

BRITISH COLUMBIA

MASTER FREIGHT AND CARTAGE AGREEMENT

MEMORANDUM OF AGREEMENT made this _____ day of _____, 2003.

BETWEEN: JUDY'S WATER HAULING
(hereinafter called the "Company")

OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION NO. 31
(hereinafter called the "Union")

OF THE SECOND PART

Gender: Wherever the use of the male gender is used herein, it shall also apply to the female gender where applicable.

ARTICLE 1

Section 1 - Recognition

It is recognized by this Agreement to be the duty of the Union, the Company or its bargaining agent and the employees to fully co-operate individually and collectively, for the advancement of conditions.

Section 2 - Union Co-operation

The Parties agree at all times as fully as it may be within their power to further the interests of the industry.

ARTICLE 2

Section 1 - Certificate of Bargaining Authority

The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- (a) employees and categories of employees referred to in the Certificate of Bargaining Authority held from time to time by the Union, and

- (b) all dependent contractors and owner/operators employed by Companies signatory to this Agreement in the work categories falling within the area of jurisdiction of this Agreement

Section 2 - Bargaining Authority

All members of the Union shall receive a copy of this Agreement which is binding upon the bargaining authority and every employee in the unit for which the Union has been certified or where no certification exists as recognized by this Agreement. The Union shall be responsible for the printing of these Collective Agreements and the Company will purchase such agreements so that each and every employee of the Company will receive a copy.

ARTICLE 3

Section 1 - Posting of Agreement

The Company will provide a bulletin board in each Company lunchroom or dispatch area for the posting of this Agreement and for such notices as the Union or Company may from time to time wish to post. The said Union notices shall be posted and signed by an elected or appointed officer or other authorized representative of the Union.

Section 2 - Check-off

Each new employee and owner/operator when hired by the Company will be informed by the Company that he is to contact the Union office or shop steward for the purpose of becoming a Union member and signing the authorization card authorizing the Company to deduct from his earnings union initiation fees, union dues and/or other assessorial charges as levied against him in accordance with the constitution and by-laws of the Union of which he is a member and so indicated on the monthly or quarterly check-off list as provided by the Union to the Company. The Company shall remit same to the Union not later than (15) days from the date that the deduction was made from the employee's wages.

Section 3 - Union Shop

Every employee of the Company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this Agreement as a condition of employment with the Company, save as hereinafter expressly provided.

When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend first opportunity to Union members who meet the Company's requirements and who apply for employment or have been referred to the Company.

In the event that a person, not a member of the Union, is taken into employment by the Company, such person shall make application to join the Union and if approved by the Union shall join the Union within three (3) days of his hiring and shall be added to the checkoff list forthwith. In the event the person is not approved such person shall be replaced forthwith.

The Company shall furnish to the appropriate Union area office designated in writing by the Union a list of new employees taken into employment by the Company, showing the location of their employment within seven (7) calendar days of their being hired.

ARTICLE 4

Section 1 - Regular Employee

A regular employee shall be considered as such an employee of the Company when:

- (a) he has completed his probationary period
- (b) he makes himself available to the Company for full time employment
- (c) he has no other outside employment, except where such employment may be specifically permitted under the provisions of this Agreement
- (d) it shall not be a cause for discipline or discharge for an employee to seek and/or accept gainful employment while on lay-off, provided the employee complies with sub-section (b) herein
- (e) when a Company tries to contact any regular employee who is either on lay-off in excess of two weeks or has failed to report for duty within twenty-four (24) hours of contact, and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal

ARTICLE 5

Section 1 - Conflicting Agreements

The Company agrees not to enter into any agreement or contract with employees of the Company, members of the Union, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement will be null and void.

Section 2 - Transfer of Company Title or Interest

This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. In the event an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Company shall notify the Union in writing, not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership or bankruptcy proceeding, not including financial arrangements thereof.

Section 3 - Protection of Conditions

It shall be a violation of this Agreement for the Company to require that an employee purchase truck, tractor and/or tractor and trailer or other vehicular equipment or that any employee purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

Section 4 - New Equipment and Classifications

Prior to any new types of equipment and/or new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Companies and the Union shall finalize within thirty (30) days after such implementation a rate to be established and such rate to be retro-active to date of implementation.

ARTICLE 6

Section 1 - Seniority

Seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job or jobs.

Section 2

All new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place at all terminals, stating starting time, job description and location. All regular employees shall be entitled to bid on such postings and the Company shall designate, on the original posting, the successful bidder within three (3) working days of the closing date of the posting. Any regular employee absent by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy within three (3) days after he returns to work, provided he is capable.

Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new jobs or vacancies and, except by mutual agreement of the Parties hereto, for the purpose of shift preferential on established shifts. Starting times preference shall be given to senior employees on established shifts and operators of mobile equipment will be given this preference wherever practical. Except where a job or shift has been discontinued, there will be no job or shift bumping privileges. Senior employees shall be given preference to fill vacancy on differential rated equipment if qualified.

On the line-haul, seniority shall prevail for the purpose of bidding, but there will be no job bumping privileges.

Section 3

In all areas, seniority shall be branch wide and the branch will include all terminals or warehouses in a particular city and there may be two (2) separate groups.

Group #1: All employees employed on a line-haul operation.

Group #1a: All owner operators employed on a linehaul operation.

Group #2: Employees employed in city pickup and delivery.

Group #2a: All owner operators employed in city pickup and delivery.

When an employee is laid-off for lack of work, he will then have the right to fill, if qualified and capable in all respects, provided he has been given the opportunity to demonstrate his capability any position to which his seniority will entitle him.

Line drivers' seniority shall be recognized system wide within the jurisdiction of the Local Union in which he is a member for the purpose of bidding on new jobs and vacancies.

Section 4

All newly hired employees shall be considered as probationary employees for the first forty-five (45) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid-off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid-off and the reasons therefor with written notification to the Union Dispatcher.

Upon the conclusion of any forty-five (45) calendar day period during which a probationary employee has worked one hundred and eighty (180) hours, the employee's name shall forthwith be placed on the regular employees' seniority list, effective from the first day of employment of the forty-five (45) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement with the exception of those as specified i.e. Health and Welfare provisions.

Section 5

If, as and when terminals are closed down or partially closed down or amalgamated or moved to another location, the seniority of such employees shall immediately become a subject of discussion and failure of the Parties to agree may be submitted to the Grievance Procedure hereinafter provided for a final decision.

Section 6

Casual employees will not be used to deprive any of the regular employees the conditions of this Agreement.

Section 7

Within each branch and/or division the Company will post and maintain seniority listings. Such up-to date listings will be posted as of January and July of each year. Copies of current lists will be provided to the Union. Such lists to state starting date of employee.

Section 8

When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will automatically be struck from the seniority list. If an employee on his own volition obtains a withdrawal card from Local 31 he shall be struck from the Company seniority list.

Section 9

In the event that the Company purchases a business or any part thereof, the employees of which are covered by a Collective Agreement with a Local Union of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, the seniority of such employees shall be computed from the date that they respectively first become employees of the business aforesaid.

Section 10

Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the seniority list and the Company shall be under no further obligation to such employee except in the case where a lay-off is a direct result of a labour dispute involving another company or when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

Section 11 - Leave of Absence

- (a) (i) When the requirements of the Company's services will permit any employee hereunder upon written application to the Company with a copy of said application to the Union, may if approved by the Company, be granted a leave of absence in writing (with a copy to the Union) for a period of thirty (30) calendar days. Upon six (6) months prior notification an employee may request every three (3) years and may be granted up to thirty (30) days leave of absence in conjunction with his holidays. When considered by the Company approval or rejection is to be given in writing with a copy to the Union, within thirty (30) calendar days, and if approved such approval may not be withdrawn except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.
- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing, and seniority will accrue during such extensions.
- (iii) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority, and his name will be stricken from the seniority list, and he will no longer be considered as an employee of the Company.

- (iv) If an employee, employed in a classification requiring a drivers license, suffers the revocation of his drivers license, he will be re-classified, provided he is capable and work is available and such work will not result in the bumping of regular employees. If such employee cannot be re-classified, the Company may grant a leave of absence to such an employee who has suffered a revocation of his drivers license of up to twelve (12) months duration in writing with a copy to the Union. The employee may only take advantage of this section once while in the employ of the Company.
 - (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
 - (vi) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be re-classified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examinations.
- (b) When an employee within the bargaining unit covered by this Agreement receives leave of absence in writing with a copy to the Union, to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit.

The starting date of such an appointment shall be posted in the terminal. Notice shall be given to the Union in writing prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by the Health and Welfare and the Pension Plan as provided in this Agreement.

Employees who have been granted such a leave of absence must remain a member of the Union and be covered under all benefits of the Collective Agreement but shall not perform any duties covered by the bargaining unit. In such appointments seniority shall be a consideration. The successful appointee shall not have the right to hire and fire during the ninety (90) day leave of absence.

Not later than on the ninetieth (90) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

ARTICLE 7

Section 1 - Meal Period

The employee shall, except by mutual agreement between the parties hereto, take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Wherever reasonably possible, meal periods will be thirty (30) minutes. Further, no employee shall be required to take more than a thirty (30) minute period, except between the hours of 11:30 a.m. and 1:30 p.m. No employee shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour, before he has been on duty three and one-half (3 1/2) hours or after he has been on duty five (5) hours. However, any employee directed by the Company to stay with or operate equipment during his meal period will be paid at the regular rate of pay.

Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to paid time off for the purpose of eating at the end of his regular shift, except in a situation where interruption of work is not practical in which event the period may be staggered or postponed. Such meal period shall be paid at the applicable overtime rate of pay as provided in Article 24, Section 2 of this Agreement.

Section 2 Rest Breaks

Any employee shall be entitled to one (1) break of fifteen (15) minutes during both the first half and second half of any shift and, where practical, during each two (2) hour period of overtime, excepting during that period where a meal period is provided under Section 1 above. A rest break shall be provided if the overtime worked is to exceed thirty (30) minutes. The commencement of this break may be staggered, but not beyond one half hour.

ARTICLE 8

Section 1 - Safety Conditions

- (a) Maintenance of equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the employee to report, in writing, on the appropriate forms of the company, promptly, but not later than the end of the shift, trip or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. All line-haul trucks and tractors to be equipped with trouble sheets in triplicate book form, and the book with one (1) copy to remain in the vehicle at all times.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service

until repaired and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.

- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) In order to provide adequate vision, front and rear, the Company shall install heaters, mirrors and heated defrosters on all trucks and tractors; the mirrors to be of a size not less than 6" x 12", except where a smaller size or a different type is more adequate to the safe operation of the vehicle. Also, convex mirrors on the right hand side of the vehicle will be made available where required and where necessary. Also, convex mirrors on both sides of tractor will be made available where required and where necessary.
- (g) The Company shall not require employees to multi-deck trailers at night in an area without proper lighting.
- (h) Drivers will be held responsible to ensure that the proper equipment is used when towing another vehicle and the Company shall make available such adequate equipment.
- (i) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (j) All tractor pulling, flatdeck trailers on public thoroughfares shall be equipped with bulkheads designed to protect the operator of the vehicle in compliance with legal requirements.
- (k) All newly purchased highway tractors will have heated mirrors.
- (l) In isolated areas where the nature of cargo requires additional assistance to handle the cargo, the Company shall endeavour to arrange such assistance as may be required.
- (m) All new line-haul tractors and tractors operating in mountainous terrain will be equipped with brake retarders.
- (n) The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.

ARTICLE 9

Section 1 - Pay Period

- (a) Except as otherwise mutually agreed between the Parties all regular employees covered by this Agreement shall be paid on the fifteenth (15th) and month end of each month all wages earned by such employee to a day not more than fifteen (15) days prior to the day of payment. The pay period shall commence on the first (1st) of the month and sixteenth

(16th) of each month. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statement shall set forth the dated pay period, the total hours worked, the total miles driven or paid for, the total overtime hours worked, either time and one-half or double time, the rate of wages applicable and all deductions made from the gross amount of wages. Pay cheques shall be made available before an employee starts his shift except under circumstances beyond the control of the Company. Where this section applies to Interior employees, the payday will be Thursday afternoon unless other arrangements have been agreed to between the Union and the Company.

- (b) 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 Article 25 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.
- (c) Owner operators to be paid fifty percent (50%) of revenue by the fifteenth (15th) of each month, with the balance of revenue owing paid on month's end with a copy of total deductions and revenue.

Section 2

Casual employees will be paid not less often than once a week with not more than a one day pay holdback and cheques will be mailed to the employee upon request.

Section 3

- (a) If an error occurs in an employee's pay cheque and the amount is equal to one (1) day or more, he shall be entitled on request to a cheque being issued in favour of such employee within two (2) working days.
- (b) If a payroll error occurs on an owner operator's paycheque where the discrepancy is five hundred dollars or more, affected lease operator will be reimbursed for that discrepancy within five (5) days.

Section 4 - Record of Employment

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as possible, but not later than seven (7) calendar days thereafter.

ARTICLE 10

Section 1 - Paid for Time

- (a) All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that

the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.

- (b) Employees required to travel on public transportation or Company equipment in a deadhead manner shall be paid in accordance with Article 24, Section 1 (a) (b) and (c).

Section 2 - Bereavement Leave

An employee shall be granted a maximum of three (3) regularly scheduled work days leave, without loss of pay or benefits, in the case of death of a parent, spouse, brother, sister, child, parent-in-law, sister-in-law, brother-in-law, step-children, legal guardian and grandparents which include spouses grandparents and grand-children.

Funeral leave is not compensable when the employee is on leave of absence, bona fide lay-off or annual vacation.

Upon giving twenty-four (24) hours notice, an employee shall be granted time off without pay for the purpose of attending a funeral provided that the granting of such time off shall not be inconsistent with the efficient operation of the business.

A working day lost shall be not more than eight (8) hours for hourly employees or not more than ten (10) hours for line drivers.

This clause will have no application for an employee on leave of absence or when receiving benefits under the health and welfare plan, annual vacations, workers' compensation or as otherwise covered by this Agreement.

Section 3

A company employee summoned to Jury Duty or subpoenaed as a witness on a day that he would normally have worked shall be paid wages amounting to the difference between the amount paid for such service and the amount they would have earned had they worked on such days. Employees on jury shall furnish the employer with such statements of earnings as the courts may supply. A working day lost shall not be more than the employees regular assigned shift.

This clause will have no application for an employee on leave of absence or when receiving benefits under the health and welfare plan, annual vacations, workers' compensation or as otherwise covered by this Agreement.

Section 4

- (a) Any Company or Government required physical or medical examination shall be promptly complied with by all employees provided, however, the Company shall pay for all such physical and medical examinations or for any time lost as a result thereof during his working hours (re: Company employees).

Where a regular employee is required by the Company to take a medical outside of his regular hours of work, the Company shall pay, to a maximum of two (2) hours straight time, wages for such time spent

excepting in instances where an employee is returning to work or is about to return to work following illness or disability.

- (b) If following a medical examination under (a) of this Section, the employee is dissatisfied with the decision of the Company doctor, the employee may seek a decision from his personal doctor. Should the decision of the Company's doctor and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist whose speciality covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist. The decision of the medical specialist shall be final and binding upon the parties involved and the employee shall not suffer loss in wages or Health and Welfare Plan benefits, whichever applies as a result of such examination(s).
- (c) An employee who has been absent from work because of illness or accident shall not suffer a reduction in his regular wages only because the Company requires a medical examination prior to the employee resuming work. If such employee is entitled to work under seniority and recall procedures, he will be paid his regular wages for each day or days until he returns to work, provided the Company medical examiner certifies the employee fit to resume work.

Section 5 - Compensation Sickness Coverage

When an employee goes off work ill or on compensation or grievance is invoked on his discharge, the Company shall continue to pay both his Health and Welfare Plan fees and Union dues so that the employee shall be protected to the utmost provided:

- (a) the employee reimburses the Company for such contributions normally paid by said employee and is at no time more than five (5) months in arrears, and
- (b) the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two Parties

When an employee returns to work, the Company shall deduct from his earnings any monies the Company has paid out in respect of his contributions.

In the event any employee does not return to work, and the employee refuses or neglects on demand at his last known address, to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Section 6 - Sick Leave

The sick leave plan does not form a part of the Health and Welfare Plan.

- (a) 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.

- (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 for either the Teamsters - Transport Health and Welfare Trust Plan or Workers' Compensation, paid sick leave shall be applied as follows:
- (i) One-half (1/2) day's pay for the first day of absence, provided that day is a regular work day.
 - (ii) 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.
 - (iii) A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
 - (iv) It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.
- (c) Any proven abuse of the sick leave provision will subject the employee to immediate dismissal without recourse to the grievance procedure.
- (d) A medical certificate may be required to claim benefits under this provision.

ARTICLE 11 WORK ASSIGNMENTS

- (a) The Company agrees to respect the jurisdictional rules of the Union and assignments shall not direct or require its employees or persons, other than the employees in the bargaining unit here involved to perform work of the employees in the said unit. This is not to interfere with bona fide contracts with bona fide unions.
- (b) In the event that members of a union, other than the Union which is signatory to this Agreement, attempt to encroach on the working practices and arrangements as laid down by the Company and that contravene the Union's jurisdiction pursuant to the certificate of bargaining authority, the Union agrees that it shall inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 12 DISCHARGE OR SUSPENSION - MANAGEMENT'S RIGHTS

Subject to the terms of this Agreement, all matters concerning the operations of the Company business shall be reserved to the management. The Union recognizes that it is the function of the Company:

1. to maintain order, discipline and efficiency
2. to discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause
3. to increase and decrease working forces
4. to make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union
5. an employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee

ARTICLE 13

Section 1 - Protection of Rights

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.

The Union shall notify the Company as soon as possible of the existence of such recognized legal picket lines.

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the employees of a Company bound by the terms of the B.C. Master Freight and Cartage Agreement handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of Teamsters' Canadian Conference, the Company and the Union shall immediately meet with the objective of arriving at a mutually satisfactory solution.

Section 3

It is agreed in the event of a strike among the employees of any other firm with which the Company does business, the Company will not ask its employees to perform any labour they do not ordinarily perform.

Section 4

It is mutually agreed that there shall be no strike, lockout or slowdown whether sympathetic or otherwise during the term that this Agreement shall be in force.

ARTICLE 14 TECHNOLOGICAL AND MECHANICAL CHANGES

As per B.C. Labour Code.

ARTICLE 15

Section 1 - Inspection Privileges

Authorized agents of the Union will request and have access to the Company's establishments during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.

Section 2 - Shop Stewards

- (a) The Union shall elect or appoint shop stewards from among its members in the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize shop stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to dismissal of a shop steward.
- (b) Grievances shall be processed during the normal working hours of the shop steward. A steward shall receive his regular rate of pay when grievances or pending grievances are processed with the Employer on Employer property or at any other place which is mutually agreed upon by both the Union and the Employer.
- (c) If the Employer representative is unable to meet the steward during the steward's normal working hours, the steward shall be paid for all the time spent during the processing of the grievances with the Employer on the Employer's property or at any other place which is mutually agreed upon by both the Union and the Employer.

ARTICLE 16

Section 1 - Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lockers, lunchrooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the employees to use all facilities carefully, considerately, without unnecessary damage and dirtiness.
- (b) All new terminals shall be adequately equipped with facilities as per Section 1 (a) above where required.

Section 2 - First Aid Supplies

The Company shall provide first-aid provisions in accordance with the Workers' Compensation Act.

ARTICLE 17 - UNION LABEL

It shall not be a violation of this Agreement for an employee to post the Teamsters' Union Label in a conspicuous place on the glass area of the equipment he is operating. The said label to be a size not in excess of three (3") by four inches (4") and not to be attached to any area which will impair the vision of the driver.

ARTICLE 18

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty except as otherwise mutually agreed by the Parties hereto.

ARTICLE 19 PAID-FOR DAY OF ACCIDENT

If an employee after starting work meets with an accident which incapacitates him from carrying on his duties, he shall be paid his full day's wages for the day of his injury, provided he is not in receipt of compensation from the Workers' Compensation Board for that day.

ARTICLE 20

Section 1 - Pay-For Change in Jurisdiction

In the event that the Company should require any employee covered by this Agreement to engage in work on construction or demolition or in the confines of a construction or demolition site coming within the jurisdiction of an agreement which has established more favourable wage rates than those herein contained, such employee shall be entitled to be paid at the more favourable wage rate while he is so engaged.

ARTICLE 21

The regular hourly and mileage rates paid shall be those set out in Appendix "A" attached hereto and forming part of this Agreement.

ARTICLE 22

Section 1 - Health and Welfare

The Teamsters-Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members of the Union as set out in Appendix "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan as set out in Appendix "B" hereunder annexed and forming part of this Agreement.

Section 2 - Payment of Dues and Contributions

- (a) The Company agrees to make remittances to the Union for union dues, the administrator of the health and welfare plan, the administrator of the pension plan and the administrator of any other program to which the Company is required to make contributions under this Agreement in accordance with the appropriate article or appendix to this Agreement.
- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of union dues, the health and welfare plan, and any other plan which the Company is obliged to make contributions pursuant to this Agreement and shall be liable as such for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the Company.

Section 3 - Trust Agreement

The Company agrees that it shall be bound by the terms and conditions the Agreement and declaration of trust (the Trust Agreement) covering the health and welfare plan, and any other plan to which the Company is required to make contributions pursuant to this Agreement.

Section 4 - Delinquency

- (a) The Company acknowledges that the trustees of the health and welfare plan and or any other plan or trust to which contributes are payable shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due pursuant to this Agreement.
- (b) The Company agrees to make contributions to the Union for union dues and to the trustees of the health and welfare plan within the time limits specified in this Agreement and further agrees that if such contributions are not received by the Union or applicable plan administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not within the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at the rate of two percent (2%) per month from the date such contributions were due to the date of receipt by the Union or the appropriate plan administrator.
- (c) The Company agrees that if the Union or the trustees of any plan to which the Company is required to make contributions pursuant to this Agreement incur any legal or other costs to recover contributions due and payable by the Company, the Company shall be liable to reimburse the Union or the applicable trustees for such costs.

ARTICLE 23

Section 1 - Regular Work Day/Week

- (a) Except as hereinafter provided, the regular work day shall consist of ten (10) consecutive hours of work provided the work is available.

(b) Daily Guarantee

- (i) Any regular employee who is called out to work on a regular work day shall be paid not less than four (4) hours pay. Any employee who is called out to work on a Saturday - sixth shift - or overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours. For hours worked in excess of six (6), he shall be paid for time worked.
- (ii) Should a city driver or owner operator not receive his full allotment of hours during the day he has been called in, the company shall or may offer the affected driver or owner operator alternate work on a seniority basis.
- (iii) Any hourly rated employee reporting for duty on a callout or callback basis inconsistent with his regular scheduled work day or shift shall be guaranteed a minimum of four (4) hours pay but after completion of the duty he was called for, he may book-off work with a minimum of two (2) hours pay.

(c) Posting Regular Shift

The Company agrees that daily call ins will be done by seniority.

(d) Record of Employment

Any employee on lay-off who requests his Record of Employment shall not be considered terminated.

Section 2 - Overtime Provisions

The Company shall pay overtime rates of wages to every employee entitled thereto as follows.

- (a) All time worked over and above ten (10) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs
- (b) With the exception of those employed per Article 24, Section 1 (e), the following shall apply:
 - (i) for all hours worked on a sixth (6th) or seventh (7th) shift or statutory holiday, all time shall be paid at one and one half (1 ½) times the hourly rate.
- (c) Overtime shall be allocated wherever possible to capable senior employees in their classification in a voluntary manner provided, however, that upon reaching the bottom of the seniority list the employee shall be required to work overtime.
- (d) Except in case of emergency or where it is unavoidable, no employee shall work weekly overtime until all regular employees in their unit have worked the full quota of regular hours provided there are capable

and qualified regular employees amongst those who have not worked their full quota of regular hours. Provided the foregoing has been complied with, seniority will prevail in classifications for the allocation of overtime.

Section 3 - General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Dominion 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. The rates of pay for these General Holidays will be at the regular applicable work time rate.

Employees entitled to those paid holidays shall have been on the payroll thirty (30) calendar days previous to the holiday.

Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to general holiday pay.

The employee who is terminated or discharged for just cause within the thirty (30) calendar day period shall not be entitled to general holiday pay. If an employee who has been laid off temporarily is returned to work within thirty (30) calendar days after the holiday, he shall be entitled to the paid General Holiday.

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.

ARTICLE 24

Section 1 - Two Weeks Vacation

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 percent (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 2 - Three Weeks Vacation

Any employee completing four (4) years of continuous service shall thereafter receive six percent (6%) 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 3 - Four Weeks Vacation

All employees with ten (10) 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 they take their vacation, whichever is the greater.

Section 4 - Five Weeks Vacation

All employees with fifteen (15) years or more continuous service shall thereafter receive ten percent (10%) or two hundred (200) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 5 - Six Weeks Vacation

All employees with twenty-one (21) years or more of continuous service shall thereafter receive twelve percent (12%) or two hundred and forty (240) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 6

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 he has less than fifteen hundred (1500) hours of work in that year to qualify for vacation herein stipulated.

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 7

Fifteen hundred (1500) hours shall constitute a year's service, but no employee will be permitted to accumulate more than one (1) year of service or any additional fraction thereof in any single calendar year. However, general holidays shall count as hours worked.

Section 8

- (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 the company shall establish a common anniversary date as per section (a), for the purpose of calculating annual vacations.
- (c) Vacation pay cheques will be issued to all employees in accordance with the provisions of Article 10, Section 1(b) of this Agreement.
- (d) An employee hired after January 1st in any year and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of that year.

Employee then to work a full year before receiving a full annual vacation with pay. Time off (without pay) will be allowed during this year with such time off being calculated on the basis of holiday pay.

- (e) Employees who receive their vacation pay on the percentage basis shall be paid the appropriate percentage of gross income shown on their T4 income tax statement.

At the same time T4 slips are made available, the employer shall type on the amount of Union Dues paid by each Union member in that year.

Section 9

- (a) 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
December 15th	-	January 15th inclusive
Spring Break	-	When it occurs

- (b) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business. Vacation lists shall be posted and remain posted on or before January 31st of each year.
- (c) Vacation period to start on completion of employee's normal work week, and end on the first day of his normal work week on the completion of his vacation.
- (d) Where an employee has less than fifteen hundred (1500) hours and is terminating employment, voluntarily or otherwise, he shall receive 4% of his earnings in lieu of the holidays to which he is entitled.
- (e) Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any vacation period. Once vacation periods are established the time shall not be changed except where mutually agreed between the employee and the Company.
- (f) Any employee who accepts gainful employment while on vacation may be terminated.
- (g) Any regular employee receiving a differential or premium pay on a regular basis, this differential or premium will become part of his regular hourly rate of pay, and shall be paid on all General Holidays and annual vacations.
- (h) In the event a general holiday falls during an employee's vacation, the employee will be allowed a day off without pay in lieu of such general holiday, either immediately preceding or immediately following his vacation period. Such day off without pay in lieu of a General Holiday will be designated on the final vacation schedule.

General holidays that fall within the vacation periods that are not designated on the final vacation schedule, the day in lieu of such general holiday will be designated at the time the vacations are booked and approved.

ARTICLE 25 **MAINTENANCE OF STANDARDS**

The Company agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of signing of this Agreement.

Higher rated Union employees shall be subject to all the terms and conditions of this Agreement.

ARTICLE 26

Section 1 - Savings Clause

If any Article or Section of this Agreement or any of the riders 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 Agreement and of any rider 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 effected thereby.

Section 2 - Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either Party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 30 following.

ARTICLE 27 MARGINAL NOTATIONS

The marginal section and article heading shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 28

Section 1 - Grievance Procedure

Whenever any dispute arises between the Company and the Union, or between the Company and one or more employees, the men shall continue to work and the dispute shall be adjusted in accordance with the following procedures.

Time limit to institute this Grievance Procedure:

- (a) Termination or lay-off - ten (10) calendar days;
- (b) all other grievances - thirty (30) calendar days.

In any dispute over a pay cheque or pay statement or any matter thereon the time limit shall be calculated from the date the employee received the pay cheque or pay statement.

Step 1: Any grievance of an employee shall first be taken up between such employee and the company supervisor, however, the employee will be entitled to be represented by a shop steward or a union representative.

Step 2: Failing settlement under step 1, such grievance shall be taken up between a representative of the Union or a shop steward and the Company supervisor.

Step 3: Failing settlement under step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this grievance procedure shall be referred to two (2) authorized representatives of the Union and two (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements in writing setting forth their respective positions relative to the matter(s) in dispute not later than at their initial meeting.

Step 4: Failing settlement under step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2 - Minister of Labour

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

Section 3 - Arbitrator's Decision

The arbitrator shall be required to hand down his decision within fourteen (14) days (excluding Saturday, Sunday and General Holidays) following completion of the hearing, and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

The decision of the arbitrator shall be specifically limited to the matter submitted to him, and he shall have no authority in any manner to amend, alter or change any provisions of this Agreement.

Section 4 - Costs

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

Section 5 - Meeting Chairman and Minutes

Under Step 3, the Company will act as recording secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representative(s). Under Step 3, the meeting chairman will be rotated between the Union and the Company.

ARTICLE 31

Section 1 - Term of Agreement

This Agreement shall be for the period from and including June 1, 2003 to and including May 31, 2008. Either Party to this Agreement may, within four months immediately preceding May 31, 2008 give to the other Party written notice to commence collective bargaining.

Section 2

After expiry of the term 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 Industrial Relations Act 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.

DATED THIS 2nd DAY OF JULY, 2003.

IN WITNESS WHEREOF the Parties hereto have set their hands and seals the day and year first above written.

**SIGNED ON BEHALF OF THE
PARTY OF THE FIRST PART**

**SIGNED ON BEHALF OF THE
PARTY OF THE SECOND PART**

Ross Peterson

Terry Tyler

APPENDIX "A" - WAGE SCHEDULE

Jun 1/03

Truck Driver

\$18.50

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 1st July, 1971, and operated under an agreement and Declaration of Trust revised on 26th, 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 members provided for in the agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) members appointed by Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the 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 trustees will be governed by an agreement, and declaration of trust and benefit entitlement will be subject to such rules, limitations and exceptions 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 as defined under appendix "C" hereunder. A dependent contractor shall be considered a regular employee after working a minimum of one hundred and twenty (120) hours in any period of thirty (30) consecutive days.
- (b) Any member of the Union who is a regular employee in the employ of the company on the date of this agreement shall join the Plan on the date of this agreement.
- (c) Any member of the Union who is hired by the company after the date of this agreement shall join the Plan on the first day of the month immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding sub-paragraph (c) 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 thirty (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.

- (e) 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 re-instated 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. It is agreed that the provisions of article 11, section 5 shall not apply until such period of rehabilitative employment ceases.

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 Insurance
- (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 (100%) percent of the contribution rate established by the board of trustees for any month in which an 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 to keep the plan whole.

Section 8 - Payment of Contributions

Contributions shall 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.

Payment of contributions by the company shall be subject to the conditions and provisions of article 23 of this agreement.

Section 9 - Termination of Coverage

Except as provided under article 11, section 5 hereunder:

- (a) All coverages 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 coverages will terminate at the end of the month in which termination of employment occurs, except as provided under article 11, section 5 of this agreement.
- (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 enrollment and administrative forms to the company.
- (b) It shall be the responsibility of the company to provide to the employee the necessary forms to enroll 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"
TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Local No. 31 Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters Local Union No. 31.

The Employer shall make contributions of eight dollars and forty cents (\$8.40) for each employee and owner operator per month.

Payment of said funds shall be made to the Teamsters Local No. 31 Union/Industry Advancement Fund by the 15th of the month following that to which they refer.

This payment will be independent and separate from any other payment made to Teamsters Local Union No. 31.