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No. OF EMPLOYEES	50		
NOM. RE D'EMPLOYÉS	AA		

# COLLECTIVE AGREEMENT

**BETWEEN: LODE RUNNER TRANSPORT INC.**

(HEREINAFTER REFERRED TO AS "THE COMPANY")

**AND :**

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

(HEREINAFTER REFERRED TO AS "THE UNION")



**CANADIAN OWNER-OPERATOR  
WORKERS' ASSOCIATION**

"Protecting Owner-Operator Interests"

12179(01)

## INDEX

	Page
ARTICLE 01 - BARGAINING AGENCY AND RECOGNITION	1
ARTICLE 02 - DEFINITION OF EMPLOYEE	1
ARTICLE 03 - MANAGEMENT	1
ARTICLE 04 - UNION SECURITY	1
ARTICLE 05 - HOURS OF SERVICE	2
ARTICLE 06 - CONFLICTING AGREEMENTS	2
ARTICLE 07 - PROTECTION OF CONDITIONS	2
ARTICLE 08 - TRANSFER OF COMPANY TITLE OR INTEREST	2
ARTICLE 09 - SAFETY CONDITIONS	2
ARTICLE 10 - UNION DECAL	3
ARTICLE 11 - SENIORITY	3
ARTICLE 12 - <b>RETAINING SERVICES</b>	5
ARTICLE 13 - PAST PRACTICE	5
ARTICLE 14 - DISCIPLINE RECORD	5
ARTICLE 15 - PROTECTION OF RIGHTS	5
ARTICLE 16 - DISCLOSURE OF EARNINGS	5
ARTICLE 17 - BEREAVEMENT	6
ARTICLE 18 - PHYSICAL OR MEDICAL EXAMINATION	6
ARTICLE 19 - DRUG TESTING <b>AND</b> SAFETY POLICY	6
ARTICLE 20 - LEAVE OF ABSENCE	6
ARTICLE 21 - VACATION	7
ARTICLE 22 - PAID HOLIDAYS	7
ARTICLE 23 - GRIEVANCE AND ARBITRATION PROCEDURES	8
ARTICLE 24 - EXPEDITED ARBITRATION	10
ARTICLE 25 - SHOP STEWARDS	12
ARTICLE 26 - VISITING PRIVILEGES	12
ARTICLE 27 - SAVINGS CLAUSE	13
APPENDIX "A" COMPANY DRIVER WAGE SCHEDULE	
APPENDIX "B" COMPANY DRIVER DISPATCH RULES (1-6)	
SCHEDULE "A" DEPENDENT CONTRACTOR REVENUE	
SCHEDULE "B" DEPENDENT CONTRACTOR DISPATCH RULES (1-24)	
LETTER OF UNDERSTANDING - RE: ADDITIONAL <b>TRAILING</b> EQUIPMENT	
SCHEDULE "C" HEALTH AND WELFARE LANGUAGE (1-8)	

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 agree as follows:

#### ARTICLE 1 - BARGAINING AGENCY AND RECOGNITION

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

The term “worker” as used in and for the purpose of this Agreement (unless stated otherwise) shall mean those dependent contractors, drivers of dependent contractors and Company drivers at and from the Company’s present address for which the Union is certified.

#### ARTICLE 3 - MANAGEMENT

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 worker or group of workers.

#### ARTICLE 4 - UNION SECURITY

**All** workers who become employed after the date of the signing of this Agreement shall become members of the Union and pay to the Union initiation fees, dues and assessments to maintain their membership as a condition of employment.

Upon receiving one (1) month’s notice from the Union by registered mail, of a change in the initiation fee, dues and 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 instructions.

**All** Union dues shall be made payable to the Canadian Owner-Operator Workers’ Association, Local Union 2001 and forwarded, no later than the 30th day of the month, to the head office located at: 20411 Powell Avenue, Maple Ridge, B.C. V2X 4N3

## ARTICLE 5 - HOURS OF SERVICE

All workers shall not be forced to exceed the maximum hours of work as prescribed by the National Safety Code and/or U.S. Department of Transport and this Agreement. Upon proof of failure to abide by such hours of work, the Parties shall have recourse to the Grievance Procedure contained in this Agreement.

## ARTICLE 6 - CONFLICTING AGREEMENTS

The Company agrees not to enter into any Agreement or contract with workers 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 will be null and void.

## ARTICLE 7 - PROTECTION OF CONDITIONS

It shall be a violation of this Agreement for the Company to require that a worker purchase a tractor and/or tractor and trailer or other vehicular equipment or that any worker purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

Under no circumstances shall the Company directly or indirectly specify a mandatory source of fuel, tires, or maintenance/repairs to be used by a dependent contractor or driver of a dependent contractor.

## ARTICLE 8 - TRANSFER OF COMPANY TITLE OR INTEREST

This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. In the event 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 proceeding, not including financial arrangements thereof

## ARTICLE 9 - SAFETY CONDITIONS

Regarding the maintenance of equipment, it is to the mutual advantage of the Company and a worker, that workers shall not operate vehicles that are not in safe operating condition. No worker will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment (i.e.: brakes, steering, adequate mirrors, signal lights or other lighting equipment).

It shall be the duty of the worker to report, in writing, on the appropriate forms of the Company, promptly, but not later than the end of the ~~shift~~ or trip, all safety and/or mechanical defects on the equipment which they have operated during that ~~shift~~ or trip.

The Company shall designate a person to whom all defect reports are submitted and ~~all~~ workers will be notified of the name ~~of~~ such person.

In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service until repaired and it shall not be considered a violation of his employment when a worker refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.

It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.

The Company shall inform, direct and supply to the workers proper information and handling devices or equipment for handling dangerous cargo. A Company driver shall pay for the first dangerous goods course and all costs for licences and qualifications excluding drug testing, so long as the drug test is negative.

A Company driver who is exposed to a hazard by reason of handling dangerous goods, shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations and the cost shall be borne by the Company.

The Company shall provide first-aid provisions in accordance with the Workers' Compensation Act.

#### ARTICLE 10 - **UNION** DECAL

It shall not be a violation of this Agreement for a worker to post the Canadian Owner-Operator Workers' Association, Local Union 2001 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 the property of the Union. Management agrees to post the decal on their equipment.

#### ARTICLE 11 - SENIORITY

Seniority shall be maintained in the reduction and restoration of the work force, provided the senior man is capable of performing the remaining job or jobs.

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

The Company shall, where operationally possible, attempt to assign work on a seniority basis.

The Company will, upon request, provide the Union with an up-to-date list of all workers covered by this Agreement within each branch and/or division. Such lists shall state the starting date of the worker and truck number. Said list shall be posted on the Union Bulletin Board.

All newly hired workers shall be considered as probationary workers for the first **ninety** (90) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary workers should they be laid-off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary worker as to whether he has been discharged or laid-off and the reasons therefore, with written notification to the Union. Upon successful completion of the probationary period, the worker will be granted seniority effective from the first day of the probationary period.

In the event that the Company purchases a business or any part thereof, the workers of which are covered by a Collective Agreement with Canadian Owner-Operator Workers' Association, Local Union 2001, the seniority of such employees shall be computed **from** the date that they respectively **first** become workers of the business aforesaid.

In the event of a lay-off regarding a dependent contractor or a driver of a dependent contractor, the Company will take into account:

- (a) the type of equipment, licences and permits necessary for the service required;
- (b) the seniority of the dependent contractor or driver of a dependent contractor;
- (c) where two or more dependent contractors or drivers of dependent contractors possess the type of equipment, licences or permits necessary for the service required, seniority shall be the determinant factor and the junior dependent contractor or driver of **a** dependent contractor shall be laid off first; and
- (d) in the application of this paragraph, senior dependent contractors or drivers of dependent contractors who would otherwise be laid off, will have the option to secure the type of equipment, licences or permits necessary for the service required.

Dependent contractors or drivers of dependent contractors who wish 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, licences or permits within ten (10) days thereafter.

**ARTICLE 12 - RETAINING SERVICES**

The Company agrees not to contract out any work normally performed by workers covered by this Agreement if any worker is on lay off for lack of work at the time such contracting out is introduced or, if the contracting out would cause the lay off of any worker.

**ARTICLE 13 - PAST PRACTICE**

Any rights and privileges of workers 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**

When a worker is given a verbal or written warning, a record of that warning shall also be placed in the worker's personal file. The worker **will** be permitted to make a written response to the warning which shall **also** be placed in the worker's file. Any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the worker. The Union will be notified of any verbal or written **warning**.

**ARTICLE 15 - PROTECTION OF RIGHTS**

It shall not be a violation of this Agreement or cause for discipline for a worker, in the performance of their duties, to refuse to cross a legal picket line recognized by the Union.

The Union shall **notify** the Company as soon as possible of the existence of such recognized legal picket lines.

**ARTICLE 16 - DISCLOSURE OF EARNINGS**

Except as otherwise mutually agreed between the Parties, Company drivers covered by this Agreement shall be paid not less frequently than every other Friday.

The Company shall provide every worker covered by this Agreement with a separate or detachable printed, itemized statement of revenue earned in a two-week pay period.

The Company shall allow a worker a reasonable opportunity to view a copy of the original rated freight bill or a computer generated document containing the same information, or any document actually used for a shipment containing the same information that would appear on a rated freight bill. The Company shall decide what is reasonable.

If an error occurs in a worker's pay cheque and the amount is equal to one (1) day or more, the worker shall be entitled, on request, to a cheque being issued in favour of such worker within five (5) working days.

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to Company drivers within seven (7) calendar days thereafter.

#### ARTICLE 17 - BEREAVEMENT LEAVE

Company drivers shall be granted a maximum of two (2) regularly scheduled work days leave with pay in the amount of \$150.00 per day in the case of death of a parent, spouse, or child.

Bereavement leave is not compensable when a Company driver is on leave of absence, bona fide lay-off, annual vacation or receiving benefits from Worker's Compensation or any other benefit plan.

Upon giving twenty-four (24) hours notice, a worker shall be granted time off without pay for the purpose of attending a funeral.

#### ARTICLE 18 - PHYSICAL OR MEDICAL EXAMINATION

A worker who has been absent from work because of illness or injury shall retain his seniority and be placed back into the workforce within seventy-two (72) hours of notice to the Company of his intent to return to work.

#### ARTICLE 19 - DRUG TESTING AND SAFETY POLICY

The Company's Drug Testing, Safety Policy and Procedure Manual will form a part of this Agreement.

#### ARTICLE 20 - LEAVE OF ABSENCE

A worker who has completed one (1) year or more of continuous active service, may be granted a leave of absence without pay for a period of thirty (30) days upon giving two (2) week's prior notice. The employer will not unreasonably deny a worker a leave of absence. The thirty (30) day leave may be extended three (3) times, each extension not to exceed thirty (30) days. In no event, shall any worker be granted a leave of absence exceeding one-hundred-twenty (120) consecutive days.

A worker requesting time off between one (1) and five (5) calendar days must attempt to inform management at least seventy-two (72) hours in advance.



Engaging in employment while on a leave of absence or misrepresenting the reason for a leave of absence may be terminated.

## **ARTICLE 21 - VACATION**

Company drivers covered under the current bargaining unit shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business.

Vacation lists shall be posted and remain posted on or before **January 31st** of each year.

Vacation period to start on completion of his normal work week, and end on the first day of his normal work week on the completion of **his** vacation.

Any individual accepting gainful employment while on vacation may be terminated.

In the event a General Holiday falls during **an** individual's vacation, the individual shall be allowed a day off in lieu of such General Holiday, either immediately preceding or immediately following his vacation period. Such day off in lieu of **a** General Holiday, shall be designated on the **final** vacation schedule.

Company drivers **will** have **an** annual vacation entitlement **as** follows:

<b>YEARS OF EMPLOYMENT</b>	<b>%</b>	<b>ENTITLEMENT</b>
First to fifth year	<b>4%</b>	10 days
<b>Six</b> and Beyond	<b>6%</b>	15 days

Vacation pay **will** be based on the previous year's earnings. A Company driver will be entitled to any vacation pay accrued two **(2)** weeks prior to **taking** vacation and a separate cheque will be issued.

## **ARTICLE 22- PAID HOLIDAYS**

The following have been designated as paid Holidays for Company drivers:

**NEW YEAR'S DAY**  
**GOOD FRIDAY**  
**VICTORIA DAY**  
**CANADA DAY**  
**B.C. DAY**

**LABOUR DAY**  
**THANKSGIVING DAY**  
**REMEMBRANCE DAY**  
**CHRISTMAS DAY**  
**BOXING DAY**

In the event a general holiday is proclaimed by the Federal or Provincial Government, such holiday **shall** be observed as a general holiday.

A Company driver shall be entitled to pay for a holiday provided he has completed his probationary period.

Company drivers shall receive one-hundred-and-sixty-dollars(\$160.00)per day for the above noted paid holidays.

In the event a paid holiday falls on a Company driver's regular day **off**, the day designated by the employer preceding or following shall be taken in lieu.

Paid holidays falling during a Company drivers vacation shall be scheduled on the day preceding or the day following the vacation at the time the vacation is scheduled. Selection shall be subject to the efficient operation of the business and the senior worker shall have preference in resolving a conflict.

#### ARTICLE 23 - GRIEVANCE AND ARBITRATION PROCEDURES

STEP ONE: The Shop Steward, with or without the aggrieved worker, will attempt to settle the grievance with the Supervisor (designated by the Company) involved in the dispute.

If the grievance is not settled at Step One, the Company representative present at the meeting, will relate to the **Union**, in writing, the Company's acceptance or rejection of the grievance.

If settlement is not reached, the grievance will proceed to Step Two.

STEP TWO: The Shop Steward, with or without the aggrieved worker, will attempt to settle the grievance with the Supervisor's superior. If the grievance is not settled at Step Two, the Company representative present at the meeting will relate to the Union, in writing, the Company's acceptance or rejection of the grievance.

If settlement is not reached, the grievance will proceed to Step **Three**.

STEP THREE: The Manager of the Company, with other Company representatives, if he desires, and a Union representative, if available, a Shop Steward, with or without the aggrieved worker, will attempt to settle the grievance.

If the grievance is not settled at Step Three, the Company representative present at the meeting, will relate, to the Union, in writing, the Company's acceptance or rejection of the grievance.

If settlement is not reached, the grievance will proceed to Step Four

**STEP FOUR: ARBITRATION**

Time limits (working days) and Steps will be as follows:

APPEAL TO:	TIME:	ANSWER:
<b>STEP ONE</b>	Within ten (10) days of the grievor's knowledge of the occurrence of the grievance.	(3 days)
<b>STEP TWO</b>	Within five (5) days of answer.	(3 days)
<b>STEP THREE</b>	Within five (5) days of answer.	(3 days)
<b>STEP FOUR</b>	Within five (5) days of answer.	

The time limits may be extended by mutual consent if there is reasonable need for an extension, and a request for an extension is made in writing.

**DISCHARGE CASES:**

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

**WARNING - SUSPENSION - DISCHARGE:**

Workers may only be warned, suspended, or discharged for just cause. Suspension **days will** run as consecutive working days.

**GROUP OR GENERAL GRIEVANCES:**

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

**TIME LIMITS - FAILURE TO ACT:**

If either Party fails to act within any of the time limits, or within **an** agreed upon extension, it will be deemed that that 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.

**SHOP STEWARDS AND COMPANY REPRESENTATIVES:**

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

**COMPANY REPRESENTATIVE - STEP ONE AND THREE:**

If a 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 Discharge Cases and Time Limits - Failure To Act.

**ARTICLE 24 - EXPEDITED ARBITRATION**

- (A) If no settlement is reached in Step Three of the Grievance Procedure, the Chairman of the Union Grievance Committee may appeal it to Expedited Arbitration Procedure by notifying the Company within ten (10) calendar days of receipt of written answer from the Company representatives. A copy of the grievance together with the written replies of the Company shall accompany the appeal.
- (B) The Union's Staff Representative and the designated Company Representative shall confer and determine by mutual agreement which grievance shall be referred to Expedited Arbitration.
- (C) Grievances subject to this Expedited Arbitration procedure must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.
- (D) If the Union's staff representative and the Company representative agree that a grievance shall be referred to Expedited Arbitration, it shall be confirmed in writing.
- (E) **SCHEDULING OF HEARINGS AND APPOINTMENT OF ARBITRATORS:**  
Within three (3) working days of receipt of the confirmation letter referred to in Part (D), the Administrative Secretary shall confer with the Company and the Union to set a mutually agreeable date, time and place for a hearing. Unless both parties agree to an extension of time, the hearing shall be within ten (10) days of the referral to Expedited Arbitration.
- (F) Immediately after agreement for a hearing date, time and place is reached, the Administrative Secretary shall arrange for an Arbitrator by following the procedure set out in the Expedited Arbitration Administration Manual.
- (G) **RESCHEDULING OR CANCELLATION OF HEARINGS:**  
If the hearing of a case scheduled is started, but not completed in the time allotted, the Arbitrator shall reschedule the hearing for such other days as convenient within the ten (10) days of the date of notification of such appeal or such other day as mutually agreed by the Parties. If a case scheduled for hearing was not started during the scheduled day or days allotted, it may be rescheduled by mutual agreement of the Parties with the same Arbitrator and on such a day as mutually agreed by the Parties, or referred back to the Administrative Secretary for re-scheduling with another Arbitrator.
- (H) (i) If the grievance scheduled for hearing are withdrawn or settled prior to the scheduled hearing, the Parties shall notify the Administrative Secretary of such action and the Secretary shall notify the Arbitrator.

- (ii) A grievance scheduled for hearing shall not be postponed or rescheduled unless both local Parties agree.
- (iii) In an emergency situation where the assigned Arbitrator cannot meet the schedule, the Arbitrator shall immediately contact the Administrative Secretary's office, who shall assign another Arbitrator for the hearing or make such appropriate changes as necessary.

**(I) RULES OF PROCEDURE FOR EXPEDITED ARBITRATION:**

Grievances shall be presented in the Expedited Arbitration Procedure by the Local Union President or Shop Steward and by a designated representative of the Company.

Witnesses' attendance at the hearing shall be limited to the time necessary to give their testimony.

- (J) The hearings shall be conducted in accordance with the following:
  - (i) the hearing shall be informal;
  - (ii) no briefs shall be filed or transcripts made;
  - (iii) there shall be no formal evidence rules; and
  - (iv) the Arbitrator shall have the obligation of assuring that all necessary facts and considerations are brought before **him** by the representatives of the Parties. In all respects, the Arbitrator shall assure that the hearing is a fair one.
- (K) The only arbitration decisions which may be cited as part of either Parties' Expedited Arbitration presentation are decisions in which the Company involved in the hearing was a **Party**, but shall not include Expedited Arbitration decisions.
- (L) The Party citing a permissible decision shall provide copies of such decision to the Arbitrator and the other Party at the hearing. The Parties are expected to cite **only** decisions essential to the proper determination of the case and not include unnecessary or redundant case citations.
- (M) **AUTHORITY AND DECISIONS OF ARBITRATORS :**  
The Expedited arbitrator ~~shall~~ have the same powers and be subject to the same limitations as a regular Arbitrator save and except as, expressly provided in Part (N) and Part (O).
- (N) The decision of the Expedited Arbitrator shall only be applicable to the cases in question and shall not be used by either **Party** as a precedent in future cases.
- (O) Notwithstanding any condition contained in this Agreement, the decision of the Expedited Arbitrator shall:
  - (i) be consistent with the provisions of this Agreement; and

(ii) be confined to the grievance referred to him.

(P) LIAISON WITH PARTIES:

General problems dealing with Expedited Arbitration Procedure or specific grievances or hearings to be discussed with the Parties are to be directed to the **office** of

Mr. D.A. (Doug) Nael, B.A.  
Canadian Owner-Operator Workers' Association  
Local Union 2001  
20411 Powell Avenue  
Maple Ridge, British Columbia  
V2X 4N3  
Telephone: (604) 465-6905  
Fax: (604) 465-7743

**AND**

Mr. Terry Charles - General Manager  
Lode Runner Transport Inc.  
Suite #272 - 17735 - 1st Avenue  
Surrey, British Columbia  
V4P 2K1  
Telephone: (604) 541-9907  
Fax: (604) 541-9927

ARTICLE 25 - SHOP STEWARDS

The Union shall elect or appoint Shop Stewards from among its members in the bargaining unit and shall **notify** the Company in writing forthwith of such appointments and deletions of those workers 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 dismissal of a Shop Steward.

ARTICLE 26 - VISITING PRIVILEGES

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

**ARTICLE 27 - SAVINGS CLAUSE**

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.

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.

This Agreement will be in full force and effect from January 1, 1999 to and including December 31, 2000 and will continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement, to give written notice to the other Party to commence Collective Bargaining.

There will be no strikes or lockouts so long as this Agreement continues in force.

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:

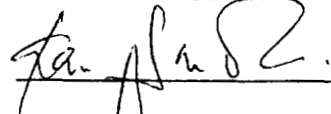
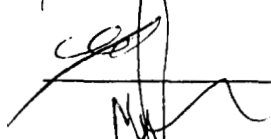
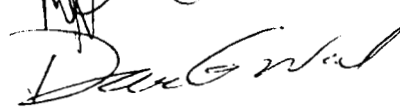
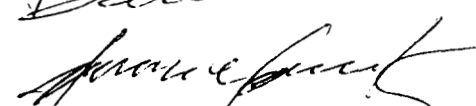
- (i) the Union shall commence a legal strike;
- (ii) the Company shall commence a legal lockout; or
- (iii) the Parties conclude a renewal or revision of the Agreement or a new Collective Agreement.

SIGNED AT SURREY, BRITISH COLUMBIA, THIS 18 DAY  
OF ~~FEBRUARY~~, '1998

LODE RUNNER TRANSPORT INC.

  
TERRY CHARLES

CANADIAN OWNER-OPERATOR  
WORKERS ' ASSOCIATION,  
LOCAL UNION 2001

APPENDIX "A"

COMPANY DRIVERS WAGE SCHEDULE

Company drivers, while on probation, as outlined in Article 11 - Seniority, of the Collective Agreement, will be compensated at a rate of twenty-seven-percent (**27%**) of the gross revenue to the truck.


Company drivers, upon completion of their ninety (90) calendar day probation period, will be compensated at a rate of thirty-percent (30%) of the gross revenue to the truck. Upon completion of one (1) year of continuous service from date of hire, compensation will be thirty-two-percent (**32%**) of the **gross** revenue to the truck. Upon completion of two-years of continuous service **from** date of hire, compensation will be thirty-three-percent (**33%**) of the gross revenue to the truck.

APPENDIX "B"

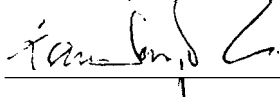
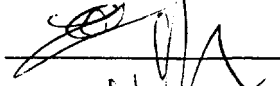
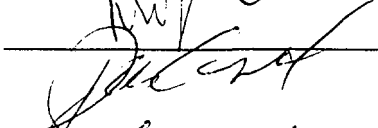

COMPANY DRIVERS DISPATCH RULES (1-6)

1. One Company driver will be appointed by the membership to be a part of the Safety Committee which meet with management once a month at a mutually agreed time and **place** regarding **safety** and other issues.
2. All new Company drivers will be road tested by one of the Safety Committee members or by a Company representative.
3. The Company will supply all trucks with proper equipment for flat deck work.
4. Company drivers will be reimbursed on the following pay period (provided receipts are turned in) for **all** tolls, permits, scale fees, lumper fees, etceteras, paid out of pocket.
5. The Company agrees to pay for a motel room as required and approved.
6. The Company agrees to \$25.00 for preloading and \$30.00 for tarping of loads.

LODE RUNNER TRANSPORT INC.

  
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COOWA, LOCAL UNION 2001

  
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## SCHEDULE "A"

### DEPENDENT CONTRACTOR REVENUE

Dependent contractors will be compensated at a rate of seventy-three-percent (73%) of the **gross** revenue to the truck from date of hire to completion of one **(1)** year of service and seventy-five percent (75%) of the **gross** revenue to the truck from completion of one **(1)** year of service.

## SCHEDULE "B"

### DEPENDENT CONTRACTOR DISPATCH RULES (1-24)

1. The Company shall be held responsible for the action of the dependent contractor respecting compliance with the Motor Carrier Act and Regulations pursuant thereto only while such equipment is being operated **as** specifically directed or authorized by the Company.
2. The Company and the dependent contractor shall each maintain adequate insurance coverage as required and each shall provide proof of same when requested by the other. The dependent contractor shall have the option to pro-rate or not when working in-town the majority of time.
3. The dependent contractor shall be free to paint **his** vehicle to **his own** requirements, but shall display the Company name, sign or logo as required by the Motor Carrier Act.
4. The Company shall, at its expense, provide:
  - (i) all Company signs and/or logos;
  - (ii) bonding as required by any legislative authority or by the Company;
  - (iv) cargo and trailer insurance;
  - (v) all administration and dispatch service as well as all necessary forms.
5. The dependent contractor shall receive **from** the Company, **all fuel** surcharges where applicable, and if paid in **US** funds, the exchange rate in effect at the time shall apply. There shall be a disclosure statement attached to the revenue statement.
6. The weight, rate, and destination of a load **will** be given at the time of call-in dispatch (i.e.: destination of empty containers from Seattle).
7. The dependent contractor shall return to the Company, all plates and documentation within twenty-four (24) hours of terminating employment.

## DEPENDENT CONTRACTOR DISPATCH RULES - CONTINUED


8. Upon terminating employment, the Company agrees to:
  - (i) transfer the vehicle out of the Company name and release the vehicle from the Company pro-rate fleet;
  - (ii) issue by way of separate cheque, as soon as the Company receives their money for all unused portions of licences, insurance, and pro-rate fees to the dependent contractor calculated to the current month end along with a disclosure statement;
  - (iii) pay to the dependent contractor, all monies owed within thirty days except for an amount of \$2,500.00 which will be held for ninety days.
9. Pay cheques are to be ready for pick-up by 2:00 p.m. on the fifteenth (15th) and end of the month.
10. If a pay period falls on a Statutory Holiday or a week-end, said pay cheque shall be made payable on the Friday before the Statutory Holiday or week-end by 2:00 p.m.
11. Revenue statements will be given on the fifteenth (15th) of the month. A dependent contractor will have fifteen (15) days to review the revenue statement and file a discrepancy. Ken Charles will address all filed discrepancies. Company will pay for discrepancies on the fifteenth of the following month.
12. Lumper fees to be reimbursed to the dependent contractor within twenty-four (24) hours of completion of the trip/load or prior to starting the next trip/load.
13. All costs incurred for testing and inspecting the vehicle that the Company directs the dependent contractor to comply with, shall be borne by the Company. If the dependent contractor's vehicle has a recent, valid MVI sticker and fails the inspection, the dependent contractor must pay for the testing and inspection of that vehicle.
14. Any personality conflict between a dispatcher and dependent contractor or a driver of a dependent contractor will be settled between the Parties if at all possible before a dependent contractor or a driver of a dependent contractor seeks the intervention of a Shop Steward and a Company official. There will be no exceptions to this procedure.
15. Dependent contractors and drivers of dependent contractors will be expected to make at least one (1) trip per day with week-end work being optional. When the Company requires drivers to work on week-ends, the Company will ask all available drivers. If the Company still requires drivers, they will be called on a reverse seniority basis.
16. Dispatch will be on a seniority basis.
17. Dependent contractors are not required to pay for any repairs for Company equipment other than those repairs caused by their negligence. If and when a dependent

DEPENDENT CONTRACTOR DISPATCH RULES - CONTINUED


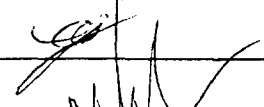
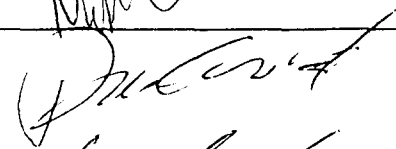

contractor pays for repairs to Company equipment, the Company will supply a P.O. Number and the dependent contractor will be paid upon completion of the trip.

- 18. North bound loads are to be given to dependent contractors with south bounds whenever possible.
- 19. One dependent contractor will be appointed by the membership to be a part of the Safety Committee which shall meet with management once a month at a mutually agreed time and place regarding safety and other issues.
- 20. During the term of this Agreement, the tractor of a dependent contractor shall be operated at all times under the licences, permits, and operating authorities of the Company. The tractor shall be licenced and registered in the joint names of the Company and the dependent contractor for the purposes of insurance, licencing, and its operation under the licences, permits, and operating authorities **of** the Company. However, it is understood and agreed that the transfer of registration of the tractor to the Company is for insurance, licencing, and operating purposes as aforesaid and that it is not intended thereby to transfer the beneficial ownership of the tractor from the dependent contractor to the Company.
- 21. The Company agrees to pay \$30.00 for tarping of steel loads and \$50.00 for tarping of lumber loads. Tarping money will be taken **off** of the load rate and then the applicable revenue split to the dependnet contractor shall apply.
- 22. The Company agrees to pay \$35.00 per hour or portion thereof for waiting time after giving two hours. The dependent contractor must notify the Company *immediately* upon any situation which may give rise to being delayed.
- 23. The Company agrees to pay for over height trailer permit (\$30.00) and any over size load permits.
- 24. The Company agrees not to deduct the \$20.00 per month fuel reporting charge.

LODE RUNNER TRANSPORT INC.

  
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COOWA, LOCAL UNION 2001

  
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**LETTER OF UNDERSTANDING**

**BETWEEN: LODE RUNNER TRANSPORT INC.**

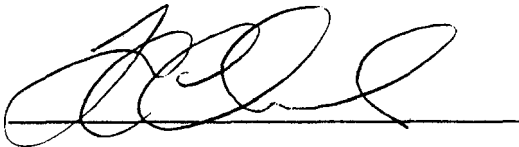
**AND**

**CANADIAN OWNER-OPERATOR WORKERS' ASSOCIATION,  
LOCAL UNION 2001**

**The Parties hereby agree that as of January 1, 1999, any additional trailers not purchased by the Company, required by the Company, will be posted, and seniority shall determine who will provide the required trailing equipment.**

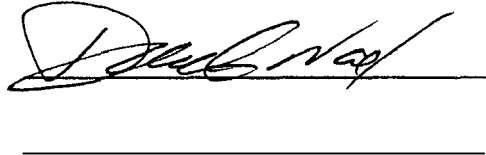
**SIGNED THIS            DAY OF JANUARY, 1999.**

**LODE RUNNER TRANSPORT INC.**



A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

**CANADIAN OWNER-OPERATOR  
WORKERS ' ASSOCIATION,  
LOCAL UNION 2001**



A handwritten signature in black ink, appearing to be a name with a stylized flourish, positioned above a solid horizontal line.

## SCHEDULE "C"

### **HEALTH & WELFARE LANGUAGE (ARTICLES 1-8)**

#### ARTICLE 1 - INSTITUTION

It is agreed that a Health & Welfare Plan be instituted in accordance with the principles hereinafter **set** out. The name of the Plan shall be Canadian Owner-Operator Workers' Association Health & Welfare Plan.

The Plan will continue throughout the life of the Collective Agreement.

#### ARTICLE 2 - BOARD OF TRUSTEES

The Plan is operated by a Health and Welfare Trust under the direction of a Board of Trustees.

#### ARTICLE 3 - PLAN **ADMINISTRATION**

The term of the Plan and its administration shall be entirely the responsibility of the Trustees, provided the **Plan is** administered in accordance with the Collective Agreement and any applicable government law or regulation.

The Plan and the activities of the Trustees will be governed by **a** Trust Agreement, and benefit entitlement will be subject to such rules, limitations and expectations contained in Plan documents and insurance contracts **as** are established and accepted by the Trustees from time to time.

#### ARTICLE 4 - ELIGIBILITY CONDITIONS

**Any** member of the Union in the employ of the Company on the effective date of the Health & Welfare Plan shall join the Plan from that date. Any member of the Union who is hired by the Company after the effective date of the Health & Welfare Plan shall join the Plan on the first day of the month immediately following that month in which the member completes **his** probationary period of 90 (ninety) calendar days.

#### ARTICLE 5 - BENEFITS

- a) Group Life Insurance
- b) Accidental Death and Dismemberment Insurance
- c) Weekly Indemnity
- d) Dental
- e) Extended Health

f) Medical Services Plan of British Columbia (MSP)

The amounts of coverage and details of each benefit are established by the Board of Trustees and outlined in an employee booklet issued by the Plan from time to time.

In accordance with the Health & Welfare Plan Document, Company drivers, dependent contractors and drivers of dependent contractors who can demonstrate to the Trustees of the Plan, that they currently have comparable coverage, will not be required to have duplicate benefits. However, all Company drivers, dependent contractors and drivers of dependent contractors must be covered for the following benefits: Life Insurance, Weekly Indemnity and Accidental Death and Dismemberment.

ARTICLE 6 - PAYMENT OF CONTRIBUTIONS

The Company agrees to remit contributions for the Health and Welfare Plan upon being invoiced to :

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

The Company agrees to hold in trust until remitted, all monies payable in respect of Union dues and the Health and Welfare contributions and shall be liable as such for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the Company.

ARTICLE 7 - LAY-OFF AND TERMINATION OF EMPLOYMENT

All coverage under the Plan will be terminated at the end of the month in which lay-off or termination of employment occurs. If a Company driver, dependent contractor or driver of a dependent contractors' coverage has been terminated due to lay-off is recalled and works a minimum of one eight (8) hour day, coverage for the Weekly Indemnity benefit will commence on the date of return to work and all other benefits will be reinstated as of the first day of the month in which return to work occurs.

ARTICLE 8 - **GENERAL**

The Company shall available, the necessary Health & Welfare forms supplied by the Plan for Company drivers, dependent contractors and drivers of dependent contractors.

It shall then be the responsibility of Company drivers, dependent contractors and drivers of dependent contractors to cause such forms to be completed.