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|-------------------|------------|
| SOURCE | Union |
| EFF. | 99 01 01 |
| TER. | 2001 12 31 |
| No. OF EMPLOYEES | 100 |
| NOMBRE D'EMPLOYÉS | 20 |

COLLECTIVE AGREEMENT

BETWEEN:

TRI-LINE EXPRESSWAYS LTD.

- and -

TEAMSTERS LOCAL UNION NO. 879

Affiliated with the
International Brotherhood of Teamsters

January 1, 1999 - December 31, 2001

Opciu/343

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"INDEX"

| <u>ARTICLE</u> | | <u>PAGE</u> |
|----------------|--------------------------------|-------------|
| 1 | Scope of Agreement | 1 |
| 2 | Union Security | 2 |
| 3 | Management and General | 3 |
| 4 | Seniority | 4 |
| 5 | Leave of Absence | 7 |
| 6 | Safety Conditions | 8 |
| 7 | Pay & Work Conditions | 9 |
| 8 | Vacations | 11 |
| 9 | Statutory Holidays | 13 |
| 10 | General | 14 |
| 11 | Other Union Controversy | 16 |
| 12 | Validity of Articles | 17 |
| 13 | Grievance Procedure | 17 |
| 14 | Termination & Amendments | 19 |

APPENDIX "A"

OVER-THE-ROAD OPERATIONS

| | | |
|------|-------------------------------------|------|
| I | Single & Sleeper-Cab Operations ... | A-21 |
| II | Line Drivers Call & Guarantee Time. | A-21 |
| III | Work Time | A-22 |
| IV | Dead Head | A-22 |
| V | Wait Time | A-23 |
| VI | Layover | A-24 |
| VII | Bobtail | A-24 |
| VIII | Mileage Rates | A-24 |
| IX | Miles and Hours..... | A-25 |
| X | Single Man Operations | A-25 |
| XI | Sleeper-Cab Operation | A-26 |
| XII | Transferring Over-the-Road Drivers. | A-27 |

APPENDIX "B"
SINGLE MAN & SLEEPER CAB DRIVERS

| | | |
|-----|-----------------------------|------|
| I | Mileage Rates | B-28 |
| II | Rates of Pay | B-28 |
| III | Wait Time & Layover | B-29 |
| IV | Subsistence Allowance | B-29 |

APPENDIX "C" - CITY DRIVERS

| | | |
|----|-------------------------------|------|
| I | Scope of this Appendix | C-30 |
| II | Ontario Based Employees | C-30 |

APPENDIX "D"
MAINTENANCE SHOP EMPLOYEES

| | | |
|-----|----------------------------------|------|
| I | Hours of Work - Overtime | D-31 |
| II | Hourly Rates of Pay | D-32 |
| III | Rates of Pay for Lead Hand | D-33 |

APPENDIX "E"
HEALTH & WELFARE PROGRAM

| | | |
|-----|--------------------------------|------|
| I | Plan Coverage | E-34 |
| II | Benefits | E-35 |
| III | Extended Health Benefits | E-37 |
| IV | Dental Benefits | E-38 |
| V | Long Term Disability | E-38 |
| VI | Group Insurance Booklet | E-38 |
| VII | Cost of Plan | E-39 |

LETTER OF UNDERSTANDING

| | |
|-------------------------------------|----------|
| Company Line Drivers Advance | attached |
| Winter Work Jackets & Boots | attached |

COLLECTIVE AGREEMENT

BETWEEN:

TRI-LINE EXPRESSWAYS LTD.

- and -

TEAMSTERS LOCAL UNION NO. 879

Affiliated with the
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ARTICLE 1 - SCOPE OF AGREEMENT

- 1.1 This Agreement shall apply to all employees of the Company, classified as Company Line Drivers, Peddle Line Drivers, Pick-up and Delivery Men, Yard and Dockmen, Maintenance Men, Mechanics and Parts Driver. Owner-Operators shall also be bound by and receive the benefits of such provisions of this Agreement as are applicable to them. The Company agrees to ensure and undertakes that all employees of the Owner-Operators shall have all the rights, privileges and benefits and be bound by the duties and obligations of this Agreement.
- 1.2 The provisions of Appendices A, B, C, D and E attached shall be deemed to be contained in and form part of this Agreement.

ARTICLE 2 - UNION SECURITY

- 2.1 The Company agrees to recognize the Union as the sole collective bargaining agent for all employees falling within the area jurisdiction of this Agreement.
- 2.2 Except as otherwise herein provided, all storing and handling of merchandise or other goods or material shall be carried on by employees of the Company, members of the Union, where such work is under control of the Company. Owner-Operators shall be permitted to load or unload their own straight loads.
- 2.3 (a) It is recognized by this Agreement to be the duty of the Company and the Union and the employees to fully co-operate, individually and collectively for the advancement of conditions.
- (b) The Union, as well as the members thereof, agree at all times as fully as it may be within their power, to further the interests of the Company and of the trucking industry.
- 2.4 (a) It is further agreed that, as a condition of employment, each employee not now a member of the Union, and each new employee covered in Article 1.1 and all Owner-Operators and employees of Owner-Operators shall become and remain a member in good standing of the Union before commencing employment with the Company.
- (b) The Company agrees for the duration of this Agreement to deduct from the last pay cheque of each month the monthly dues of any employee, Owner-Operators and employees of Owner-

Operators covered by this Agreement to the Local Union (in whose jurisdictional boundaries the employees, Lease Operators covered by this Agreement to the Local Union (in whose jurisdictional boundaries the employee, Owner-Operators, or drivers of Owner-Operators are based), and remit such monies so deducted to the office of the Local Union, along with the Initiation Fee to the Local Union, and a list of the employees from whom the money was deducted.

ARTICLE 3 - MANAGEMENT AND GENERAL

- 3.1 (a) The management, operation, development including the right to direct, plan and control operations, introduce new or improved methods or facilities, is vested in the Company.
- (b) The direct of employees and Owner-Operators, including the right to hire, demote, promote, transfer, suspend or discharge, providing there is 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.
- (c) Nothing contained in this Agreement will be deemed to obligate the Company to continue to operate any of its terminals, properties or any of its parts thereto.
- (d) The Company will provide bulletin boards at its terminals on which to post changes in Company rules and regulations, and on which the Union may post necessary changes to its members.

- (e) The Company recognizes the employees' right to elect **Shop** Stewards, and will not discriminate against them for any lawful Union activity.
- (f) The Company will allow time off, without pay, to any man who is serving on a Union Committee or as a delegate, providing all requests for time off are reasonable and/or do not interfere with the proper operation of the business, and provided one (1) weeks written notice is given to the Company by the Union, specifying the length of time off.
- (g) Authorized agents of the Union will, on each occasion, request access to the Company's establishments for purposes of investigating conditions related to the Union contract clauses.
- (h) All terms and conditions of this Agreement shall be binding upon the parties hereto and their successors or assigns, provided however that the Company shall not be liable for payment of any king to be made to the employees hereunder for damages by reason of breach of any of the terms and conditions herein contained, by any such successors or assigns.

ARTICLE4 - SENIORITY

- 4.1 (a) Seniority as used herein shall mean an employee's length of service since the date of hiring at the terminal or such hiring and in the classification of such hiring.

- (b) Seniority shall be by terminal and three (3) separate classifications for seniority purposes shall be recognized, as follows:

Class I - Over-the-road drivers, who work on a mileage basis.

Class II - City drivers and dockmen who work on an hourly basis.

Class III - Mechanics and Maintenance employees.

- (c) Within each terminal the Company will post and maintain seniority listings. Such up-to-date listings will be posted as of May 1 of each succeeding year. Separate lists will be prepared for each classification for each terminal.

- 4.2 (a) The principle of seniority shall be maintained for purposes of determining reduction or restoration of the working force in each work classification providing the senior man is capable of performing the job requirements.
- (b) Seniority shall prevail for the purpose of promotions, shift preferential, new jobs, vacancies, or overtime within the Company, providing that the employee is qualified, but there shall be no job bumping privilege. Overtime shall be allocated wherever possible on the basis of seniority on a voluntary manner, provided the man is capable of doing the job. However, upon reaching the bottom of the list with the respect to seniority, the junior employees shall be required to work the overtime.

- (c) 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.
 - (d) 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.
 - (e) Drivers shall be given the first opportunity, in order of seniority, to be placed on new equipment at the time of purchase, as such new equipment becomes available. This will apply on a terminal-by-terminal basis.
- 4.3 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 listing.
- 4.4 An employee shall lose his seniority in the following instances:
- (a) if he is lawfully discharged.
 - (b) if he voluntarily quits his employment with the Company.
 - (c) if he is laid off and fails to return to work within three **(3)** days after a written notice to return to work has been sent by the Company to the last known address of the employee.

- (d)
 - i) if he is laid off for a period in excess of twelve (12) months, for those employees who have more than twelve(12) months seniority.
 - ii) if he is laid off for a period in excess of his length of employment with the Company for those employees who have less than twelve (12) months seniority.
- 4.5 All new hired employees shall be considered as probationary employees for the first ninety (90) continuous calendar days from the date of employment. On completion of this probation period such employee shall be entitled to all rights and privileges of this Agreement and his seniority shall be computed from the date of his hiring.

ARTICLE 5 - LEAVE OF ABSENCE

- 5.1 (a) When the requirements of the Company's services will permit any employee hereunder, upon written application to the Company with a copy of 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.
- (b) Such leave of absence may be extended for additional periods of thirty (**30**) days and seniority will accrue during such extension. A copy of such extension shall be sent to the Union.

ARTICLE 6 - SAFETY CONDITIONS

- 6.1 The Company shall not require employees to take out on the street or highway any vehicle that is not in safe operating condition or equipped with safety appliances as required by law. It shall not be a violation of this Agreement where any employee refuses to operate such equipment, unless such refusal is unjustified. The decision as to the condition of the equipment shall rest with the senior qualified Company representative on the premises. Such representative shall give his decision to the driver in writing. In the event the repairs cannot be effected, the equipment will be correctly identified and be kept out of service until repaired.
- 6.2 It shall be the duty of the employee to report in writing on the appropriate duplicate forms of the Company promptly, but not later than the end of their shift, trip or tour:
- 1) **All** safety and/or mechanical defects on the equipment which they have operated during that shift.
 - 2) All other reports regarding fuel tax, oil consumption, etc. on the equipment which they have operated during that shift.
- 6.3 It shall be the obligation of the Company to so inform the employees as to which supervisor or whom such reports on such equipment shall be made.
- 6.4 It shall be the obligation of the Company to direct the repair as necessary to conform with the safe and efficient operation of that equipment.

ARTICLE 7 - PAY AND WORK CONDITIONS

- 7.1 (a) Hours of work and rates of remuneration are outlined in the separate appendices of this Agreement.
- (b) 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.
- (c) 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.
- (d) No employee shall be asked nor shall he enter into a separate written or verbal agreement with the Company covering the hours of work, wages or conditions, during the term of this Agreement where such agreement represents less by way of wages, working conditions or other benefits than provided by this Agreement.
- (e) Employees of Owner (Lease) Operators shall be paid equivalent wages and benefits as provided herein. It shall be the responsibility of the Owner-Operator and 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 from the Operator's account.

- 7.2 (a) When an 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.
- (b) Regular terminal and maintenance shop employees reporting for duty on a callout or call-back basis, inconsistent with their regular scheduled work day or shift, shall be guaranteed a minimum of four (4) hours work and/or pay at over-time rates, but after completion of the duty he was called for, he may book off work with a minimum of two (2) hours pay at overtime rates.
- (c) There shall be no "split shifts" and hourly paid employee's work week must be designated to him on the last day of the preceding week.
- (d) Hourly paid employees shall, except by mutual agreement between the parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes, nor more than one (1) hour on any one day.
- (e) No hourly paid employees shall be compelled to take more than one-half (1/2) continuous hour during such period, nor compelled to take any part of such continuous one-half (1/2) hour before he has been on duty three (3) hours or after he has been on duty six (6) hours.
- (f) If the Company requires any terminal or maintenance shop employees to work overtime in excess of two (2) hours in a shift, the Company will provide a hot meal and a paid one-half (1/2) hour break, to be taken at the end of the regular shift.

- 7.3 When an employee meets with personal injury while on duty, which prevents him from completing his shift, he will be paid for only the hours actually worked, provided however; if a doctor confirms by way of a report or certificate that the injury is such as to prevent the employee from completing his shift, then he will be paid for the entire shift, providing further that he is not in receipt of Workers' Compensation for that day.
- 7.4 (a) **All** employees covered by this Agreement shall be paid not less than twice a month. For accounting purposes, the Company may defer payment of not more than ten (10) calendar days of earnings.
- (b) The Company shall provide a report whereby employees will have a record of work performed.
- (c) It is understood and agreed that should an error of eight (8) hours pay or more in any pay period occur, it will be corrected by the issuing of an advance cheque immediately to cover such shortage.

ARTICLE 8 - VACATIONS

- 8.1 (a) All employees shall receive two (2) weeks vacation with pay after 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 of the employee during the year in which he qualified for such vacation.

- (b) Each employee, on completing three (3) or more years continuous service with the Company shall be granted three (3) weeks holiday with pay. Payment for such vacation shall be in the amount equal to **six** percent (6%) of the gross wages of the employee during the year in which he qualified for such vacation.
- (c) Each employee, on completing nine (9) or more years continuous service with the Company shall be granted four (4) weeks holiday with pay. Payment for such vacation shall be in the amount equal to eight percent (8%) of the gross wages of the employee during the year in which he qualified for such vacation,
- (d) Each employee, on completing fifteen (15) or more years continuous service with the Company shall be granted five (5) weeks holiday with pay. Payment for such vacation shall be in the amount equal to ten percent (10%) of the gross wages of the employee during the year in which he qualified for such vacation,

8.2 Vacations will be scheduled by the Company consistent with the efficient operation of the business. Vacation lists shall be posted on January 2 of each year and the employees shall designate their choice of vacation time before March 31. 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 May 1, and shall remain posted for the balance of the year. This schedule will not be altered unless mutually agreed to by the employee and the Company. Preference of vacation time shall be given to senior employees.

The Company will allow a minimum of two (2) employees per classification to take vacation at the same time.

Employees will be allowed a maximum of two (2) weeks vacation in July and August, unless otherwise authorized by the Company.

- 8.3 An employee laid off or leaving the Company before completion of a full year of service shall be entitled to a prorated vacation with pay computed on the same percentage of his regular wages during the portion of the year worked.

ARTICLE 9 - STATUTORY HOLIDAYS

- 9.1 (a) All employees who have completed their period of thirty (30) calendar days shall be entitled to ten (10) statutory holidays. The said statutory holidays are:

| | |
|------------------|-----------------|
| New Years Day | Good Friday |
| Victoria Day | Canada Day |
| Civic Day | Labour Day |
| Thanksgiving Day | Remembrance Day |
| Christmas Day | Boxing Day |

- (b) Regular hourly employees will receive eight (8) hours pay at their regular hourly work time job classification rate for the statutory holidays as listed above. Line drivers will receive ten (10) hours pay.
- (c) In the event a regular employee is requested to work on a statutory holiday he shall receive the rate of pay as stipulated in this Agreement in addition to the rate of pay as prescribed for the statutory holiday.

- (d) When a general holiday falls on a regular employee's regular day off, then such employee will be granted a day off in lieu of such general holiday on either the last working day preceding or the first working day following such general holiday, or at any other time mutually agreed to.
- (e) Should one of the above-named holidays fall during an employee annual vacation, he shall be given a day in lieu of to be taken either at the start of his vacation or at the completion of his vacation.

ARTICLE 10 - GENERAL

- 10.1 All hourly paid employees and Company drivers will be supplied with coveralls and will be replaced as needed upon return of the old pair.
- 10.2 Once per calendar year of employment (anniversary date to anniversary date), with proof of receipt, the Company will reimburse regular terminal or maintenance shop employees who purchase safety boots to a maximum of one hundred dollars (\$100.00).
- 10.3 (a) The Company agrees to provide a maximum of five thousand dollars (\$5,000.00) tool insurance to each regular Maintenance Shop employee to cover loss of tools due to:
 - 1. fire on Company premises.
 - 2. theft resulting from break-in to the Company premises and/or the mechanic's tool box.

To be eligible, the employee must supply the Company with an inventory of his tools and their cost. This inventory must be updated each January thereafter. New employees must supply an inventory within thirty (30) days of commencement of employment.

- (b) Employee's air tools that have been authorized in writing shall be replaced or repaired promptly by the Company if they become inoperative during the employee's course of employment with the Company.

- 10.4 (a) Any medical examinations requested by the Company, or by the government, for licensing purposes shall be promptly complied with by all employees.

The Company shall pay for all such examinations. The Company reserves the right to select their own medical examiner or physician and the Union may, if in their opinion, think an injustice has been done an employee, have said employee re-examined at the Union's expense.

- (b) When a medical examination is required by the Company or the government, the following conditions shall apply:
 - 1. If an employee takes a medical examination during his normal working hours, he shall be paid for the time involved and thus not lose any pay as a result of his taking a medical examination.

2. If the medical examination is taken outside of his normal working hours, the employee shall be paid two (2) hours at his work time rate, and shall receive at least twenty-four (24) hours notice, prior to the appointment with the doctor.
 3. In all cases, employees shall, on request, have access to a copy of the medical report.
 4. No employee shall be required to take a medical examination on Saturday unless the employee so requests and does so voluntarily.
- (c) When the Company requests, or the government requires, an employee to upgrade his driver's license and test must be taken, the Company shall grant the employee paid time off and supply him with proper equipment to take such tests.

ARTICLE 11 - OTHER UNION CONTROVERSY

- 11.1 The Union agrees that in the event the Company becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement, and the Union will not participate in any sympathetic cessation of work or slow down program while the controversy is being settled.
- 11.2 It shall not be a violation of this Agreement or cause for discharge of any employee, in the performance of his duties, to refuse to cross a legal picket line recognized by the Union,

- 11.3 During the life of this Agreement there shall be no lock-out or any strike, sit-down, work stoppage or suspension of work either complete or partial.

ARTICLE 12 - VALIDITY OF ARTICLES

- 12.1 If any Article or section of this contract or of any appendix 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 appendix 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.

ARTICLE 13 - GRIEVANCE PROCEDURE

- 13.1 All questions, disputes and controversies arising under this Agreement or any Appendix 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 procedures for such adjustment and settlement shall be as follows:

STEP 1

Any grievance of an employee and/or Owner-Operator shall first be taken up between such employee and his immediate supervisor.

Time limit to institute grievance:

- (a) Termination or lay-off - five (5) days from date of termination or lay-off,
- (b) **All** others - thirty (30) days from the date the grievance arose.

STEP 2

Failing settlement under step 1, the employee and/or Owner-Operator 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 President of the Company. Such written notice must be made within the time limitations as indicated under Step 1.

STEP 4

Failing settlement under Step 3, the matter will be taken up in presentation to a Board consisting of two (2) Union members selected by the Union and two (2) Company members appointed by the President of the Company.



STEP 5

Failing settlement under Step 4, 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.

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

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 equally by the Union and by the Company.

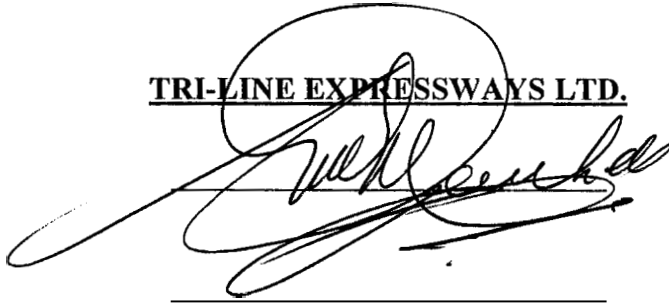
ARTICLE 14 - TERMINATION AND AMENDMENTS

- 14.1 (a) This Agreement shall be in full force and effect as of the 1st day of January 1999, and shall continue through to the 31st day of December, 2001, 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 thereto.

- (c) Either party wishing to amend this Agreement shall give notice in writing to the other party to commence collective bargaining not **less** than ninety (90) days prior to such anniversary date of this Agreement.

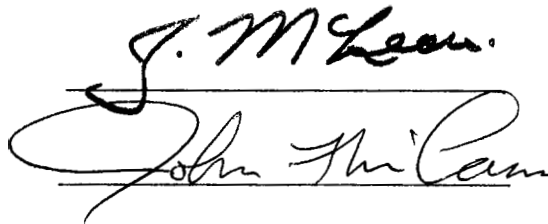
SIGNED this 7th day of MAR. 2000.

TRI-LINE EXPRESSWAYS LTD.



A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher, but it appears to be a name starting with 'J' and ending with 'd'.

TEAMSTERS LOCAL UNION NO. 879



Two handwritten signatures in black ink, written over a horizontal line. The first signature is 'J. M. Lee' and the second is 'John F. Carr'.

APPENDIX "A"

COVERS ALL EMPLOYEES ENGAGED IN OVER-THE-ROAD OPERATIONS

Section I - Single and Sleeper-Cab Operations

Local Warehouse work and City pick-up and delivery service are not subject to the terms and conditions of this Article but are subject to Pick-up and Delivery Appendix hereunto annexed and forming part of this Agreement.

Section II - Line Drivers Call and Guarantee Time

- (a) Employees shall be given at least two (2) hours notice when ordered to report for duty at both the home terminal and 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 ten (10) hours work and/ or pay at the hourly work time rate for the trip or any portion thereof.
- (c) When an employee reports to work after being called and no work is available, he shall receive a minimum of four (4) hours pay at the work time rate.
- (d) The Company will endeavour to notify all drivers between the hours of 17:00 and 19:00, who are off duty at their home terminal if they are expected to

report for duty between the hours of 19:00 and 07:00 provided further that drivers who are off duty at their home terminal before 12:00 hours on Saturday who are to be called to work prior to 24:00 hours Sunday, shall be notified by 12:00 hours Saturday for time of dispatch.

Section III

Work time shall mean loading and unloading, repair of equipment and time spent on ferries and boats. Drivers shall be paid for such duties at the applicable work time hourly rate. In the case of dual drivers, where only one driver is required to load or unload, only one driver will be paid for work time.

Section IV - Dead Head

- (a) Every employee covered under this Agreement when required to travel by any other mode of transportation than Company equipment shall be paid in the following manner:

For the first eight (8) hours in any twenty (20) hour period, his hourly work time rate as provided in this Agreement.

- (b) 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.

Section V - Wait Time

Drivers shall be paid for wait time as follows:

- (a) 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.
- (b) Wait time is clarified as follows: Wait time is not accumulative for the purpose of determining wait time pay. Each stop shall be considered a separate waiting period.
- (c) In no event shall wait time pay exceed eight (8) hours for each stop in any twenty (20) hour period. When a driver is held more than one (1) day he shall receive pay for the first eight (8) hours of each twenty (20) hour period.
- (d) **All** time lost due to delays at borders, and any delays as a result of overloads or certification violations involving Federal, 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.

Section VI - Layover

In the event that drivers are required to layover during any one round trip or tour away from their home terminal they shall be compensated for lay-over time as follows, it being understood that layover time shall not be accumulative, but shall mean only one layover 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 the continuing layover,

Section VII - Bobtail

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

Section VIII - Mileage Rates

- (a) 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.

- (b) The official State, Provincial and/or Territorial Mileages will be used as a guide to determine the miles driven, the authority to determine the number of miles driven will be the Department of Highways of the various Provinces, Territories and/or States.

Section IX - Miles arid Hours

- (a) 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 applicable mile rate, provided less than the hourly rate for the total driving time on a particular trip. The onus is upon the driver to question the rate of pay by marking his trip and pay report accordingly.
- (b) **Bush Runs**
Runs which include both highway miles and off-line bush miles will be paid for in the following manner: Mileage rates for main highway miles and hourly rates for bush miles.

Section X - Single Man Operations

- (a) For definition purposes the word "trip" will be used when refer ring to single-man operations. A single-man trip is considered from point of dispatch to point of rest, layover, or book-off.
- (b) 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 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 rates does not apply to the lay-over and wait time, but is calculated on the driving and work time only, at one-half the work time rate of pay.

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

Section XI - Sleeper-Cab Oneration

- (a) For definition purposes, the word "tour" will be used when referring to sleeper operations.
- (b) Sleeper-Cab operation shall be performed by two (2) drivers; the Company shall designate the home terminal of each driver team and they shall be paid for driving one-half (1/2) the mileage the vehicle travelled in making the tour.
- (c) Only two (2) men shall be permitted in Sleeper-Cab equipment at any time, except in case of emergency, or where new type of equipment is put into operation. In no event shall a driver supervisor or other authorized personnel be in the cab in addition to the two (2) drivers for more than three hundred (300) miles.
- (d) No driver under this Agreement shall be placed on layover if routed on any tour with outbound mileage under four hundred (400) miles.
- (e) Except in cases of emergency, Sleeper-Cab drivers shall be entitled to have a minimum of four (4) hours off duty, excluding call time after completion of their tour.

- (1) No Sleeper-Cab driver shall be allowed to take a solo trip of more than four (4) hours until he has had eight (8) hours rest since he was last on duty.

Section XII - Transferring Over-the-Road Drivers

- (a) When a branch, terminal, division or operation is closed or partially closed and 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 was transferred if work is there available.
- (b) Such employees will be dovetailed into the seniority list as of the date they first became employees in their classification.
- (c) Whenever a man is transferred at the request of the Company, his reasonable moving expenses shall be borne by the Company.
- (d) For the purpose of this section "expense" is defined to mean the moving expenses of normal household goods and chattels.

APPENDIX "B"

COVERS RATES OF PAY FOR ALL SINGLE-MAN AND SLEEPER-CAB DRIVERS

Section I - Mileage Rates (cents per mile)

| | <u>Jan. 1/95</u> | |
|---|------------------|--|
| Sleeper Teams | 41.0 | Increases as per Memorandum of Agreement Dec 22, 1999 (pro-rated) to be changed |
| Single-Man Operation | 36.0 | |
| Employees hired on or after January 1, 1989 (all areas) | 34.0 | |

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

Section II - Rates of Pay (Hourly) Work Time

| | <u>Jan 1/79</u> | <u>Jan 1/00</u> | <u>Jan 1/01</u> |
|--|-----------------|-----------------|-----------------|
| <i>Ontario</i> | 16.32 | 16.65 | 16.98 |
| Employees hired on or after January 1, 1989 | 15.40 | 15.71 | 16.02 |

All work performed by Over-the-Road drivers shall be paid for at their domicile hourly rate.

Section III - Wait Time & Layover Time

| | <u>Jail 1/99</u> | <u>Jan 1/00</u> | <u>Jail 1/01</u> |
|--|-------------------------|------------------------|-------------------------|
| <i>Ontario</i> | 15.81 | 16.13 | 16.45 |
| Employees hired on or after January 1, 1989 | 14.89 | 15.19 | 15.49 |

All work performed by Over-the-Road drivers shall be paid for at their domicile hourly rate.

Section IV - Subsistence Allowance

Each employee who is required to layover from his domiciled point shall be entitled to a subsistence allowance of eighteen dollars (\$18.00) per day. In addition, the Company will pay for the reasonable costs of a hotel room upon presentation of a receipt, or, where camp facilities are available, the employee shall receive board and lodgings at no cost to the employee.

APPENDIX "C"

CITY DRIVERS

Section I - Scope of this Appendix

This Appendix shall cover employees engaged in driving trucks within the area of the cities in which the Company maintains terminal offices.

Section II - Ontario based employees

- (a) Hours of work - daily maximum is eight (8) hours per day or forty (40) hours per week, for any five (5) consecutive days:

(b) **Overtime Rate of Pay**

All hours worked in excess of daily or weekly maximum will be deemed overtime and paid for at the rate of one and one-half (1-1/2) times the every day hourly rate of pay.

For all hours worked on the employee's designated day of rest or on a Statutory Holiday, the rate of pay will be one and one-half (1-1/2) times the employee's hourly rate of pay.

APPENDIX “D”

MAINTENANCE SHOP EMPLOYEES

Section I

(a) **Hours of Work**

Daily maximum - eight (8) hours per day or forty (40) hours per week, for any five (5) consecutive days.

(b) **Overtime Rate of Pay**

All hours worked in excess of daily or weekly maximum will be deemed overtime and paid for at the rate of one and one-half (1-1/2) times the hourly rate of pay.

For all hours worked on the employee's designated day of rest or on a Statutory Holiday, the rate of pay will be one and one-half (1-1/2) times the employee's hourly rate of pay.

Section II - Hourly Rates of Pay - Ontario

| | Jan. | Jan. | Jan. |
|-----------------------------------|--------------------|--------------------|--------------------|
| <u>Serviceman, Tireman</u> | <u>1/99</u> | <u>1/00</u> | <u>1/01</u> |
| - first 6 months of employment | 18.49 | 18.86 | 19.24 |
| - after 6 months of employment | 19.04 | 19.42 | 19.81 |
| - after 12 months of employment | 19.59 | 19.98 | 20.38 |

Section II - Hourly Rates of Pay - Ontario

| | Jan. <u>1/99</u> | Jan. <u>1/00</u> | Jan. <u>1/01</u> |
|--|-----------------------------|-----------------------------|-----------------------------|
| <u>Licensed Diesel Mechanic</u> | | | |
| - first 6 months of employment | 20.71 | 21.12 | 21.54 |
| - after 6 months of employment | 21.26 | 21.69 | 22.12 |
| - after 12 months of employment | 21.81 | 22.25 | 22.70 |

.....

| | Jan. <u>1/99</u> | Jan. <u>1/00</u> | Jan. <u>1/01</u> |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>Licensed Welder</u> | | | |
| - first 6 months of employment | 21.81 | 22.25 | 22.70 |
| - after 6 months of employment | 22.36 | 22.81 | 23.27 |
| - after 12 months of employment | 22.91 | 23.37 | 23.84 |

.....

| | Jan. <u>1/99</u> | Jan. <u>1/00</u> | Jan. <u>1/01</u> |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>Utility, Parts Driver</u> | | | |
| - first 6 months of employment | 15.73 | 6.05 | 16.37 |
| - after 6 months of employment | 16.29 | 6.62 | 16.95 |
| - after 12 months of employment | 16.84 | 7.18 | 17.52 |

.....

Employees on the afternoon shift will receive a shift premium of fifty (50) cents per hour added to their applicable hourly rate.

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Section III

The rate of pay for Lead Hand shall be one dollar (\$1.00) per hour over and above the classification of employees for which he is Lead Hand.

Section IV

Effective January 1st 1999, employees shall be entitled to four (4) sick days off per calendar year. Employees must be employed for 1 year before becoming eligible for sick days. Any unused sick days will be paid out to the employee on the last payroll cheque of the year.

It is understood these sick days are not accumulative.

APPENDIX "E"

HEALTH & WELFARE PROGRAM

COVERING EMPLOYEES IN ONTARIO

Section I

The Company shall establish and operate a Health and Welfare Plan covering members of the Union from time to time employed by the Company subject to the conditions as to part-time employees contained herein and to the following eligibility conditions:

- (a) Any member of the Union who is in the employ of the Company on the effective date of the Health and Welfare Plan shall join the Plan from that date,
- (b) Any employee 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 completion of three (3) months employment with the Company.
- (c) Notwithstanding the provisions of subsection (b) of this Section I, any employee who is hired by the Company after the effective date of the Health and Welfare Plan shall join the Plan the day he is so hired provided that within the previous thirty (30) day period he was a participant in the comparable Health and Welfare Plan of another company, which is a party to an identical agreement to this Agreement.

Section II

The Plan shall provide the following benefits:

- (a) Group Insurance with a Life Insurance Company licensed to operate in Canada, providing the following minimum coverage for members who join:

- i) Life Insurance coverage in the sum of \$25,000.00 covering death from any cause.
- ii) Accidental Death and Dismemberment coverage for loss within ninety (90) days of an accident of life, limb or sight according to the following schedule:

Loss of life\$ 50,000.00

Loss of both hands or
both feet or sight of
both eyes\$ 25,000.00

Loss of one hand and
one foot\$ 25,000.00

Loss of one hand and
sight of one eye\$ 25,000.00

Loss of one foot and
sight of one eye\$ 25,000.00

Loss of one hand or
one foot or sight of
one eye\$ 7,500.00

- iii) Non-occupational weekly indemnity coverage to match U.I.C. weekly maximum commencing on the first day of necessary absence from work due to accident and on the fourth (4th) day of necessary absence from work due to sickness, continuing for a maximum of fifty-two (52) weeks during any period of disability. Period of disability from the same cause shall be considered as separate periods of disability provided they are separated by a return to active employment with the Company for at least fourteen (14) days.

- iv)
 - (a) It shall be the responsibility of the Company to provide the employee with the necessary Health and Welfare forms.

 - (b) It shall then be the responsibility of the employee to cause such forms to be filled out and completed by his doctor in order they can be process in order.

 - (c) The Company shall cause the insurance carrier to remit payments due the employee not less frequently than his normal pay periods.

- (b) 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.

Where Major Medical Benefits are not provided within the Provincial Medicare Plan, benefits provided shall be equivalent to the Alberta Blue Cross Plan.

Section III

(a) **Extended Health Benefits**

- \$15.00 calendar year deductible, then 100% coverage
- semi-private
- outside Canada
- referral - \$75.00 for 60 days, emergency up to \$15,000.00
- doctors outside of Canada
- emergency up to \$15,000.00
- referral equal to Provincial Schedule
- drugs - oral contraceptives included
- blood and blood plasma - included
- artificial limbs and eyes - included

(b) **Vision Care Benefits**

- \$125.00 in twelve (12) months, students up to 25 years included.

(c) **Deductible**

(applicable to all extended health benefits)

The deductible is \$15.00 (single or family) and is applied to the eligible Medical and Vision Care expenses each calendar year. Not more than \$15.00 will be applied against the combined expenses of the employee and his dependants during any one calendar year.

Section IV - Dental Benefits

(a) **Schedule - Basic**

- General Practitioner - 100%
- Examinations - included
- Bite-wing x-ray - included
- Full mouth x-rays - every five (5) years
- Scaling - included
- Fluoride - included
- Extractions - included
- Repair of Dentures - see Restoratives
- Anaesthetics - included
- Endodontics - included

(b) **Restorative**

- Dentures - fill and partial -included
- Crowns, Inlays - included
- Anaesthetics - see basic
- Surgery - included
- Orthodontic - included- 50% /maximum of \$2,000.00

Section V - Long Term Disability

Shall be in the amount of one thousand dollars (\$1,000.00) or sixty-six and two-thirds percent (66-2/3%) of the employee's regular earnings raised to the next highest dollar to a maximum of one thousand dollars (\$1,000.00) per month, whichever is greater,

Section VI

The Company shall provide each member eligible for Group Insurance with a copy of the Company Group Insurance booklet.

Section VII

- (a) The cost of the Plan as outlined in each area shall be 100% borne by the Company and/or Leased Operator.
- (b) Coverage for benefits from the Health and Welfare Program will remain in force for the whole of any month in which the employees works a portion, whether or not the member remains in the employ of the Company for the whole of such month. Coverage will cease immediately for any employee who resigns or is terminated.

LETTER OF UNDERSTANDING

BETWEEN:

TRI-LINE EXPRESSWAYS LTD.
(hereinafter referred to as the "Company")

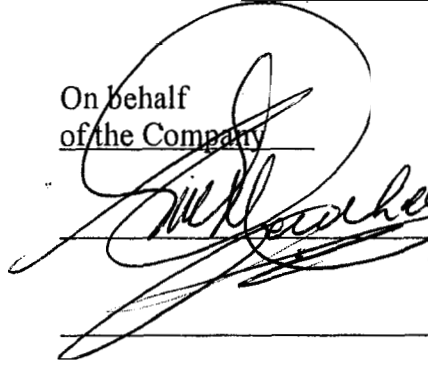
- and -

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters
(hereinafter referred to as the "Union")

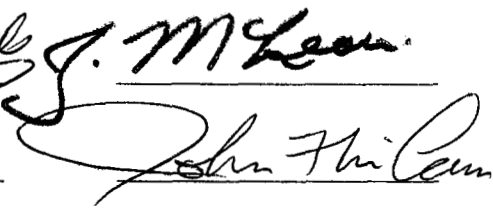
It is understood and agreed that the Company will bear the cost of winter work jackets and boots for service employees. The cost of which will be confirmed with Company before purchasing and employees will be reimbursed when they turn in their receipts.

SIGNED this 7th day of MAR. A.D., 20 00

On behalf
of the Company



On behalf
of the Union



LETTER OF UNDERSTANDING

BETWEEN:

TRI-LINE EXPRESSWAYS LTD.
(hereinafter referred to as the "Company")

- and -

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters
(hereinafter referred to as the "Union")

It is understood and agreed that Company Line Drivers will receive an advance at the end of each month of \$700. Drivers not having sufficient earnings in this period to warrant same will receive a pro-rated advance. On the 15th of each month they will be paid in full for the prior month's earnings, less proper deductions.

SIGNED this 7TH day of MAR A.D., 20 00

On behalf
of the Company

On behalf
of the Union

