 working days to the Union. The Union shall have 10 working days from receipt of reply to provide the Company with written notice of arbitration.

12.05 Time limits may be extended by mutual agreement of the President or his delegate and the Union representative.

ARTICLE 13 - ARBITRATION

13.01 The party desiring arbitration shall name its nominee to the arbitration board in the notice of arbitration referred to in Article 12.04, Step 1. Within five (5) days of receipt of notice of arbitration, the other party shall name its nominee. The two nominees shall agree upon an impartial Chair.

13.02 The arbitration board shall hear the parties and render its award. The decision of the majority shall be the decision of the board. Where there is no majority decision the decision of the Chair shall be the decision of the board. The decision of the arbitration board shall be final, binding and enforceable on the parties. However, the board shall not have the power to change this Agreement or to alter, modify or amend any of its provisions.

13.03 An arbitration board shall not have the right to impose a standard of reasonableness upon the exercise of any of the management prerogatives contained in this Agreement, whether in the Management Rights article or elsewhere, unless such standard is expressly contained therein.

13.04 By mutual agreement, the parties may refer a grievance to a single named arbitrator who shall have the same authority as an arbitration board under this article.

13.05 Each party shall pay:

(a) the fees and expenses of its nominee; and

(b) one-half of the fees and expenses of the Chair or single arbitrator.

ARTICLE 14 - SAVINGS CLAUSE

14.01 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.

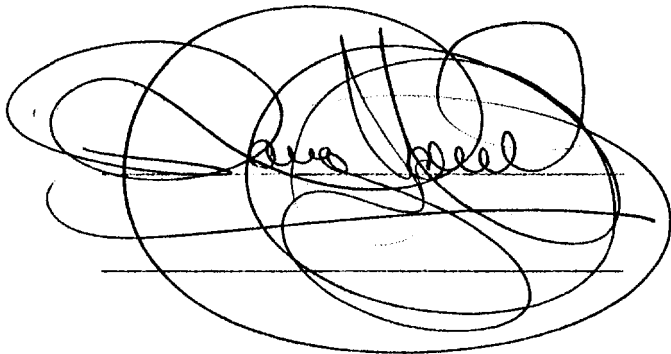
14.02 In the event that any clause or section is held invalid or enforcement of or compliance with which has been restrained as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either party for the purpose of implementing 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 15 - DURATION

- 15.01 This Agreement will be in full force and effect from April 1, 1995 to and including March 31, 1998 and will continue in full force 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.
- 15.02 There will be no strikes or lockouts so long as this Agreement continues in force.
- 15.03 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 lockout; or,
 - (c) the parties conclude a renewal or revision of the Agreement or a new Collective Agreement.

SIGNED at Langley BC, British Columbia, this
28th day of March, 1995

HAMEL BULK CARRIERS LIMITED



CANADIAN OWNER-OPERATOR
WORKERS' ASSOCIATION,
LOCAL UNION 2001

