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**OWNER-OPERATORS  
INDIVIDUAL AGREEMENT**

**BETWEEN**

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

**AND**

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

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**EXPIRY      June 30, 2008**

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## TABLE OF CONTENTS

ARTICLE 1	PREAMBLE AND RECOGNITION
ARTICLE 2	UNION SECURITY
ARTICLE 3	MANAGEMENT FUNCTIONS
ARTICLE 4	SHOP STEWARDS
ARTICLE 5	GRIEVANCE PROCEDURE AND ARBITRATION
ARTICLE 6	STRIKES & LOCKOUTS & PICKET LINES
ARTICLE 7	SENIORITY
ARTICLE 8	ALLOCATION AND HOURS OF <b>WORK</b>
ARTICLE 9	ANNUAL LEAVE
ARTICLE 10	HEALTH & WELFARE
ARTICLE 11	REMUNERATION FOR EQUIPMENT AND SERVICES
ARTICLE 12	DURATION

## **ARTICLE 1: PREAMBLE AND RECOGNITION**

1.1 The Company 916845 Ontario Ltd. (Doing Business as) R.J.R. Transport does hereby recognize the Union as the exclusive bargaining agent for all Owner-operators of the Company. Owner-operators as hereinafter referred to in this Agreement will be considered as dependent contractors for purposes of Part I of the *Canada Labour Code* only.

1.2 The intent and purpose of this Agreement shall be to promote and improve industrial and economic relations, to establish and maintain a high degree of discipline and efficiency and to set forth herein the basic procedures covering hours of work and conditions of engagement which will render justice to all. It is also the purpose of this Agreement to provide a fair and peaceful adjustment of all disputes which may arise between the parties.

1.3 All Owner-operators shall, as a condition of their engagement, be subject to this Agreement and will enter into service contracts with the Company, the general terms of which form part of this Agreement.

1.4 In the event of a conflict between the Owner-operator service contract and the collective agreement, the collective agreement shall govern.

1.5 The Company agrees to provide a list of all supervisory and management persons indicating their capacity. This list will be updated in the event of changes.

## **ARTICLE 2: UNION SECURITY**

2.1 It is agreed that all Owner-operators as outlined in Section 1.1 shall become and remain members of the Union as a condition of engagement during the term of this Agreement.

2.2 All Owner-operators as outlined in section 1.1 contracted with prior to the date of the signing of this Agreement must, as a condition of their continued engagement, authorize the Company to deduct from their remuneration the Union dues deductions which is, an amount equal to the monthly Union dues for the duration of the Agreement as their financial contribution to the Union.

2.3 All Owner-operators as outlined in section 1.1 contracted with on or after the effective date of this Agreement shall, as a condition of continued engagement, authorize the Company to deduct the amount equal to the Union Initiation Fees in installments of Twenty-Five Dollars (\$25.00) per week after the completion of their probationary period. This deduction shall continue until the Initiation Fees are paid in full. The Company agrees to remit such monies so deducted to the head office of the Union along with a list of the Owner-operators from whom the money is deducted.

2.4(a) The Company agrees for the duration of this Agreement to deduct from the last remuneration cheque of each month, the monthly dues of all Owner-operators as outlined in section 1.1 covered by this Agreement and to remit such monies so deducted to the head office of the Union along with a list of Owner-operators from which monies were deducted. The check-off list will include the social insurance number, address, and name of each Owner-operator from whom the Union dues were deducted.

(b) The Union will notify the Company in writing of any arrears in dues caused for any reason, or any arrears in initiation or re-initiation fees and the Company will immediately commence deductions in the full amount prescribed by the Union in such written notice. Such monies will be forwarded to the Union along with the monthly dues as provided for above. Deductions for arrears in dues, initiation or re-initiation fees shall not exceed twenty-five dollars (\$25.00) per week. If the Company deducts money for Union dues, arrears in dues, initiation fees or re-initiation fees in error at the direction of the Union; such monies will be refunded directly to the Owner-operator involved, along with confirmation of such refund to the Company.

(c) The Company shall provide the Union each month a list of Owner-operator names for whom Dues, Arrears, Initiation and Re-initiation fees have been deducted along with the respective amounts for that Owner-operator.

(d) The Union will supply the Company with Initiation Deduction Authorization Forms, Application for Membership Forms, Dues Deduction Authorization Forms all of which shall be signed by all new Owner-operators as outlined in section 1.1 on the date of engagement. It will be the responsibility of the Company to ensure that all completed Application for Membership Forms are returned to the Union.

(e) The list as described in 2.4 (c) and cheques for the Union Dues deducted must be mailed to the office of the Union not later than the fifteenth (15<sup>th</sup>) day of the month following the month in which the monies were deducted.

(f) Owner-operators as outlined in section 1.1 will not be required to become Union members until the completion of their probationary period.

(g) The Union shall provide the Owner-operators with an annual Dues Paid Statement for the deductions made for the Owner-operator's union dues. It is expressly understood that in making the deductions required above, the Company is acting in the capacity of agent for the Union and a supplier of any goods or services.

### **ARTICLE 3: MANAGEMENT FUNCTIONS**

3.1 The Union recognizes that the Company has the right:

(a) to maintain order, discipline and efficiency;

- (b) to hire, classify, direct, assign, promote, demote, transfer, discipline, suspend and discharge Owner-operators as outlined in section 1.1 and to increase and decrease working forces provided that a claim of termination due to a discriminatory, arbitrary, or capricious reason may become the subject of a grievance and will be dealt with as hereinafter provided;
- (c) generally to manage the Company and without restricting the generality of the foregoing, to determine the number and location of establishments, the methods and processes to be used, schedules of work, kinds and locations of machines, tools and equipment to be used, selection, installation and requirements in the operation of any equipment or materials it decides to use and handle;
- (d) to make, alter and enforce rules and regulations to be observed by Owner-operators as outlined in section 1.1 not inconsistent with the terms of this Agreement.

3.2 The above clause shall not deprive the Union member of the right to exercise the Grievance Procedure as outlined in this Agreement.

#### **ARTICLE 4: SHOP STEWARDS**

4.1 The Company acknowledges the right of the Union to appoint one (1) shop steward, from among the actively engaged Owner-operators, and if the operations are such that they cannot be covered by one (1) shop steward, then additional stewards may be appointed. If the selected union steward ceases to be actively engaged and is unable to provide his services, the union will appoint a replacement steward from among those Owner-operators that remain actively engaged.

4.2 Wherever possible, grievances shall be processed during the normal working hours of the Steward and preferably on the premises of the Company. The Company agrees to remunerate Stewards at the rate of \$14.00 per hour for all time spent attending scheduled grievance meetings between the Company & the Union.

4.3 The Union will inform the Company in writing of the name of the Steward and of any subsequent change in the name of the Steward.

4.4 The Company will notify the Union, by registered mail or fax, if it takes disciplinary action against a Steward which results in dismissal or suspension. Failure to do so shall render any and all action to be null and void.

4.5 For the purpose of processing specific grievances or disputes, Business Representatives and Stewards shall have relevant trip sheets, time cards and Owner-operator disciplinary records made available to them upon request during regular working hours in the office and in the presence of Management.

## **ARTICLE 5: GRIEVANCE PROCEDURE & ARBITRATION**

5.1 A grievance shall consist of a dispute concerning interpretation and application of any clause in this Agreement alleged violations of the Agreement and alleged abuses of discretion of supervision in the treatment of Union members or the arbitrary or discriminatory cancellation of an Owner-operator's service contract, contrary to the terms of this Agreement. There shall be an earnest effort on the part of both parties to settle such grievances promptly and through the following steps:

5.2(a) By conference between the aggrieved Union member and the Branch Manager or his designate. Failing settlement the grievance must be submitted in writing within seven (7) calendar days from the date of the alleged violation of the Agreement.

(b) Failing settlement at the above step, the Branch Manager shall render his decision in writing and shall refer **the** grievance to and arrange a meeting between the Union and the General Manager or his designate within seven (7) days of the date that the grievance was registered in writing. The General Manager or his designate shall render his decision in writing within seven (**7**) days from the date that the grievance was referred to him.

(c) In the event the Union or the Company has a grievance, it shall be the responsibility of the grievor to advise the other party in writing within seven (7) calendar days of the alleged violation of the Agreement, and by such notification arrange a meeting within fourteen (**14**) calendar days between the General Manager or his designate and a duly accredited principal officer of the Local Union or his designate. Should the grievor fail to reach a satisfactory settlement, the grievance may be submitted to a Board of Arbitration as outlined in section 5.2 (d).

(d) Should the parties fail to reach satisfactory settlement in the preceding steps, the final settlement of the grievance may be submitted to an arbitration board as outlined below. Before submitting the grievance to arbitration, the dispute shall, if requested by the grieving party, and in accordance with the procedures outlined in this Section, be brought to the attention of a Joint Grievance Committee established for this purpose by the Company and by the Local Unions. The Joint Grievance Committee will render a decision, unless it is deadlocked, which shall be final and binding and have the same judicial powers as a Board of Arbitration. The Joint Grievance Committee shall be comprised of **two** (2) persons, one (1) of whom shall be selected from Management and one (1) from the Local Unions. It is further agreed that in the event that any Ontario Joint Grievance Committee is unable to render a majority decision, the grieving party must, within fourteen (**14**) calendar days of the date the Ontario Joint Grievance Committee declares a deadlock, unless they wish to withdraw the grievance, proceed to arbitration as outlined in Section 5.3.

5.3 It shall be the responsibility of the party desiring Arbitration to so inform the other party in writing in the case of:

- (a) an Owner-operator grievance within fourteen (14) calendar days after the General Manager or his designate rendered a decision or failed to render a decision as provided for in section 5.2 (c);
- (b) a Company grievance within fourteen (14) calendar days after the meeting with the Union representative;
- (c) a Union grievance within fourteen (14) calendar days after the meeting with the Company's representative. A notice of intent to arbitrate under the foregoing provision shall contain the name of the aggrieved party's nominee to the Board of Arbitration and within seven (7) calendar days from the receipt of the notice of intent to arbitrate, the other party must in turn name their nominee. A third (3<sup>rd</sup>) member to act as Chairman shall be appointed by the respective nominees. Should either party fail to name their nominee within the required seven (7) calendar days or should the nominees fail to select a Chairman within thirty (30) calendar days from the date of their appointment, either party or their nominee shall request the Provincial or Federal Minister of Labour to make the appropriate appointment.

5.4 The Board of Arbitration shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in this Agreement or to give any decision inconsistent with the terms and provisions of this Agreement. The Board shall have the authority to vary or set aside any penalty or discipline imposed relating to the grievance if it is deemed justified to do so.

5.5 Each of the parties hereto will bear the expense of their nominee to the Board of Arbitration, and the parties will equally bear the fees and expenses of the Chairman.

5.6 The Company shall not be responsible for the remuneration of time used by an Owner-operator in the investigation and settlement of a grievance.

5.7 Prior to proceeding to a three (3) person Board of Arbitration, the parties may, by mutual agreement, elect to have the grievance heard by a single arbitrator. Should the parties fail to appoint a one (1) person Board of Arbitration within thirty (30) days from the date of the written referral to arbitration, either party may request the Minister of Labour to make the appropriate appointment.

5.8 In the event the Company has a grievance they shall notify the principal officer of the Union by fax and a meeting will be arranged within twenty-four (24) hours from receipt of the fax to discuss the alleged violation and grievance. In the event that the Union refuses to meet with the Company within the twenty-four (24) hour period as prescribed above the Company may then proceed to Arbitration. These provisions are alternative to the grievance procedures of the Company as set forth in section 5.2 (c).

5.9 The mandatory time limits and procedures set out above must be observed by the Union in order to proceed to arbitration and must also be observed by the Company commencing with Section 5.3 unless waived by mutual agreement.

## **ARTICLE 6: STRIKES & LOCKOUTS & PICKET LINES**

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

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

## **ARTICLE 7: SENIORITY**

7.1 The purpose of seniority is to provide a policy governing work preference, layoffs and recalls.

7.2 In the event of a layoff, the Company shall consider:

- (a) the seniority of the Owner-operator;
- (b) the qualifications of the Owner-operator;
- (c) in the case of Owner-operators, the suitability of the Owner-operator's equipment for the work which has to be performed;
- (d) in the event the qualifications of the Owner-operator and the suitability of the Owner-operator's equipment are relatively equal, then the Owner-operator's seniority shall be the determining factor.

7.3 Seniority lists containing the names and the starting dates will be prepared and posted every six (6) months on a bulletin board with sufficient copies for Stewards and Business Representatives.

7.4 Owner-operators shall be considered probationary until they have completed ninety (90) calendar days of engagement, at which time they shall be placed on the seniority list in accordance with their starting dates.

7.5 Probationary Owner-operators will work under the operational provisions of this Agreement during their probationary period and they may have their service contract cancelled, at the sole discretion of the Company, without recourse to the Grievance or Arbitration Procedure. Upon completion of the Owner-operator's probationary period all conditions of the Agreement will then apply, including the Health and Welfare provisions.

7.6 An Owner-operator's engagement shall be terminated for any of the following reasons:

- (a) if an Owner-operator voluntarily quits;



- (b) if an Owner-operator's service contract is cancelled and he is not reinstated pursuant to the Grievance Procedure as provided for in this Agreement;
- (c) if an Owner-operator is not available and not engaged elsewhere and has refused to return to work within twenty-four (24) hours after being contacted personally by the Company, unless furnishing a valid reason acceptable to the Company. When an Owner-operator cannot be contacted personally or is engaged elsewhere, then the Company will notify him by registered mail to his last known address to return to work. He will then be given a maximum of seven (7) consecutive days from the date of notification to report for duty;
- (d) if an Owner-operator is absent from work without securing a leave of absence for more than three (3) consecutive working days;
- (e) if an Owner-operator is not available for a period extending beyond six (6) consecutive working months.
- (f) If an Owner Operator is convicted of impaired driving while operating a vehicle covered under the Company's authority.
- (g) If an Owner Operator is not available as a result of his/her legal ability to perform all dispatches given by the company for a period of more than three hundred and sixty seven (367) days. If the Owner Operator has his/her ability to perform all dispatches reinstated within a period of three hundred sixty seven (367) days, he shall be able to return to work with no loss of seniority subject to the availability of Insurance coverage at a cost not prohibitive to the Company.

## **ARTICLE 8: ALLOCATION AND HOURS OF WORK**

**8.1** Owner-operators will not be required to be available for assignment in violation of the applicable Federal or Provincial Statutes in Canada. Owner-operators will also not be required to be available in violation of the applicable Federal or State Statutes in the United States.

**8.2** If an Owner-operator's equipment is removed from service due to mechanical problems his name shall be removed from the seniority list until his equipment is again made available. At that time his name will then again be placed on the seniority list in the original order of seniority. The Owner-Operator shall have up to thirty days (30) to repair or ninety days (90) to replace his vehicle.

**8.3** The Company, in its sole and complete discretion, shall determine how a load is to be assigned as between Owner-operators. However, the Company in making assignments will take into consideration an Owner-operator's seniority; location of the dispatch; and the scheduled pick-up time.

**8.4** In the case of a dedicated bid run, the opening will be posted on the bulletin board for seven (7) days. Owner-operators having the equipment will be selected in accordance with their seniority.

In the event the successful applicant for a dedicated bid run does not have the required equipment, the Company will accept the successful applicant subject to him providing the required equipment seven (7) days prior to the date the dedicated bid run is to commence.

The Company agrees to post the bid as soon as it is notified that it has been successful in acquiring new work, and where possible, the Company will endeavour to provide the successful applicant with as much time as practicable, prior to the seven (7) day period referred to in the above paragraph, to attain the required equipment.

A dedicated bid run is defined as work which is anticipated to continue on a regular basis for a minimum of six months. Once bid, an Owner-operator performing work on dedicated bid run will have preference on such work without regard to his position on the seniority list.

**An** Owner-operator already working on a local bid run will be permitted to apply for an opening on a dedicated bid run.

**8.5** In assigning loads, the Company will observe the terms of the RJR Transport Rules, Regulations and Company Policies document which is provided to the Owner-operators and such document is incorporated into this Agreement.

## **ARTICLE 9: ANNUAL LEAVE**

**9.1** Annual leave will be granted at the times most desired by an Owner-operator. An Owner Operator in order of start date, must notify the Company of his preferred annual leave before April 30th of each year and thereafter such schedules shall not be changed unless mutually agreed to by the Owner Operator and the Company. Owner operators wishing to split annual leave periods can only exercise their start date rights for one period. Requests for annual leave periods shall not be unreasonably denied.

## **ARTICLE 10: HEALTH & WELFARE**

**10.1** To be eligible for the Company Health & Welfare Plan, Owner-operators must have successfully completed their probationary period.

**10.2** The Company shall arrange with a private Insurance Company to provide Owner-operators with Supplementary Health & Life Insurance coverage as outlined below and subject to the terms of the policy:

<b>(a)</b>	<b><u>Life Insurance and Accidental Death &amp; Dismemberment</u></b>	
1	Life Insurance	\$25,000
2	Accidental Death	\$25,000
3	Dependent Life Insurance	\$10,000 (spouse) \$ 5,000 (child)

- (b) Health Care
- |   |  |                       |
|---|--|-----------------------|
| 1 | Co-insurance on Prescription Drugs           | 80%                   |
| 2 | Co-insurance on all other benefits           | 100%                  |
| 3 | Semi-private hospital coverage               |                       |
| 4 | \$1,000,000 emergency annual travel coverage |                       |
| 5 | Paramedical services                         | \$500 per person/year |
| 6 | Private Duty Nursing                         | \$10,000 per year     |
| 7 | Hearing Aids                                 | \$500 every 5 years   |
| 8 | 24 month survivor benefit                    |                       |
- (c) Dental
- |   |                                   |     |
|---|-----------------------------------|-----|
| 1 | Co-insurance on all services      | 80% |
| 2 | \$1,000 annual maximum per person |     |
| 3 | Recalls once every 9 months       |     |
| 4 | Current fee guide                 |     |
| 5 | 24 month survivor                 |     |

10.3 The premium payment for the above will be one hundred percent (100%) paid for by the Owner-operator.

**ARTICLE 11: REMUNERATION FOR EQUIPMENT AND SERVICES**

11.1(a) **Payment.** The Company shall compensate the Owner-operator for services performed under **this** Agreement **as** listed below provided the Owner-operator has submitted to the Company signed proofs of delivery, bills of lading, freight bills, trip reports, signed trip records showing routes traveled, logs and such other evidence **as** may be required by any governmental authority. In any calendar month, the Owner-operator shall be paid within sixteen (16) business days and every week thereafter based on the documentation submitted to the Company prior to these cut-off dates.

<b>Loaded Miles (Cents/Mile)</b>	<b>One Ton</b>	<b>Three Ton</b>	<b>Five Ton</b>	<b>Van</b>
1 to 4 years seniority	0.995	1.06	1.195	0.795
5 to 9 years seniority	<b>1.00</b>	1.065	1.20	0.800
10+ years seniority	1.005	1.07	1.205	<b>0.805</b>
 Empty Miles (Cents/Mile)	 0.50	 0.50	 0.55	 0.20

11.1(b) Not counting the initial dispatch, there shall be a \$25.00 pick-up and a \$25.00 delivery fee for all stops over and above the said initial dispatch.

11.1(c) Local trips will be paid at the rate of fifty-seven percent (**57%**) of the freight charges. Local trips will be any trip, which from point of dispatch is less than one hundred (100) miles.

11.1(d) The parties agree that the mileage rates above in paragraph 11.1(a) are blended rates which include payment for an Owner-operator's statutory holidays and vacation pay. The parties agree this blended rate constitutes a greater right or benefit under the **Code**.

11.2 **Repayment of Charges.** The Owner-operator agrees that the compensation for the services performed may be offset or withheld for any charges incurred by the Company on behalf of the Owner-operator. The Company shall provide the Owner-operator with written itemization of any such charges

11.3 Owner-operators are responsible for obtaining their own Workers' Compensation number and paying the workers compensation premiums should they elect to be insured by the applicable Worker's Compensation Board. The Owner-operator will supply the Company with its worker's compensation number.

11.4 The purchase of base plates shall be the sole responsibility of the Owner-operator. Purchase of any additional licenses and/ or permits will be the responsibility of the Company.

11.5 The Company will administer the annual premiums for Buy Down Deductible Policy purchased by the Owner Operator.

**ARTICLE 12: DURATION**


12.1 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns.

12.2 If any of the terms of this Agreement are in violation of any Federal or Provincial Law, then to the extent of the violation, this Agreement shall become null and void and subject to renegotiation. If any portion of this Agreement is declared illegal, it shall not in any way affect the remaining provisions of the Agreement.

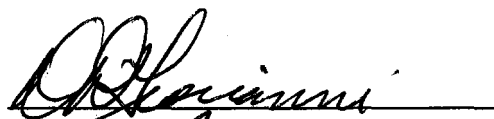
12.3 This Agreement shall remain in full force and effect from date of ratification and shall continue in effect until the 30<sup>th</sup> day of June, 2008, and from year to year thereafter unless written notice to amend, cancel or terminate this Agreement is served by either party on the other at least ninety (90) days before the termination date.

Dated at Windsor this 27 day of November, 2006.

**FOR THE COMPANY:  
916845 ONTARIO LTD.**

  
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\_\_\_\_\_  
\_\_\_\_\_

**FOR THE UNION:  
TEAMSTERS, CHAUFFEURS,  
WAREHOUSEMEN & HELPERS  
UNION LOCAL NO. 880**

  
\_\_\_\_\_  
\_\_\_\_\_

## **IMPORTANT NOTE:**

If you leave the services of the Company, contact your Local Union whether in person, or by mail, for a **WITHDRAWAL CARD**. **OBTAINING A WITHDRAWAL CARD IS THE SOLE RESPONSIBILITY OF THE MEMBER**

**WITHDRAWAL CARDS** can only be issued to a member whose dues are paid to and including the month in which the withdrawal card is requested.

IF YOU ARE NOT WORKING DUE TO SICKNESS, LAY-OFF, WORKER'S COMPENSATION, ETC., NOTIFY THE UNION OFFICE AND OBTAIN A WITHDRAWAL CARD.  
WITHDRAWAL CARDS ARE VALID ONLY WHEN A MEMBER IS NOT WORKING AT THE CRAFT.

KNOW YOUR AGREEMENT: MAKE SURE YOU KEEP IT FOR YOUR FUTURE REFERENCE. IF THERE IS ANYTHING ABOUT WHICH YOU MAY BE IN DOUBT, ASK YOUR STEWARD TO ADVISE YOU, OR CONTACT YOUR LOCAL UNION OFFICE.

## **ALWAYS**

1. **ATTEND YOUR UNION MEETINGS.**  
Help new Owner-operators become acquainted with the agreement.  
If you terminate your contract with the Company, contact your Local Union office for a withdrawal card.  
**"BE A GOOD UNION MEMBER"**

13