

OWNER-OPERATORS

INDIVIDUAL AGREEMENT

BETWEEN

916845 ONT. LTD. (DOING BUSINESS AS) R.J.R. TRANSPORT LTD. (hereinafterreferred to as the "Company")

AND

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS UNION LOCAL NO. 880 (hereinafter referred to as the "Union")

EXPIRY: NOVEMBER 5, 2002

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ARTICLE 1. PREAMBLE AND RECOGNITION

- The Company 916845 Ont. Ltd. (Doing Business as) R.J.R. Transport does hereby recognize the Union **as** the exclusive bargaining agent for **all** Owner-Operators of the Company at all Company terminals.
- 1.2 It is agreed that the effective date of this Agreement shall be November 1, 2000 and that the term of the Agreement shall be from this date to November 5, 2002.
- 1.3 The intent and purpose of this Agreement shall be to promote and improve industrial and economic relations, 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 fair and peaceful adjustment of all disputes which may arise between the parties.

ARTICLE 2: UNION SECURITY

- 2.1 It is agreed that all Owner-Operators as outlined in Section 1.1 **shall** become and remain members of the Union as a condition of employment during the term of this Agreement.
- All Owner-Operators as outlined in section 1.1 hired prior to the date of the signing of this Agreement must, as a condition of their continued employment, authorize the Company to deduct from their pay on the pay day the Union dues deductions are made, an amount equal to the monthly Union dues for the duration of the Agreement as their financial contribution to the Union.
- All Owner-Operators as outlined in section 1.1 hired on or after the effective date of this Agreement shall, as a condition of continued employment, authorize the Company to deduct the amount equal to the Union Initiation Fees in instalments of Twenty-Five Dollars (\$25.00)per week after the completion of their probationary period. This deduction shall continue until the Initiation Fees are paid in full. The Company agrees to remit such monies so deducted to the head office of the Union along with a list of the Owner-Operators from whom the money is deducted.
- 2.4 (a) The Company agrees for the duration of this Agreement to deduct from the last pay cheque of each month, the monthly dues of all Owner-Operators as outlined in section 1.1 covered by this Agreement and to remit such monies so deducted to the head office of the Union along with a list of personnel from

monies were deducted. The check-off list will include the social insurance number, address, and name of each person from whom the Union dues were deducted.

- (b) The Union will notify the Company in writing of any arrears in dues caused for any reason, or any arrears in initiation or reinitiation fees and the Company will immediately commence deductions in amounts prescribed by the Union in such written notice. Such monies will be forwarded to the Union along with the monthly dues as provided for above. Deductions for arrears in dues, initiation or re-initiation fees shall not exceed twenty-five dollars (\$25.00) per week. If the Company deducts money for Union dues, arrears in dues, initiation fees or re-initiation fees in error at the direction of the Union; such monies will be refunded directly to the person involved, along with confirmation of such refund to the Company.
- (c) The Union will provide the Company with a supply of printed check-off forms which shall provide a column for Dues, Arrears in Dues, Initiation and Re-initiation Fees. The Company shall each month add the name of each new Owner-Operator outlined in section 1.1 hired since the remittance of the previous check-off, along with the person's starting date. The Company shall also give an explanation beside the name of each person who appears on the previous month's check-off sheet for whom a remittance is not made.
- The Union will supply the Company with Initiation Deduction Authorization Forms, Application for Membership Forms, Dues Deduction Authorization Forms all of which shall be signed by all new Owner-Operators as outlined in section 1.1 on the date of hire. It will be the responsibility of the Company to ensure that all completed Application for Membership Forms are returned to the Union.
- (e) The check-off and cheques for the Union Dues deducted must be in the office of the Union not later than the tenth (10th) day of the month following the month in which the monies were deducted.
- Owner-Operators as outlined in section 1.1 will not be required to become Union members until the completion of their probationary period.

(g) The Company shall show on the Owner Operators annual summary statement, the deductions made for the Owner Operator's union dues. It is expressly understood that in making the deductions required above, the Company is acting in the capacity of agent for the union and a supplier of any goods or services.

ARTICLE 3: MANAGEMENT FUNCTIONS

- 3.1 The Union recognizes that the Company has the right:
 - (a) to maintain order, discipline and efficiency;
 - (b) to hire, classify, direct, assign, promote, demote, transfer, discipline, suspend and discharge Owner-Operators as outlined in section 1.1 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;
 - (c) generally to manage the Company and without restricting the generality of the foregoing, to determine the number and location of establishments, the methods and processes to be used, schedules of work, kinds and locations of machines, tools and equipment to be used, selection, installation and requirements in the operation of any equipment or materials it decides to use and handle;
 - (d) to make, alter and enforce rules and regulations to be observed by Owner-Operators as outlined in section 1.1 not inconsistent with the terms of this Agreement.
- The above clause shall not deprive the Union member of the right to exercise the Grievance Procedure as outlined in this Agreement.

ARTICLE 4: SHOP STEWARDS

4.1 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.

- Wherever possible, grievances shall be processed during the normal working hours of the Steward and preferably on the premises of the Company. The Company agrees to pay Stewards at the rate of \$14.00 per hour for all time spent attending scheduled grievance meetings between the Company & the Union.
- 4.3 The Union will inform the Company in writing of the name of the Steward and of any subsequent change in the name of the Steward.
- 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. Failure to do so shall render any and all action to be null and void.
- For the purpose of processing specific grievances or disputes, Business Representatives and Stewards shall have relevant trip sheets, time cards and personnel disciplinary records made available to them upon request during regular working hours, in the office and in the presence of Management.

ARTICLE 5: GRIEVANCE PROCEDURE & ARBITRATION

- 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 of supervision in the treatment of Union members contrary to the terms of this Agreement. There shall be an earnest effort on the part of both parties to settle such grievances promptly and through the following steps:
- By conference between the aggrieved Union member and the Branch Manager or his designate. Failing settlement the grievance must be submitted in writing within seven (7)calendar days from the date of the alleged violation of the Agreement.
 - (b) 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) days of the date that the grievance was registered in writing. The General Manager or his designate shall render his decision in writing within seven (7) days from the date that the grievance was referred to him.
 - (c) In the event the Union or the Company has a grievance, it shall be the responsibility of the grievor to advise the other **party** in writing within seven (7) calendar days 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 a duly accredited principal officer of the Local Union or his designate. Should the grievor fail to reach a satisfactory settlement, the grievance may be submitted to a Board of Arbitration as outlined in section 5.2 (d).

Should the parties fail to reach satisfactory settlement in the preceding steps, the firal settlement of the grievance may be submitted to an arbitration board as outlined below. Before submitting the grievance to arbitration, the dispute shall, if requested by the grieving party, and in accordance with the procedures outlined in this Section, be brought to the attention of a Joint Grievance Committee established for this purpose by the Company and by the Local Unions. The Joint Grievance Committee will render a decision, unless it is deadlocked, which shall be final and binding and have the same judicial powers as a Board of Arbitration. The Joint Grievance Committee shall be comprised of two (2) persons, one (1) of whom shall be selected from Management and one (1) from the Local Unions.

It **is** further agreed that in the event that any Ontario Joint Grievance Committee is unable to render a majority decision, the grieving party must, within fourteen **(14)** calendar days of the date the Ontario Joint Grievance Committee declares a deadlock, unless they wish to withdraw the grievance, proceed to arbitration as outlined in Section 5.3.

- 5.3 It shall be the responsibility of the **party** desiring Arbitration to so **inform** the other party in writing in the case of:
 - (a) an employee grievance within fourteen (14) calendar days after the General Manager or his designate rendered a decision or failed to render a decision as provided for in section 5.2 (c);
 - (b) a Company grievance within fourteen (14)calendar days after the meeting with the Union representative;
 - 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 seven (7) calendar **days** from the receipt of the notice of intent to arbitrate, the other party must in turn name their

nominee. A third (3rd)member to act as Chairman shall be appointed by the respective nominees. Should either party fail to name their nominee within the required seven (7) calendar days or should the nominees fail to select a Chairman within thirty (30) calendar days from the date of their appointment, either party or their nominee shall request the Provincial or Federal Minister of Labour to make the appropriate appointment.

- 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. The Board shall have the authority to vary or set aside any penalty or discipline imposed relating to the grievance if it is deemed justified to do so.
- 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 expenses of the Chairman.
- The Company shall not be responsible for the payment of time used by an Owner-Operator in the investigation and settlement of a grievance.
- In the event the Company has a grievance they shall notify the principal officer of the Union by telegram and a meeting will be arranged within twenty-four (24) hours from receipt of the telegram to discuss the alleged violation and grievance.

In the event that the Union refuses to meet with the Company within the twenty-four (24) hour period as prescribed above, the Company may then proceed to Arbitration.

The time limits and procedures which must be observed by the Union in order to proceed to arbitration must also be observed by the Company commencing with Section 5.3.

These provisions are alternative to the grievance procedures of the Company as set forth in section 5.2 (c).

ARTICLE 6: STRIKES & LOCKOUTS & PICKET LINES

During the term of this Agreement there shall be no lockout by the Company, or any strike, sit down, work stoppage, work to rule or suspension of work, either complete or partial for any reason by the Union members.

Any Union member **who** instigates, participates, or becomes involved in an illegal strike on or adjacent to the Company's premises will be subject to immediate dismissal.

ARTICLE 7: SENIORITY

- 7.1 The purpose of seniority is to provide **a** policy governing work preference, layoffs and recalls.
- 7.2 In the event of a layoff, the Company shall consider:
 - (a) the seniority of the Union members;
 - (b) the qualifications of the Union members;
 - in the case of Owner-Operators, the suitability of the Owner-Operator's equipment for the work which has to be performed;
 - in the event the qualifications of the Owner-Operator and the suitability of the Owner-Operator's equipment are relatively equal, then the Owner-Operator's seniority shall be the determining factor.
- Seniority lists containing the names and the starting dates will be prepared and posted every three (3) months on a bulletin board with sufficient copies for Stewards and Business Representatives. Furthermore, the Company shall also post a seniority list for each classification of vehicle on the bulletin board and shall update the list as necessary.
- 7.4 The Company shall post any and all job opportunities in the different classifications and Owner Operators shall be offered the chance, by their seniority, to change classification of vehicle, before any new Owner Operator is hired.
- Owner-Operators **shall** be considered probationary util **they** have completed ninety (90)calendar days of employment, at which time they **shall** be placed on the seniority list in accordance with their starting dates.
- 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.

- 7.7 Employment shall be terminated for any of the following reasons:
 - (a) if an Owner-Operator voluntarily quits;
 - (b) if an Owner-Operator **is** discharged and not reinstated pursuant to the Grievance Procedure as provided for in this Agreement;
 - (c) if an Owner-Operator has been laid off and not employed elsewhere and has refused to return to work within twenty-four (24) hours after being contacted personally by the Company, unless furnishing a valid reason acceptable to the Company. When an 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 seven (7) consecutive days from the date of notification to report for duty;
 - if an Owner-Operator is absent from work without securing a, leave of absence for more than three (3) consecutive working days;
 - (e) if an Owner-Operator is laid **off** and not recalled for a period extending beyond twelve (12) consecutive working months.
 - (f) If an Owner Operator is convicted of impaired driving while operating a vehicle covered under the Company's authority.
 - If an Owner Operator is laid off as a result of his/her legal ability to perform all dispatches given by the company for a period of more than three hundred and sixty seven (367) days. If the Owner Operator has his/her ability to perform all dispatches reinstated within a period of three hundred sixty seven (367)days, he shall be able to return to work with no loss of seniority subject to the availability of Insurance coverage at a cost not prohibitive to the Company.
 - (h) In the event of a permanent layoffor elimination of a division, the Owner Operator shall have the opportunity to bump into another classification with seniority, provided he gives thirty (30) days notice to the Company of his intention to replace his vehicle, for the purpose of changing classification. The Company shall grant four (4) months to comply with equipment for that division provided proof of purchase or delivery receipt of a new vehicle is provided.

ARTICLE 8: ALLOCATION AND HOURS OF WORK

- The work week shall commence on Sunday provided loads are available, and work will be allocated as outlined in section 8.2 provided that the Owner-Operator has the necessary time off duty and that their equipment is suitable for the work to be performed.
- 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 driver and progressing through the seniority list as work becomes available. When all personnel have received their first dispatch then the cycle will be repeated throughout the two (2)week period.
- 8.3 The known Sunday night dispatch will be made available at least twenty-four (24) hours prior to the time of dispatch and any person wishing to book off on Sunday night must request to do so not later than the preceding Saturday noon.
- Owner-Operators who are required by the Company to perform work for one (1) customer only will have preference on such work without regard to his position on the rotation board. This work shall be offered by seniority to the Owner Operators in the vehicle classification required.
- Owner-Operators will not be required to work in violation of the applicable Federal or Provincial Statutes in Canada. Owner Operators will also not be required to Work in violation of the applicable Federal or State Statutes in the United States.
- 8.6 If an Owner-Operator's equipment is removed from service due to mechanical problems, his name shall be removed from the rotation board until his equipment is again made available. The Owner Operator shall have up to three (3)months to repair and/or replace his vehicle and return to the rotation board. To remove equipment from the rotation board for mechanical reasons, the Owner/Operator must submit details of the deficiency to the Company with a reasonable estimate of the time required to correct the deficiency. Unreasonable delay in effecting required repairs will result in disciplinary action up to and including discharge.

ARTICLE 9: GENERAL HOLIDAYS

9.1 Each Owner-Operator will be entitled to nine (9) General Holidays per year provided:

- (a) he has completed his probationary period;
- (b) he is available for work on the day before and the day after the General Holiday.
- Payment for each General Holiday **will** be fifty dollars (\$50.00). In the event that any Owner Operator accumulates in excess of 75,000 miles in any given year, he/she shall be **paid** an additional \$10.00 for each General Holiday. Payment shall be made no later than February 28th of the following year.
- 9.3 The General Holidays to be observed are:

New Year's Day
Victoria Day
Civic Holiday
Thanksgiving Day

Good Friday
Canada Day
Labour Day
Christmas Day

Boxing Day

When one of the above General Holidays falls on a Saturday or Sunday, the day proclaimed will be the day observed.

ARTICLE 10: VACATIONS

- 10.1 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.
- All Owner-Operators who have completed five (5) years of service will receive three (3)weeks vacation per year in the year in which his fifth (5th)anniversary date occurs.
- 10.3 All Owner-Operators who have completed ten (10) years of service will receive 4 weeks vacation per year commencing in the year in which his 10th anniversary date occurs.
- Payment for vacation purposes will be three hundred twenty five dollars (\$325.00) for each week of vacation entitlement.
- To be eligible for vacation pay, the Owner-Operator must be available for work a minimum of 240 days per year. Any major breakdowns such as an engine replacement, accident repair and any sickness for which benefits are earned shall **not** apply to the two hundred and forty (240) day calculation.

ARTICLE 11: HEALTH & WELFARE

- To be eligible for the Company Health & Welfare Plan, Owner-Operators must have completed three (3)months service.
- 11.2 Cost shall be shared between the Company and the Owner-Operator on an equal basis for the Health & Welfare.
- The Company shall further arrange with a private Insurance Company to provide Owner-Operators with Supplementary Health & Life Insurance coverage as outlined below:

(a) Life Insurance and Accidental Death & Dismemberment

(1)	Life Insurance	\$50,000.00
(2)	Accidental Death 2x	\$50,000.00
(3)	Loss of both hands or feet or sight	
(-)	of both eyes	\$20,000.00
(4)	Loss of one hand & one foot	\$20,000.00
(5)	Loss of one hand & sight of one eye	\$20,000.00
(6)	Loss of one foot & sight of one eye	\$20,000.00
(7)	Loss of one hand or one foot or sight	
. ,	of one eye	\$13,300.00

(b) Major Medical Benefits

One hundred percent (100%) payment after a maximum of twenty-five dollars (\$25.00) deductible per individual or per family in accordance with the limitations in the Health & Welfare Policy for:

- (1) All prescription drugs;
- (2) Ambulance;
- (3) Wheelchair, crutches, artificial limbs, etc.;
- (4) Out of Province Coverage;
- (5) Company to self-fund eyeglasses \$150.00.

(c) Supplementary Hospital

Semi-private coverage.

(d) Weekly Indemnity

sixty percent (60%) of the Owner-Operator's gross monthly salary up to a maximum of Two Thousand Four Hundred Dollars (\$2,400.00) per month after the first eight (8) days in the event of a non-occupational sickness for a maximum of fifty-two (52) weeks.

Sixty percent (60%) of the Owner-Operator's gross monthly salary up to a maximum of Two Thousand Four Hundred Dollars (\$2,400.00)per month after one (1) day in the event of a non-occupational accident for a maximum of fifty-two (52) weeks.

- (e) L.T.D. Plan
- (f) Dental Coverage maximum of \$1,500.00 per member per year, Major reconstructive and current O.D.A.
- The total cost to company for Health & Welfare Benefits outlined above shall be the lesser of **fifty** percent (50%)or \$100.00 of the cost per month per Owner Operator. The Company shall be responsible for administering the Plan.

ARTICLE 12: PAYMENT FOR EQUIPMENT AND SERVICES

12.1 (a) Effective November 1, 2000, the rates of payment for the services of each Owner-Operator shall be as follows: Loaded Empty 5 Ton Vehicles \$1.18.5/mile .55¢/mile 1 Ton Vehicles .98.5¢/mile .50¢/mile Econo Vans .78.5¢/mile .20¢/mile reference

The maximum empty miles paid at the above rate shall be limited to twenty-five percent (25%)of the weekly gross miles all other empty miles paid excluding voluntary home miles shall be as follows:

5 Ton - .70¢ 1 Ton - .65¢ Econo Van - .20¢

- (b) Not counting the initial dispatch, there shall be a \$25.00 pickup and a \$25.00 delivery fee **for all** stops over and above the said initial dispatch.
- (c) The foregoing rates will apply to all highway loads. Local trips will be paid at the rate of fifty seven percent (57%) of the freight charges. A highway trip is any dispatch, which exceeds one hundred miles (100) from point of dispatch.
- (d) Local trips will be paid at the rate of 57% of the freight charges. Local trips will be any trip, which from point of dispatch is less than one hundred (100) miles. In the event a local trip and a highway **trip** are combined, the Owner

- (e) Owner Operators shall be entitled to elect to return to their home base empty at the end of the business day (5:00 p.m.) provided that there are two (2) vehicles of the same classification in the dispatch zone. The rate for the empty trip shall be .45¢ a mile for 5 ton Owner Operators and .30¢ a mile for 1 ton Owner Operators.
- The Company agrees to remit Worker's Compensation on behalf of each Owner-Operator in accordance with the requirements of the Workers' Compensation Act.
- 12.3 The purchase of base plates shall be the sole responsibility of the owner-Operator. Purchase of **any** additional licenses and/or permits will be the responsibility of the Company.
- The Company will administer and deduct weekly premiums for Buy Down Deductible Policy purchased by the Owner Operator.
- The Company agrees to provide a list of all supervisory and management persons indicating their capacity. This list will be updated in the event of changes.
- The Company agrees to provide, on a calendar basis, a summary of all payments made for each vehicle indicating: gross remuneration, and all deductions by type. This summary will be available by February 28th of each year.
- 12.7 Central and East Zones **shall** be entitled to every second weekend off.
- 12.8 Upon an elimination of a division, Owner Operators shall not be responsible for termination pay out costs. In the event of termination or other cessation of employment other than an elimination of a division, all termination payout costs are the sole responsibility of the Owner Operator. This pay out is based on a pro-rated system.

ARTICLE 13: DURATION

- This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns.
- If any of the terms of this Agreement are in violation of any Federal or 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.

This Agreement **shall** remain in full force and effect from November 1, 2000, and shall continue in effect until the 5th day of November 2002 **and** from year to year thereafter unless written notice to amend, cancel or terminate this Agreement is served by either **party** on the other at least ninety (90)days before the termination date.

DATED AT COLLEGE THIS 13th	DAY OF December, 2000
FOR THE COMPANY: R. J. R. TRANSPORTATION LTD.	FOR THE UNION: TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS UNION LOCAL NO. 880
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It is agreed that the following Owner-Operators shall continue to receive five ton rates and shall continue to be classified as five ton Owner-Operators throughout the term of this Collective Agreement or until they replace their current equipment. If **one** of these Owner-Operators replaces their current equipment, it must be replaced with a twenty-four (24) foot long truck capable of hauling 15,000 pounds or more.

- 1 Peter Sutton
- 2 Marcel Ouimette
- 3 Richard Lemieux
- 4 John Panos

4	John Panos	
5	Ron Lariviere	
Dated this _	Day of Dec	, 2000
FOR THE C	ΌΜΡΔΝ Υ·	FOR THE UNION:
	ANSPORTATION LTD.	TEAMSTERS, CHAUFFEURS,
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		UNION LOCAL NO. 880
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