

WESTERN MASTER CONTRACT HAUL and OILFIELD AGREEMENT

BETWEEN:

DELTA TRANSPORT SERVICES .
(hereinafter referred to as the Company)
OF THE FIRST PART

AND:

GENERAL TEAMSTERS, LOCAL UNION NO. 362
(hereinafter referred to as the Union)
OF THE SECOND PART.

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WITNESSETH THAT in consideration of the premises and the mutual covenants and agreements herein contained, the Parties hereto have agreed as follows:

ARTICLE NO. 1 - INTENT and PURPOSE

It is the intent and purpose of the Parties hereto that this Agreement will promote and improve harmonious labour relations, and facilitate the peaceful adjustment of differences between the Company and the employees covered by the terms of this Agreement; and set forth herein the Agreement covering the rates of pay, hours of work, and working conditions to be observed.

ARTICLE NO. 2 - SCOPE of THIS AGREEMENT

- a) This Agreement shall apply to all employees as enumerated.
- b) All employees working for the Company as enumerated in the following Appendices hereunto annexed and forming part of this Agreement:

Appendix "A"- Hours of work, overtime, classifications, and wage rates of employees of mobile equipment in Oilfield Contract Hauling, and their helpers related thereto.

Appendix "B" - covering hours of work, overtime, classifications and rates of pay for Shop employees.

Appendix "C" - Prairie Teamsters Health and Welfare Plan

Appendix "D" - Teamsters Union/Industry Advancement Fund

Appendix "E" - Prairie Teamsters Pension Plan

- c) In the event the Company engages in work covered by Construction, Road Building, and Pipeline Agreements, it is understood and agreed that the Company, when doing work covered by those Agreements, shall become signatory to those Agreements, along with signatory Teamster Unions.
- d) 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.
- e) If the Company is required to hire outside trucks it will endeavour to utilize those Parties that are signatory to this Agreement, provided that mutually satisfactory arrangements can be made between the Parties.

ARTICLE NO. 3 - UNION SECURITY

- a) The Company will provide bulletin boards at its terminals on which the Union may post necessary notices to its members.
- b) The Union shall appoint or elect **Shop** Stewards, and shall notify the Company in writing of such appointment or election. The Company shall recognize Shop Stewards, and shall not discriminate against them for lawful Union activity.

- c) Authorized agents of the Union shall have access to the Company's establishment, during working hours, for the purpose of adjusting disputes, investigating working conditions, and ascertaining that the Agreement is being adhered to, provided however that there is no interruption of the Company's working schedule.
- d) The Union recognizes the right of the Company to hire whomever it chooses, subject to the seniority provisions contained herein. The Company shall, however give the Union the equal opportunity to refer suitable applicants for employment. The Company shall, however give preference to Union members when additional employees are required.
- e) All persons referred to above will be required to sign authorization for Check-off and Initiation Fees, Union Dues, fines, and assessments, which may be levied by the Union in accordance with the Constitution and/or Bylaws. Such check-off shall be irrevocable during the term of this Agreement.
- f) The Company agrees that all employees, Owner-Operators, and employees of Owner-Operators, shall be members of the Union as a condition of employment, and all new employees, Owner-Operators and employees of Owner-Operators, must become members of the Union prior to commencing employment with the Company. The Union will supply the Company with application forms for Union membership, and dues deduction authorization forms, which shall be signed by all new employees, Owner-Operators, and employees of Owner-Operators, on the day on which he is hired. All completed copies of application for Union membership forms shall be returned to the Union, and shall serve as notification of the commencement of employment.
- g) The Company shall deduct and pay over to the Secretary-Treasurer of the Union, any Initiation Fees, dues, **fines** or assessments, levied in accordance with the Union's Bylaws, owing by said employees hereunder to the said Union. Monies deducted during the month shall be forwarded by the Company to the Secretary-Treasurer of the Union, not later than the twenty-fifth (25th) day of the same month, and shall be accompanied by a written statement of the names of the employees for whom the deductions were made, and the amount of each deduction. Failure of the Company to remit to the Union the monies deducted from employees within two (2) weeks after deductions are made, shall give the Union the right to take such action as it deems necessary.

ARTICLE NO. 4 - PAYMENT of WAGES

- a) The Company shall pay wages to every employee covered by this Agreement at the rates set forth in the Appendices hereunto annexed in respect of the various classifications therein contained. The Appendices containing the classifications of the Union(s) signatory to this Agreement shall be deemed to be contained in, and form a part of, this Agreement.
- b) The Company shall at least twice monthly, or every second (2nd) Friday, whichever is applicable and presently in effect, pay to each employee covered by this Agreement, all wages earned by the employee to a day **not** more than five (5) working days prior to the date of payment, provided that if a General Holiday falls on the regular payday, payment will be made the preceding day.
- c) The Company shall provide each employee covered by this Agreement with a separate and detachable written or printed itemized statement in respect of all wage payment made to such employee. Such statement shall set forth the dated pay period, the total hours worked or paid for, the total miles driven, the total overtime hours worked, either time and one-half or double (1½ or 2x) time, the rate of wages applicable, and all deductions made from the gross amount of wages.

- d) Employees of Owner-Operators shall be paid equivalent wages and conditions as provided in this Collective Agreement. If there should be any deficiency to the employee, it shall be his responsibility to advise the Company within thirty (30) days of the pay period in which the deficiency took place.

The Company shall then take action to rectify the situation and pay such balance as may be properly due to owing such employee for said pay period.

- e) If an error occurs in the payroll computation of an employee's paycheque, and the amount is equal to one (1) days' pay or more, he shall be entitled on request to receive same as soon as practicable, but not later than the week following the payday on which the error was reported. If an employee improperly completes his time card or pay claim, or does not turn them in immediately on completion of his trip or tour, any pay so affected will be included with the next regular pay period.
- f) When a payroll error occurs, the Company shall produce all pertinent documentation for employees or Owner/Operators to clear up the payroll issue.

ARTICLE NO. 5 - MANAGEMENT RIGHTS

- a) The Union recognizes the right of the Company to manage and direct the Company's business in all respects in accordance with its commitments, and to alter from time to time rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with this Agreement.
- b) The Company shall always have the right to hire; and to discipline, demote or discharge employees for proper cause.

ARTICLE NO. 6 - GRIEVANCE PROCEDURE

All questions, disputes, and controversies arising under this Agreement or any supplement thereto, shall be adjusted and settled within the terms and conditions as set forth in this Agreement, in the manner provided by this Article, unless otherwise expressly provided in this Agreement. The procedure for such adjustment and settlement, shall be as follows:

STEP 1 - Any grievance of an employee shall first be taken up between such employee and his immediate Supervisor.

Time limit to institute a grievance:

- a) termination or layoff - ten (10) days
- b) all others - thirty (30) days

STEP 2 - Failing settlement under Step 1, the employee must present his grievance in writing to the Local Union, and such grievance shall be taken up between the representative of the Local and the immediate Supervisor.

STEP 3 - Failing settlement under Step 2, such grievance and any question, dispute or controversy that is not of the kind that is subject to Steps 1 and 2, the grieving party shall reduce his grievance to writing, and it will be referred to and taken up between a representative of the Union and the Company representative authorized by the Company.

STEP 4 - Failing settlement under Step 3, the matter will be referred to an agreed upon neutral Arbitrator, who will meet with the Board to hear both sides of the case. The Arbitrator's decision will be final and binding.

Failing to agree upon a neutral Arbitrator, the Department of Labour will be requested to appoint a neutral Arbitrator whose decision will be final and binding.

The cost of the Arbitrator will be borne by the Union and by the Company.

The time limits stated in this Article may be extended by mutual consent of the Company and the Union.

ARTICLE NO. 7 - RATES of PAY, and JOB CLASSIFICATIONS

- a) Special rates of pay for any new operations, areas, or job classifications shall be subject to negotiation, provided that the Company shall pay the area rate until the new rate or job classification is agreed upon. The Company agrees to advise the Union office of any such rate within ten **(10)** days of its establishment, and if no written Union representation is made within thirty (30) days of such notification, the rate will be deemed agreed upon. If no agreement is reached within **sixty (60)** days of receipt of such written representation, the Union may process a grievance under the Grievance Procedure, commencing with **Step 3**.
- b) It is understood and agreed that such new rate shall be retroactive to the date the new operation, area, or job classification was instituted.

ARTICLE NO. 8 - SENIORITY

- a) Seniority shall be based on the length of continuous service of an employee, and shall be by Terminal.
- b) The principle of seniority in each Terminal, shall be maintained in the reduction and restoration of the working force, providing the senior men are capable of performing the remaining job.
- c) Seniority shall be lost for one or more of the following reasons:
 - i. voluntary resignation
 - ii. discharge for cause
 - iii. layoff for more than six (6) months
 - iv. failure to return to work after layoff within seven **(7)** days, where the Company has notified the employee, by Registered Mail at his last known address, to return to work.

ARTICLE NO. 9 - SAFETY and HEALTH

- a) The Union recognizes the right of the Company to require a medical examination at any reasonable time, providing that the Company shall pay the cost of such examination. Drivers that have completed one **(1)** or more years of employment with the Company, and who are required to take government physical or medical examinations for the purpose of their Vehicle Operators' License, will upon receipt of their doctor's report, make it available to the Company for copying. The Company will then reimburse the driver full cost of such physical examination upon presentation of a receipt showing the driver has paid for such examination.

- b) It is to the mutual advantage of both the Company and the employee, that employees shall not operate vehicles which are not in safe operating condition. It shall not be a cause for discipline if a driver refuses to operate any vehicle that he believes is not safe. It shall be the duty of the employee to report promptly in writing to the Company on all defects in equipment. The previous trip's cry-sheet will be made available upon request to the employee dispatched on any specific unit.

ARTICLE NO. 10 - GENERAL HOLIDAYS

- a) Every employee shall be granted Holiday pay of eight (8) hours at work time rate, on each of the following General Holidays falling within any period of his employment.

N.B. - All employees are entitled to have any of these eleven (11) paid holidays, provided they have completed thirty (30) calendar days of employment.

- b)

New Year's Day	Labour Day	Family Day
Canada Day	Christmas Day	Boxing Day
Remembrance Day	Victoria Day	Good Friday
Civic Day	Thanksgiving Day	

- c) When an employee is required to work on a General Holiday, he will be notified not later than 3:00 p.m. the day previous to the Holiday.

- d) If the Federal or Provincial government declares an additional Statutory Holiday, the Company agrees to pay according to Article No. 10, Section a).

ARTICLE NO. 11 - ANNUAL VACATION WITH PAY

Every employee is entitled to, and shall be granted, a vacation with pay as follows:

- a) Two (2) weeks vacation with pay after the completion of each year of continuous service with the Company.

Payment for such vacation shall be in the amount equal to four percent (4%) of the gross wages for the employee during the year in which he qualified for such vacation.

- b) Employees who have completed three (3) years of continuous service with the Company shall receive in the next succeeding year of employment, and each year thereafter, three (3) weeks vacation with pay in an amount equal to six percent (6%) of the gross wages of that employee during the year in which he qualified for such vacation.

- c) Employees who have completed eight (8) years of continuous service with the Company shall receive in the next succeeding year of employment, and each year thereafter, four (4) weeks vacation with pay in an amount equal to eight percent (8%) of the gross wages of that employee during the year in which he qualified for such vacation.

- d) Employees who have completed sixteen (16) years of continuous service with the Company shall receive in the next succeeding year of employment, and each year thereafter, five (5) weeks vacation with pay in an amount equal to ten percent (10%) of the gross wages of that employee during the year in which he qualified for such vacation.

- e) Vacation schedules will be prepared by the Company as far in advance as practicable. All employee requests shall be recognized, if operating conditions allow, vacations shall be granted on the basis of seniority.

- f) An employee laid off or leaving the Company before completion of a full year of service, shall be entitled to a pro-rated vacation with pay computed on the same percentage of his gross wages during the portion of the year worked.

ARTICLE NO. 12 - GENERAL WORKING CONDITIONS

- a) Employees injured on the job will be paid for the full day.
- b) When death occurs to a member of an employee's immediate family, the employee will be granted upon request, an appropriate leave of absence, and if he attends the funeral he shall be compensated at his regular straight time hourly rate, for hours lost from his regular schedule on any of the days prior to the funeral, the day of the funeral, and the day after the funeral, for a maximum of three (3) days. Members of the employee's family are defined as the employee's spouse, mother, father, sons, daughters, step-sons, step-daughters, sisters, brothers, mother-in-law, father-in-law, grandfather, grandmother, brother-in-law, and sister-in-law. Step-father or stepmother will be recognized provided such stepfather or step-mother had the status of the employee's father or mother.
- c) A day as referred to in this Agreement is from the hour an employee commences work, and terminates twenty-four (24) hours later.
- d) When a member starts his work shift at the regular rate, he shall not be paid less than the regular rate for the complete day (excluding the area rate changes).
- e) Provided regular shop employees do not lose wages, drivers or Owner Operators can be used in the shop during slack seasons, and paid the rate they qualify in.
- f) Wherever possible, overtime shall be distributed evenly considering seniority.
- g) Applications for leave of absence without pay, when in writing, may be granted at the discretion of the Company.
- h) If an employee uses a leave of absence for purposes of taking employment elsewhere, then he shall be considered to have terminated his employment with the Company.
- i) All employees and Owner Operators will be paid for all time spent in the employ of the Company.

ARTICLE NO. 13 - NO STRIKE - NO LOCKOUT

- a) During the life of this Agreement, there shall be no lockout by the Company, or any strike, sit-down, slow-down, work stoppage, or suspension of work, (either complete or partial), for any reason, by the Union.
- b) It shall not be a violation of this Agreement, or cause for discipline of any employee in the performance of his duties to refuse to cross a picket line.

ARTICLE NO. 14 - VALIDITY of ARTICLES

- a) If any Articles or Sections of this contract, or of any supplement hereto, should be held invalid by operation of law, or by any tribunal of competent jurisdiction; or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this contract and of any supplement thereto, or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- b) This Agreement shall not take from the employees any privileges they enjoyed at the signing of this contract, except such as were specifically dealt with in negotiating this Agreement.

ARTICLE NO. 15 - HEALTH & WELFARE and PENSION PROTECTION

- a) **When** an employee goes **off** work ill, or on Compensation, or a grievance is invoked on his discharge, the Company shall continue to pay his Health and Welfare premiums, Pension remittance, and Union dues for a maximum of three (3) months, so that at all times the employee shall be protected to the utmost. At the end of three (3) months, the affected employee must clear up his deficit, and upon so doing he will be eligible for a further three (3) months protection. When an employee returns to work, the Company shall deduct from his earnings any monies the employee would normally have paid. In the event an employee **does** not return to work, and the employee refuses or neglects on demand at his last known address to make restitution for such monies normally paid by the employee, the Union shall then reimburse the Company for said amount.
- b) The employee **shall** be notified when he is three (3) months in arrears, and the period of such coverage **shall** exceed twelve (12) months only by mutual agreement of the two (2) Parties.

ARTICLE NO. 16 - TERMINATION and AMENDMENTS

- a) This Agreement shall be in full force and effect as of the first (1st) day of July 2008, and continue in full force and effect through the thirtieth (30th) day of June 2011, and from year to year thereafter, except as hereinafter provided.
- b) Either Party may terminate this Agreement on any anniversary date, by notice in writing to the other Party, not less than ninety (90) days prior to such anniversary date.
- c) Either Party wishing to amend this Agreement shall give notice in writing of such desire to the other Party, not less than ninety (90) days prior to such anniversary date of this Agreement.

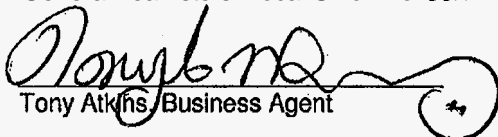
SIGNED THIS 24 DAY OF FEB, 2009

ON BEHALF OF THE COMPANY:
Delta Transport Services



Dave Allen, Transport Supervisor

ON BEHALF OF THE UNION:
General Teamsters. Local Union No. 362



Tony Atkins, Business Agent

APPENDIX "A"

HOURS OF WORK, OVERTIME, CLASSIFICATIONS, and WAGE RATES for HOURLY RATED EMPLOYEES OF MOBILE EQUIPMENT in OILFIELD and CONTRACT HAULING, and THEIR HELPERS RELATED THERETO - OTHER THAN THOSE EMPLOYEES REFERRED TO IN APPENDIX "B" AND "C"

a) **Regular Hours of Work and Overtime Conditions**

Daily maximum - nine (9) hours Weekly maximum - forty-five (45) hours

All hours worked in excess of the maximums shall be paid for at the rate of one and one-half (1½) times.

b) All hours worked on a General Holiday shall be paid for at the rate of time and one-half (1½), plus eight (8) hours for the General Holiday which shall be paid for in any event.

c)

d)

Classification	July 1/08	July 1/09	July 1/10
Bed Tandem	31.20	32.45	33.75
Cherry Picker	30.86	32.09	33.37
Lowboy/Highboy	26.74	27.81	28.92
All Terrain Vehicles	25.36	26.36	27.36
Cane & Forklift	27.83	28.94	30.10
Swamper	20.91	21.75	22.62
Pilot Car	21.05	22.00	22.66
Single Axle	24.96	25.96	27.00
24 - 48 Wheels Premium	1.80	1.90	2.00
Over 48 Wheels Premium	3.00	3.10	3.20
Lead Hand	Will be paid 2.00 more than the appropriate rate		

Trainee Operator - the Trainee Operator shall be paid one dollar and twenty-five cents (\$1.25) per hour above the Swamper rate for the probationary period up to a maximum of ninety (90) days, at which time the rate will be increased to the full Operators' rate.

AREA 2 - NORTH OF 60th PARALLEL

Employees dispatched on trips in and out of Area 2, or working in Area 2, shall be paid an additional rate of twenty-five cents (\$0.25) per hour above their regular hourly rate as spelled out in Area 1.

- e) **Subsistence Allowance** - Effective July 1, 2005, each employee who is required to remain away from his or her place of domicile shall receive a subsistence allowance at a flat rate of one hundred and ten dollars (\$110.00) per night, or where camp facilities are available, the employee shall receive no subsistence pay, however board and lodging will be supplied at no cost to the employee.

MILEAGE RATES- cents per mile

Area 1 - South of the 60th Parallel- Effective January 1, 2003

Sleeper Team	41.00¢
Single-Man	39.00¢

Area 2 - North of the 60th Parallel- Effective January 1, 2003

Sleeper Team	44.00¢
Single-Man	42.00¢

All newly hired employees, where experience is not known, will receive thirty cents (30¢) per hour less, for a period of ninety (90) days.

NOTE: When operating units with more than five (5) axles, the mileage rate will be increased by one cent (1¢) per axle, for each additional axle over and above the fifth (5th) axle.

- (f) **Call-out and Call-back**- any employee who is called out to work on a regular work day shall be paid not less than eight (8) hours wages. Any employee who is called out to work on an overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours pay.

Any employee reporting for duty on a call-back basis shall be guaranteed a minimum of four (4) hours pay at the overtime rate, but after completion of the duty he was called for, he may book off with a minimum of two (2) hours pay.

APPENDIX "B"

COVERING HOURS of WORK and OVERTIME, CLASSIFICATIONS, and RATES of PAY for SHOP EMPLOYEES

a) **Hours of Work**

The work week shall consist of five (5), eight (8) hour days, commencing at eight a.m. (8:00 a.m.) Monday, and ending at four-thirty p.m. (4:30 p.m.) Friday.

Should additional shifts be required, seven and one-half (7½) hours work shall constitute the second shift for which eight (8) hours wages shall be paid. Seven (7) hours work shall constitute the third shift for which eight (8) hours wages shall be paid. Shift differential shall be paid on straight time shifts at regular rates, on overtime shifts at the applicable overtime rates.

Second and third shifts shall not commence more than one-half (½) hour earlier than the end of the previous shift.

Should the Company wish to have a three (3) shift operation, the work week may start at 12:01 a.m. Monday. Any subsequent changes in the work week shall be by mutual agreement.

b) **Overtime** - All hours worked outside regular hours as outlined in a) above, shall be paid for as follows:

1. Monday to Friday - first two (2) hours of overtime - time and one-half (1½), thereafter double time (2x).
2. Saturday, Sunday, and General Holidays - double time (2x) for all hours worked.

c) **Call-out and Call-back** - Any employee who is called out to work on a regular work day shall be paid not less than eight (8) hours wages. Any employee who is called out to work on an overtime day, shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours pay.

Any employee reporting for duty on a call-back basis, shall be guaranteed a minimum of four (4) hours pay at the overtime rate, but after completion of duty he was called for, he may book off with a minimum of two (2) hours pay.

Classification	July 1/08	July 1/09	July 1/10
Working Shop Foreman (Heavy Duty Mechanic)	36.28	37.73	39.24
Heavy Duty Mechanics & Welders	34.20	35.57	36.99
Automotive Mechanics	31.04	32.28	33.57
Apprentice Mechanics			
- Start Year	20.52	21.34	22.19
- First Year	23.94	24.90	25.90
- Second Year	27.35	28.44	29.58
- Third Year	30.77	32.00	33.28

APPENDIX "C"

HEALTH and WELFARE PLAN

1. The Company **shall** provide the "Prairie Teamsters Health and Welfare Plan" to **all** employees or members of the Union, and eligible dependents coming under the jurisdiction of this Agreement.
2. Any regular employee or member of the Union who is hired by the Company, after the effective date of the Health and Welfare Plan, shall join the Plan on the first day of the month immediately following sixty (**60**) calendar days from the date of employment with the Company.
3. It will be the responsibility of the Company to ensure that all employees are enrolled in the Health and Welfare Plan, and to make premium remittances on their behalf. Failure of the Company to enroll employees, forward completed forms and/or remit premiums on the due date, being the tenth (10th) day of each month, to the Trustees, will cause the Company to be liable for any claim arising thereof.
4. **It** shall be the Union's responsibility to supply all necessary enrollment forms to the Company.
5. The Company shall remit the premiums to the Administrator, as designated by the Trustees of the Health and Welfare Plan. It shall be the Trustees responsibility after receipt of the premiums to distribute same to applicable insurance underwriters.
6. Medical, Surgical and Obstetrical coverage in accordance with the standard Plan of Service provided by medicare in the province in which the employee is domiciled.
7. The cost of the Health Insurance Plan will be paid for by the Company.
8. The Company will continue to cover employees who are off ill or on Compensation, for a maximum of twelve (**12**) months from date of injury or illness.

APPENDIX "D"

TEAMSTERS UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by the Teamsters.

The Company shall make contributions of five cents (5¢) per hour for which wages are payable hereunder, for each employee and dependent contractor covered by this Collective Agreement.

Payment of said funds shall be made to the appropriate Teamsters Local Union/Industry Advancement Fund by the fifteenth (15th) of the month following that to which they refer.

This payment will be independent and separate from any other payment made to the appropriate Locals.

APPENDIX "E"

PENSION PLAN

- A. Effective January 1, 2008, the Company will contribute two dollars and forty cents **(\$2.40)** per hour for each hour for which wages are payable, to the Prairie Teamsters Pension Plan.
- Effective January 1, 2009, the Company will contribute two dollars and forty cents **(\$2.40)** per hour for each hour for which wages are payable, to the Prairie Teamsters Pension Plan.
- Effective January 1, 2010, the Company will contribute two dollars and forty cents **(\$2.40)** per hour for each hour for which wages are payable, to the Prairie Teamsters Pension Plan.
- B. Contributions and remittances referred to above, shall be remitted monthly by the fifteenth (15th) day of the month following that month to which they refer, together with a form supplied to the Company by the Union, which shall provide full instructions.
- C. Timely payment of contributions to the Trust Funds provided for in this Agreement is essential for the protection of the beneficiaries. Delinquency and continued failure to remit contributions to the Trust Fund shall be dealt with as follows;
- i. The Union will advise the Company, in writing, of any delinquency.
 - ii. If the Company has failed to respond within forty-eight **(48)** hours of receipt of notification, exclusive of Saturday, Sundays and Holidays, the Union may then request a meeting with the Company to provide for payment of funds.
 - iii. In the case of failure of the Company to contribute into the funds on the due date, the Trustees in their joint names may take legal action against the Company for recovery of the amount due.

LETTER OF UNDERSTANDING

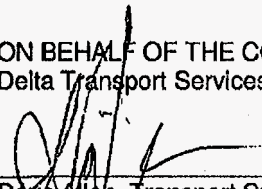
BETWEEN: Delta Transport Services
Hereinafter referred to as the Company

AND: GENERAL TEAMSTERS LOCAL UNION NO. 362
Hereinafter referred to as the Union

The Parties hereto agree that any work performed for any contractor who is signatory to the Teamsters Mainline Pipeline Agreement shall be reported in writing, by fax or by mail, to General Teamsters Local Union No. 362 Edmonton office on a monthly basis. Any loads not reported will be subject to the Grievance Procedure contained in this Agreement.

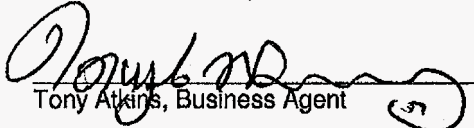
SIGNED THIS 24 DAY OF Feb, 2009

ON BEHALF OF THE COMPANY:
Delta Transport Services



Dave Allen, Transport Supervisor

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362



Tony Atkins, Business Agent