

COLLECTIVE AGREEMENT

BETWEEN: ALDAR TRANSPORT
(Hereinafter referred to as the "Company")

AND

TEAMSTERS LOCAL UNION NO. 31
(Hereinafter referred to as the "Union")

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ARTICLE 1 - UNION RECOGNITION AND SCOPE

Section 1.1 - Union Recognition and Scope of the Bargaining Unit

The Company recognizes the Union as the sole and exclusive bargaining agent for all of its employees and owner-operators save and except supervisors, and office staff.

Section 1.2

Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in this agreement, whether owned or hired by the Company or leased to or by the Company or however, shall be operated by members of the Union.

Section 1.3

Except as otherwise herein provided, all storing and handling of merchandise or other goods or material (any loads that are to be loaded or unloaded by City people) shall be carried on by employees of the Company, members of the Union, where such work is under the control of the Company, provided, however, that owner-operators shall be permitted to load or unload their own loads.

Section 1.4

Appendix's "A", "B" and "C" attached hereto and forming part of this Agreement.

ARTICLE 2 UNION SECURITY

Section 2.1 Maintenance of Membership

Owner-operators shall become and remain members of the Union in good standing prior to being utilized by the Company, Employees shall, as a condition of employment, become and remain members of the Union in good standing, wherever possible, employees shall become members of the Union in good standing prior to commencing employment with the Company. For the purposes of applying this clause, employees and owner-operators shall become members of the Local Union which has jurisdiction over their home address.

Section 2.2 Union Dues Initiation Fees and/or Other Assessorial Charges

All employees and Owner operators shall, as a condition of employment authorize the Company to deduct from their earnings all Union Dues, Initiation Fees and/or Other Assessorial Charges in amount as prescribed by the Union. Authorization Cards shall be furnished by the Union and shall be in accordance with applicable legislation. And further, they shall be furnished to the new employee by the Company and sent into the Local Unions Office within three (3) days of his first shift.

The Company agrees to deduct and remit such monies to the Union together with the check-off list prior to the fifteenth (15th) day of the month in which the deductions were made. The monthly Union dues are to be deducted in the month preceding the month to which they apply providing there are sufficient funds to cover such deductions. The check-off list will state the date of employment or engagement,

Social Insurance Number and location with the jurisdiction of each Local Union. Owner-operators will be identified on the check-off list.

Section 2.3

The Company will allow time off, without pay, to any person who is serving on a Union Committee or as a delegate.

Section 2.4

Authorized agents for the Union will request and be granted access to the Company's establishments for the purposes of investigating conditions related to Union contract clauses.

Section 2.5

The Company will provide bulletin boards on which the Union may post necessary Notices to its members.

ARTICLE 3 MANAGEMENT RIGHTS

Section 3.1

The Management, operation development, including the right to direct, plan, and control operations, introduce new or improved methods of facilities is vested in the Company.

Section 3.2

The direction of employees including the right to hire, promote, transfer, suspend or discharge for just cause is the function of management. Such function, however, shall not be exercised in any way inconsistent with or in violation of any terms or provisions of this Agreement.

Section 3.3

The Company shall establish Rules and Regulations governing employees which may be changed from time to time but which shall not be in any way inconsistent with or in violation of any of the terms or provisions of this Agreement. Further, nothing in the Company Rules and Regulations shall deprive an employee of the right to challenge a penalty through the grievance procedure in accordance with Article 12 of this Agreement. The Company shall provide the employee and the local Union with an up-to-date copy of all Company Rules and Regulations. All infractions of the Highway Traffic Acts and Municipal By-Laws shall be the responsibility of the drivers except those which are, by their nature, the responsibility of the Company.

ARTICLE 4 SENIORITY

Section 4.1

Seniority as used herein shall mean an employee's length of service since the last date of hire.

Section 4.2

There shall be two (2) separate units for seniority purposes which shall be recognized as follows:

Unit I - Company Employees

Unit II - Owner Operators

Section 4.3

A seniority list containing the name and starting date of employees will be prepared and posted every three (3) months. A seniority list containing names and addresses of employees as contained in the records of the Company will be prepared and forwarded to the Local Union Office. Seniority lists shall be by unit.

Section 4.4

The principle of seniority shall be maintained for the purpose of determining reduction or restoration of the working force in each work classification providing the senior man is capable of performing the job requirements.

Section 4.5

The parties to this Agreement recognize that job opportunity and advancement should increase in accordance with seniority. An employee's right to a job shall be based upon his seniority and ability to fulfil the job requirements but there shall be no job bumping.

Section 4.6

When the working force is reduced, employees shall be laid off in the reverse order of their seniority commencing with the employee having the least seniority in his classification.

Section 4.7

When the work force is increased employees shall be returned to work in order of their seniority in their classification commencing with the employee having the greatest seniority.

Section 4.8

In the event an owner-operator's equipment is unavailable for any reason he shall not use his seniority for any purpose.

Section 4.9

- (a) In the event an owner-operator is unable to operate his equipment due to, vacation, illness, accident or leave of absence, his equipment will be operated by an employee of the Company, member of the Union, should the equipment be required in service.
- (b) Any employee wishing to protest his seniority must do so by formally reducing his protest to writing and submitting his protest to his supervisor and to the Union within thirty (30) days of the posting of the seniority lists.

Section 4.10

If an employee has been laid off and not employed, he must return to work within twenty-four (24) hours after being contacted personally. Where the employee cannot be contacted or is employed elsewhere and the Company has notified the employee by registered mail to his last known address to return to work, he will be allowed no more than seven (7) consecutive days from the date of notification to report for duty.

Section 4.11

An employee's employment and seniority rights shall be terminated and the Company shall be under no further obligations to the employee for any of the following reasons:

1. If the employee voluntarily quits;
2. If the employee is discharged for proper cause;
3. If the employee fails to report for duty after a layoff in accordance with Section 4.10 of this Article;
4. If the employee is not recalled to duty after a layoff in excess of six (6) months;
5. If the employee accepts gainful employment other than that declared and mutually agreed upon by the Company and the Union while on "lay-off".

Section 4.12

All newly hired employees and dependant contractors shall be considered as probationary employees for the first thirty (30) calendar days from the date of employment. On completion of the probationary period, such employees shall be regular employees, entitled to all rights and privileges of this agreement and seniority shall be computed from the last date of hire.

ARTICLE 5 LEAVE OF ABSENCE

Section 5.1

When the requirements of the Company's services will permit, any employee hereunder, upon written application to the Company, with a copy to the said application to the Union, may if approved by the Company be granted a leave of absence for a period of thirty (30) days. Under such leave the employee shall retain and accrue seniority.

Section 5.2

Such leave of absence may be extended for additional periods of thirty (30) days upon approval of both the Company and the Union and seniority will accrue during such extension.

ARTICLE 6 EQUIPMENT

Section 6.1

The company shall not require employees to operate, on the streets or highways, any equipment that is not in a safe operating condition or equipped with safety appliances as required by law. It shall not be a violation of this Agreement where an employee refuses to operate such equipment. The decision as to the condition of the equipment shall rest with the senior qualified Company representative and Union Shop Steward for the premises. Such representatives shall give their decision to the driver in writing. In the event the repairs cannot be affected the equipment will be correctly identified and be kept out of service until repaired.

ARTICLE 7 PAY AND WORK CONDITIONS

Section 7.1

Hours of work and rates of remuneration, Teamsters-Transport Health & Welfare Trust Plan are outlined in the separate appendices, but forming part of this Agreement.

Section 7.2

Pay time shall be computed from the time that the employee is ordered to report for duty or registers in, whichever is the later, until he is released from duty.

Section 7.3

The rates of remuneration as listed in this Agreement are considered as minimum rates and shall not preclude payment of premium rates at the discretion of the Company.

Section 7.4

No employee shall be asked nor shall he enter into a separate written or verbal agreement with the Company covering hours of work, wages or conditions, during the term of this Agreement, where such agreement represents less by way of wages, working condition, or other benefits than provided by this Agreement.

Section 7.5

All payment of wages to employees shall be made directly to such employees by the Company in a sealed envelope.

Section 7.6

The interval between pay days shall be no longer than two (2) weeks. At the time that an employee and/or owner-operator received his pay cheque, the Company shall not be in possession of more than ten (10) days accrued wages.

Section 7.7

The Company will provide a completely itemized statement to employees along with their pay on pay day.

ARTICLE 8 VACATIONS

Section 8.1

Vacation lists shall be posted on January 2 of each year and employees shall designate their choice of vacation time before February 28th. If an employee fails to designate his choice of vacation on such listing while posted, vacation time shall be granted at the Company's discretion. The Company shall post the final vacation schedule by April 1, and shall remain posted for the balance of the year.

Section 8.2

Upon completion of one year's service, employees shall receive two (2) consecutive weeks vacation with eighty (80) hours pay at their hourly rate of pay in effect at the time they take their vacation or four per cent (4%) of annual gross earnings, whichever is the greater. Vacation pay at four percent (4%) shall be paid to all employees with less than one (1) year of service.

Section 8.3

Any employee completing three (3) years of continuous service and each succeeding December 31st shall thereafter receive six percent (6%) at the applicable work time rate or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 8.4

All employees with nine (9) years or more continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours, at their hourly rate of pay in effect at the time of taking their vacation, whichever is the greater.

Section 8.5

- (a) Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment. In any such year, the employee will be credited with a maximum of five hundred (500) hours for such absence if less than one thousand and five hundred (1,500) hours of work in that year to qualify for vacation herein stipulated.
- (b) In any year where an employee has not qualified for a full vacation as a result of accident or illness, he will still be credited with a year of service to determine future vacations.

Section 8.6

Fifteen hundred (1,500) hours shall constitute a year's service but no employee will be permitted to accumulate more than one (1) year or service, or any additional fraction thereof in any single calendar year. However, General Holidays shall count as hours worked.

Section 8.7

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) Where the date of commencement of employment is the anniversary date for the purpose of calculating annual vacations, employees shall receive vacations in accordance with the provisions contained in Section 1 and/or 2 and 3 of this article.

Section 8.8

All employees entitled to more than two (2) weeks vacation may receive them in one continuous period only if they take their vacation in the off season. The Union and the Company may, however, waive this provision where an employee requests for compassionate reasons that he be granted all of his vacation continuously, within the prime season.

Prime Season Defined: June 1st - September 30th inclusive.

Section 8.9

- (a) Except where otherwise mutually agreed, immediately prior to an employee leaving on annual vacation he shall be entitled to receive vacation pay by separate cheque in accordance with this Article of this Agreement for that period of time that he will be absent from work. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.
- (b) 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 regular wages during the portion of the year worked.

ARTICLE 9 GENERAL HOLIDAYS

Section 9.1

Regular hourly rated employees will receive (8) hours pay at their regular hourly rate and line drivers shall receive ten (10) hours of pay at the regular hourly rate for the General Holidays.

Section 9.1 - Statutory Holidays

- (a) Employees shall be paid for time not worked at the regular rate on New Years Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and in the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday. Notwithstanding the foregoing, the total number of General

Holidays shall be ten (10). The rates of pay for these general holidays will be at the regular applicable work time rate.

- (b) Employees entitled to these ten (10) paid holidays shall have been on the payroll thirty (30) calendar days previous to the Holiday.

Section 9.2

In the event a regular employee is requested to work on a General Holiday, he shall receive the rate of pay stipulated in this Agreement in addition to the rate as prescribed for the General Holiday.

ARTICLE 10 OTHER UNION CONTROVERSY

Section 10.1

During the life of this Agreement there shall be no lockout by the Company or any strike, sit down, work stoppage, or suspension of work either complete or partial by the employees.

Section 10.2

It shall not be a violation of this Agreement or cause for discharge or discipline for any employee, in the performance of his duties, to refuse to cross a picket line recognized by the Union.

ARTICLE 11 VALIDITY OF ARTICLE

Section 11.1

If any Article of this Agreement or of any appendix hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance 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 Agreement and of any appendix thereto, or the application of such Article or Section to persons or circumstances other than those to which it has been held invalid or to which compliance with or enforcement of has been restrained, shall not be affected thereby.

ARTICLE 12 GRIEVANCE PROCEDURE

Section 12.1

All questions, disputes and controversies arising under this Agreement, any appendix hereto or the Company Rules and Regulations, 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 procedures 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 grievance:

- (a) Termination or layoff - ten (10) days from date of termination or layoff.
- (b) All others - thirty (30) days from the date the grievance arose.

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 Union 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 shall be reduced to writing and it will be referred to and taken up between the Secretary or other bargaining representative of the Union and the Company representative authorized by the General Manager of the Company.

Step 4:

Failing settlement under Step 3, the matter will be referred to an agreed upon neutral Arbitrator who will meet to hear both sides of the case. The Arbitrators decision will be final and binding.

Step 5:

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

Section 12.2

The Arbitrator shall not have the authority or power to add to, delete from or amend any term of this Agreement.

Section 12.3

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

ARTICLE 13 WORKING AGENTS

Section 13.1

A working agent at small and/or remote company maintained terminals shall be considered as such:

- (a) He shall be an employee of the Company.

- (b) He shall be used by the Company only at such small and/or remote locations where the Company volume will not support and the Company does not employ more than four (4) employees including the working agent.
- (c) He shall be a member of the Union, but otherwise excluded under the terms and conditions of this Agreement. The monthly or annual monetary remuneration or benefits to him by the Company shall be an amount resulting in not less than he would otherwise receive under the terms of this Agreement for time worked.
- (d) He may be on a monthly salary as described.
- (e) His services shall not be utilized to deny other employees of their equitable share of overtime.
- (f) He shall not have the right to hire or fire and shall not be utilized to deprive other regular employees of their regular duties causing layoffs.

ARTICLE 14 OWNER OPERATORS

Section 14.1

It is hereby agreed that wherever an owner operator is mentioned in this Agreement it shall mean a dependent contractor who drives his own equipment. It is also agreed that there shall be not more than one (1) owner-operator to a truck.

Section 14.2

The mileage rate to be paid for the equipment shall include the drivers contractual and statutory benefits, all other monetary terms and conditions of this Agreement including licensing, fuel, maintenance, insurance and all other operating expenses for the power unit only. All cargo and authorities shall be the responsibility of the Company.

ARTICLE 15 SICK LEAVE

Section 15.1

All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half (1/2) day per employed month to a maximum of thirty (30) days. The accumulation of paid sick leave shall be based on the following provisions:

- (a)
 - (i) The employee shall begin accumulation of sick leave at the start of the pay period immediately following the date he completes one (1) year of continuous employment.
 - (ii) The employee must be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for

a half (1/2) day in that month including vacation and general holidays.

- (iii) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.

- (b) Where any absence, occasioned by sickness or accident is not covered for payment by either the Teamsters - Transport Health and Welfare Trust Plan or Workers Compensation paid sick leave shall be applied as follows:
 - (i) One (1) full day's pay for each of the second (2nd) and third (3rd) days of sickness provided those days are regular work days.
 - (ii) A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
 - (iii) It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.

- (c) A medical certificate may be required to claim benefits under this provision.

- (d) The foregoing shall become effective upon the date of signing of this agreement.

ARTICLE 16 DURATION

Section 16.1

This Agreement shall be in full force and effect from and including January 1, 2005, to and including December 31, 2007, and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement within four (4) months immediately preceding the expiry date, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal of the Collective Agreement or a new Collective Agreement.

After expiry of this collective agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the parties under (Part 5 of the Labour Relations Code), including the right to strike or lockout, the terms and conditions of employment as set out in this agreement, will be observed and not varied, except by the Parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

IN WITNESS WHEREOF the Party of the First Part has hereunto affixed its seal in the presence of its Officers duly authorized therefore, and the Party of the Second Part has affixed it's signature(s) by it's Officers duly authorized therefore.

Dated at _____ this ____ day of _____, **2005**.

SIGNED ON BEHALF OF THE COMPANY

SIGNED ON BEHALF OF THE UNION

APPENDIX "A"

Employees "over the road operations" shall be defined as trips over 100 miles outbound.

ARTICLE 1 GENERAL

Section 1.1

This Appendix covers all employees and owner-operators engaged in Over - The - Road Operations. Local warehouse work and city pick-up and delivery service are not subject to the terms and conditions of this Appendix but will be subject to a new Appendix which will be negotiated by the parties if the company wishes to start performing the type of work.

ARTICLE 2 LINE DRIVERS CALL AND GUARANTEE TIME

Section 2.1

- (a) Employees shall be given at least two (2) hours notice when ordered to report to duty at both the employee's domicile area at the end of the run where he has been effectively released from duty by the Company.
- (b) When an employee has been called for duty and has begun his trip, he shall be guaranteed a minimum of eight (8) hours work and/or pay at the hourly work time rate for the trip or any portion thereof.
- (c) When a regular employee is called and reports for duty on his regular scheduled work day, he shall be guaranteed a minimum of eight (8) hours work and/or pay. If the hours extend wholly or partly outside the regular hours of work the overtime provisions shall apply.

Section 2.2

All employees who are off duty at their domicile and who have not been contacted previously, will be contacted by the Company between the hours of 1700 and 1900 if they are to report for duty between the hours of 1900 and 0700. If the employee will not be at his normal residence, he will notify the duty dispatcher of an alternate contact number.

ARTICLE 3 WORK TIME

Section 3.1

Work time shall mean loading and unloading, repair of equipment and time spent on ferries and boats and such duties shall be paid at the applicable work time hourly rate.

ARTICLE 4 DEADHEAD

Section 4.1

Every employee covered under this Agreement when required to travel by any other mode of transportation than Company equipment shall be paid for the first eight (8) hours in any twenty-four (24) hour period at his hourly work time rate as provided in this Agreement.

Section 4.2

Each employee who is covered by this Agreement and who is required by the Company to ride on Company equipment in deadhead manner will be paid the regular work time rate for all hours spent in riding such equipment.

ARTICLE 5 WAIT TIME

Section 5.1

For all time spent waiting to load and unload, waiting for equipment to be repaired, and waiting for roads to be cleared as stipulated in this Agreement, with a maximum of eight (8) hours pay for waiting time in each twenty (20) hour period.

Wait time is clarified as follows: Wait time is not accumulative for the purpose of determining wait time pay, each stop be considered a separate waiting period.

In no event shall wait time pay exceed eight (8) hours for each stop in twenty (20) hour period. When an employee is held for more than one (1) day, he shall receive pay for the first eight (8) hours of each twenty (20) hour period.

Section 5.2

All time lost due to delays as a result of overloads or certification violations involving federal, state, provincial or city regulations, shall be paid for at regular applicable wait time rate in this Agreement. It shall be the duty of the employee to ascertain that he is not hauling an overload, and to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Company terminal, provided, however, that the Company shall arrange for all permits to be made available to its employees.

ARTICLE 6 LAYOVER

Section 6.1

In the event that an employee is required to layover during any one (1) round trip or tour away from his domicile area, he shall be compensated for layover time as follows; it being understood that layovers on such round trip or tour, save and except in the case of accident or breakdown; whereby the layover point may be extended to a point beyond the original designated layover point:

For the first twelve (12) hours of each layover - no pay;
For the next eight (8) hours, rates as stipulated in this Agreement;
For the next twelve (12) hours, no pay;

For the next eight (8) hours, rates as stipulated in this Agreement; and continuing on the same basis for each twenty (20) hour period of continuing layover.

ARTICLE 7 BOBTAIL

Section 7.1

Driving of a tractor without trailer shall be paid for on the same basis as driving tractor-trailers.

ARTICLE 8 MILEAGE

Section 8.1

Mileage rates are laid out by areas and will be paid for as such and they are composite mileage rates to compensate for duties performed in normal operations which include driving, checking equipment and reports, including fuelling, hook-up and/or unhooking at the origin and/or destination points.

Section 8.2

The Official State, Provincial and/or Territorial mileages will be used as a guide to determine the number of miles driven; the authority to determine the number of miles driven shall be the Department of Highways of the various Provinces, Territories and/or States.

ARTICLE 9 MILES AND HOURS

Section 9.1

All runs or trips shall be paid for at the mileage rate for miles driven except that the hourly rate shall apply in the event that the amount earned under the applicable mileage rate provides less than the hourly rate for the total driving time on a particular trip. The onus is upon the employee to question the rate of pay by marking his Trip and Pay Report accordingly.

Section 9.2

Runs which include both highway miles and off-line bush miles will be paid in the following manner: Mileage rates for main highway miles and hourly rates for bush miles.

ARTICLE 10 SINGLE MAN OPERATIONS

Section 10.1

For definition purposes the word "trip" will be used when referring to single man operations. A single man trip is considered from point of dispatch to point of rest, layover or book-off.

Section 10.2

The regular hours of work for employees engaged in single man operations shall be ten (10) hours per trip. The Company shall pay for all time driving and working in excess of the regular hours at the overtime rate as specified hereafter, and shall continue at the overtime rate until a rest period of eight (8) hours is provided. This

rate does not apply to layover and wait time but is calculated on the driving and work time only at one-half (1/2) the work time rate of pay.

Section 10.3

No single man shall be called for dispatch until he has been off duty eight (8) hours excluding two (2) hour call time after completing a trip.

ARTICLE 11 TRANSFERRING OVER - THE - ROAD DRIVERS

Section 11.1

When a branch, terminal, division or operation is closed or partially closed together with the work of the branch, terminal division or operation in whole or in part, an employee at the closed or partially closed down branch, terminal, division or operation shall have the right to transfer to the branch, division or operation into which the work has transferred.

Section 11.2

Such employees will be dove-tailed into seniority list as the date they first become employees in their classification.

Section 11.3

Whenever a man is transferred at the request of the Company, his reasonable moving expenses shall be borne by the Company.

Section 11.4

For the purpose of this Section "expense" is defined to mean the moving expenses of normal household goods and chattels.

ARTICLE 12 RATES OF PAY AND CONDITIONS

Section 12.1 Classification and Wage Rates:

CLASSIFICATION TRUCK OPERATOR C.C. GVW	January 1, 2005	January 1, 2006 2 % Increase
80,000 to 99,999 GVW	\$19.71	\$20.10
100,000 to 114,999 GVW	\$19.87	\$20.27
115,000 to 130,000 GVW	\$20.61	\$21.02
Over 130,000 GVW	\$22.65	\$23.10

CLASSIFICATION MILEAGE RATES	January 1, 2005	January 1, 2006
80,000 to 99,999 GVW	\$0.438	\$0.4468
100,000 to 114,999 GVW	\$0.4416	\$0.4504
115,000 to 130,000 GVW	\$0.458	\$0.4672
Over 130,000 GVW	\$0.5033	\$0.5134

Where a tractor has a specific licensed GVW the rate to that GVW will apply when the tractor is engaged in an equipment configuration which enables it to achieve that rate.

Employees operating Owner (lease) Operators equipment shall be paid equivalent wages and benefits as provided herein. It shall be the responsibility of the Company to make known to such employees the terms and conditions of the contract. If there should be any deficiency to the employee it shall be his responsibility to so advise the Company in writing, within thirty (30) days of the pay period, of which the deficiency took place. The Company shall then take action to rectify the situation and pay such balance as may be properly due and owing to such employee.

Owner Operator Rates:

CLASSIFICATION OWNER OPERATOR RATES	January 1, 2005	January 1, 2006
80,000 to 99,999 GVW	\$1.17	\$1.19
100,000 to 114,999 GVW	\$1.22	\$1.24
115,000 to 130,000 GVW	\$1.30	\$1.32
Over 130,000 GVW	\$1.39	\$1.41

Tractor rate is a minimum of:

January 1, 2005 \$65.00/hr.
 January 1, 2006 \$66.30/hr.

First Hour of Worked Time:

The owner operator, for the first hour at a load and/or unload point and/or first hour of work time shall be paid at the applicable drivers hourly rate.
 The rate will be that which is dictated by the GVW as shown in Appendix "A".

APPENDIX "B" – HEALTH AND WELFARE

Section 1 - Participation

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted 1 July, 1971, and operated under an Agreement and Declaration of Trust revised on 26 November 1990.

The Company's participation in the Plan will continue throughout the life of this Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) people appointed by the Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of 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 Board of Trustees will be governed by an Agreement and Declaration of Trust, and benefit entitlement will be subject to such rules, limitations and exception contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time.

Section 4 - Eligibility Conditions

- a) For the purposes of this section a regular employee or member of the Union hired by the Company shall include a dependent contractor.
- b) Any member of the Union that is hired by the Company after the date of this agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular employee.
- c) Notwithstanding subparagraph "(b)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.
- d) If an employee whose coverage has been terminated due to lay-off is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits 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.

Section 5 - Rehabilitative Employment

Any employee who, immediately following a period of disability for which benefits were payable under the Plan, may, with the approval of the Union, the Board of Trustees and the Company return to work on a trial basis, either on full or limited duties without right or entitlement to coverage under the Plan other than would have been provided had such return to work not have occurred.

During such periods of "rehabilitative employment", it is agreed that:

- a) The employee will be paid by the Company at his normal rate of pay for hours worked.
- b) The duration of such rehabilitative employment shall exceed thirty (30) days only by mutual consent of all parties.

Section 6 - Benefits

Benefits provided by the Plan are established by the Board of Trustees. Benefits currently provided are:

- a) Group Life Insurance
- b) Accidental Death and Dismemberment
- c) Weekly Indemnity
- d) Long Term Disability
- e) Dental
- f) Extended Health
- g) Medical Services Plan of B.C.

The amounts of coverage and details of each benefit are established by the Board of Trustees, and are subject to amendment by them from time to time.

It is understood that, should the provision of Medical Services Plan of B.C. coverage be removed from the Plan, the Company will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Company. It is further understood that entitlement to coverage for Medical Services Plan of B.C. coverage will be identical to entitlement to coverage under the Plan.

Section 7 - Cost

The Company shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees for any month in which any employee is covered by the Plan for one day or more.

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C.

Medical Plan. This means that the Company will be responsible for any monies required to keep the Plan whole.

Section 8 - Payment of Contributions

Contributions will be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the month for which coverage is required.

Section 9 - Termination of Coverage

- a) All coverage under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverage's will terminate at the end of the month in which termination of employment occurs.
- c) It shall be the responsibility of the Company to advise the Administrator of the Plan in a timely fashion of termination of a member's coverage and the Company will be held responsible for any costs incurred by the Board of Trustees that result from late notification of termination of coverage.

Section 10 - Failure to Remit Contributions

It is agreed that, if the Company fails to remit contributions due under this Agreement on behalf of any eligible employee, the Company shall be liable for the payment of all benefits the employee does not receive from the Health and Welfare Plan but would have received had the Company remitted the required contributions.

Section 11 - General

- a) It shall be the responsibility of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.
- b) It shall be the responsibility of the Company to provide to the employees the necessary forms to enrol in and make claim under the Plan.
- c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C"

**DEPENDENT CONTRACTORS AGREEMENT BETWEEN
LINEHAUL, CHARTER AND CONTRACT CARRIER MEMBER
COMPANIES AND TEAMSTERS UNION LOCAL 31**

BETWEEN:

(Known herein as Company)
Address: _____

AND:

(Known herein as Dependent Contractor)
Address: _____

1. The Company agrees to retain the services of the vehicle hereafter described, with driver:

(Type/GVW)

(Tractor/kg)

Make

(Other/kg)

(Serial Number)

SPECIALIZED EQUIPMENT

Trailer_____

Truck (crane attached)_____

Other_____

As Per attached
Certificate

2. 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. The Company shall not direct a dependent contractor to haul without proper permits. Where possible, the Company will use pilot cars operated by drivers who are members of the Teamsters Union.
3. The Company and the Dependent Contractor shall each maintain adequate Insurance Coverage appropriate to their respective areas of responsibility as required by statute and each shall file with the other proof of such Insurance Coverage.
4. The Dependent Contractor shall display the name of the Company on the vehicle and have it painted as required by the Company, plus whatever is required by the Motor Carrier Commission and/or Motor Vehicle Regulations.
5. The Dependent Contractor shall be responsible for any expenditures made by the Dependent Contractor in the name of the Company subject to the Dependent Contractor having received authorization from the Company prior to the making of such expenditures. Such expenditures shall be subject to deduction by the company from the Dependent Contractor.
6. This agreement shall expire on the date that the Master Agreement expires, however, this agreement may be cancelled by either the Company or the Dependent Contractor on giving thirty (30) days prior notice or such longer period as mutually agreeable to the company and the Dependent Contractor, excepting that this agreement may be cancelled immediately by either the Company or the Dependent Contractor for reasons of default, violation of Company policy or violation of this Agreement.
7. Except where otherwise mutually agreed in writing by the Union and the Company, the Company shall pay to the Dependent Contractor for service rendered - not less often than once every calendar month, the following revenue:

- (a) As arranged in writing between the Company, the Dependent Contractor and the Local Union, provided that the total amount paid shall be not less than \$1.15 (One dollar and fifteen cents) per mile or 70% (seventy percent) of the revenue generated for hauling the loaded product during all miles travelled plus the conditions of APPENDIX "C" Section 8 (a) to (g) herein.
 - (b) All fuel surcharges where applicable.
 - (c) Rates of revenue grossing in excess of 100,000 GVW shall be agreed in writing between the owner operator and the Company with a copy to the Union.
 - (d) Allowing for an alternative method of payment agreed to between the Union, Company and Dependent Contractor and allowing for existing agreements in effect at date of signing of this Agreement, said methods or agreements must be at least equal to minimum in Appendix "C" section 7 (a) herein. Copies of said agreement to Local Union. Any dispute shall be resolved under Article 12 of the Grievance Procedure.
8. In addition to compensation provided for under Section 7 herein the Company shall assume complete financial responsibility for the following:
- (a) Contributions normally assessed against an employer for the minimum required Workers Compensation Board and Health and Welfare Plan.
 - (b) All Owner Operators must be registered with WCB. Upon receipt of WCB premiums paid the owner operator will be reimbursed the minimum required premium paid by them.
 - (c) The Painting of the Company signs on the equipment.
 - (d) The bonding of the Dependent Contractor.
 - (e) Cargo Insurance and trailer insurance.
 - (f) Any administration fees incurred as a result of engaging the services of the Dependent Contractor.
 - (g) Operating Authorities certificates and licenses.
9. The Dependent Contractor shall assume complete financial responsibility for the following:

- (a) Union Dues, Initiation fees and assessments.
- (b) Contributions normally assessed against an employee for Unemployment Insurance and Canada Pension Plan.
- (c) All fuel, tires and maintenance for the equipment.
- (d) The painting of the equipment except as provided in Section 8 (c) herein.
- (e) The insurance on the tractor unit.
- (f) All licenses except as provided in Section 8 (e) herein.

10. The Company may require the Dependent Contractor to post a cash performance and/or hold back bond. The minimum amount to be ONE THOUSAND DOLLARS (\$1,000.00), this amount to be paid within sixty (60) days of hire. Such a bond shall be returnable to the Dependent Contractor minus the deduction of legitimate charges sixty (60) days following the date that the services of the Dependent Contractor terminated. Where a bond has not been required in the past, this Section 10 shall not apply. The Company reserves the right to have a new Dependent Contractor post a cash performance and/or hold back bond. The Dependent Contractor is to be paid bank interest annually and/or pro-rated quarterly upon termination on the amount of hold back.

Dated at _____ this ____ day of _____, 2005.

SIGNED ON BEHALF OF THE COMPANY

SIGNED ON BEHALF OF THE UNION

