

COLLECTIVE AGREEMENT

BETWEEN

KLASSEN DIESEL SALES LTD.

AND

TEAMSTERS LOCAL UNION No. 213

March 1st, 2006 - February 28th, 2009

**DON MCGILL
Secretary-Treasurer**

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THIS AGREEMENT entered into this _____ day of _____, 2006.

BETWEEN: KLASSEN DIESEL SALES LTD.

#101, 7187 Progress Way
Delta, British Columbia;

(hereinafter referred to as the "Employer")

PARTY OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION No. 213,

affiliated with the International
Brotherhood of Teamsters, of the
City of Vancouver,
Province of British Columbia;

(hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

1. BARGAINING AGENCY AND DEFINITION

- (a) The Employer recognizes the Union as the sole collective bargaining agency of all employees as set out in the Certificate of Bargaining Authority and/or this Agreement.
- (b) The term employee as used in this Agreement shall apply to any person performing work in any job which is covered by the Certificate and/or this Agreement.
- (c) All work within the bargaining unit shall be performed only by those persons coming within the bargaining unit who are members of the Union as prescribed herein, or who are eligible to become members under Article Three (3) herein. No work shall be subcontracted or contracted out in any manner. However, this shall not prevent the present Management from performing work as has been the past practice, nor shall the amount of work performed be expanded upon.
- (d) If the Employer wishes to institute a new job or classification for which there is no wage rate contained in this Agreement the parties shall negotiate wage rates, conditions, etc. for such job or classification. Failure of the parties to agree shall cause the matter to be submitted to Arbitration.

2. DURATION OF AGREEMENT

This Agreement shall be in full force and effect from and including March 1st, 2006, to and including February 28th, 2009, and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement within four (4) months immediately preceding the expiration, or immediately preceding the anniversary date in any year thereafter, by written notice to the other party require

the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the collective agreement or a new collective agreement.

Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike and such strike has been implemented, or the Employer shall give notice of lockout and such lockout has been implemented or the parties shall conclude a renewal or revision of the Agreement or a new collective agreement.

The Employer and the Union agree to exclude the operation of subsections (2) and (3) of Section 50 of the British Columbia Labour Relations Code.

3. UNION SECURITY

- (a) The Employer shall give the Union the first opportunity to refer applicants for employment.
- (b) The Employer agrees that when he hires new employees the Employer shall have such new employees fill in the required Union Membership and Death Benefit cards prior to commencing work, and mail same in to the Union office immediately.
- (c) All employees shall be required to be a member of the Union as a condition of employment with the Employer.

Should any employee covered by the bargaining unit cease, or refuse to become a member in good standing of the Union, the Employer shall upon notification from the Union discharge such employee.

4. DEDUCTION OF DUES, ETC.

- (a) The Union shall each month mail to the Employer a checkoff form, in duplicate, setting out the name of each employee in the Union and the amounts of dues, etc. they owe. The Employer shall delete any names from such list of employees who have terminated since the previous list and shall also add the names of any new employees.
- (b) All employees shall be required to sign authorization for checkoff of Union dues, fees, fines, and assessments which may be levied by the Union in accordance with the Constitution and/or By-Laws. Such checkoff shall be irrevocable.
- (c) The Employer shall deduct and pay over to the Secretary-Treasurer of the Union any monthly dues, fees, fines, and assessments levied in accordance with the Union's By-Laws, owing by said employees hereunder to the said Union. Monies deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (Both) day of each following month, and one (1) copy of the checkoff list as above mentioned.

To enable the Union to properly police this provision, a Business Representative of the Union shall have access to the Employer payroll records.

If the Employer fails to adhere to these provisions then the Employer shall be liable to the Union for the dues not deducted and remitted and also a twenty percent (20%) penalty payment of the total dues that should have been remitted.

5. UNION ACTIVITIES OF EMPLOYEES AND LEAVE OF ABSENCE

- (a) The Employer shall allow time off work, without pay, to any person who is serving as a Union delegate to any conference or function.
- (b) During authorized leave of absence, an employee shall maintain and accumulate seniority.
- (c) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence, without pay, until such time as he can properly return to work.

If an employee desires a leave of absence for reasons other than those referred to above, he must obtain permission, in writing, for the same from the Employer. However, no legitimate and reasonable request for a leave of absence will be denied.

- (d) When an employee suffers an injury or illness which requires his absence, he shall report the fact to the Employer. It is intended that this report be made prior to the employee's starting time if possible.
- (e) In case of death in the immediate family, the employee affected shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: husband, wife, mother, father, children, sister, brother, mother and father-in-law, sister and brother-in-law, grandparents, and step-parents.
- (f) All time lost by an employee due to necessary attendance on Jury Duty or any Court proceedings where subpoenaed as a witness shall be paid for at the rate of pay applicable to said employee. Once an employee is released from Jury or Witness Duty, he shall be returned to the job classification and pay rate he was on prior to such duty. All Jury Duty pay or witness payments received by the employee from the Courts or otherwise shall be reimbursed to the Employer by endorsement of Jury Duty cheque and/or witness fees to the Employer.
- (g) When any employee hereunder is either elected or appointed to a full time job with the Union, he shall be granted leave of absence for a period of up to one (1) year.

6. SHOP STEWARDS

- (a) There shall be a Shop Steward appointed, if the Union wishes, to see that the provisions of this Agreement are adhered to.
- (b) The Shop Steward shall have no authority to alter, amend, violate, or otherwise change any part of this Agreement.
- (c) The Employer will recognize the Shop Steward selected in accordance with the Union rules and regulations as the representative of the employees and hereby recognizes that the power to appoint and removal thereof is solely vested with the Union. The number of Stewards will be consistent with the need.
- (d) The Union will advise the Employer of the identity of all Shop Stewards.
- (e) Shop Stewards shall be allowed to take up grievances during working hours, without loss of pay.

7. WORK CLOTHES, UNION PRODUCTS AND SERVICES

- (a) The Employer shall provide and maintain for each employee, free of charge, the following:
 - (i) A minimum of three (3) pair of coveralls each week, to be serviced by a firm having an agreement with the Teamsters Union.
 - (ii) The Employer shall supply any safety equipment as required by the Workers' Compensation Board without charge.
 - (iii) Wherever they are required to be used on the job, the Employer shall supply, free of charge, rubber clothes, rubber boots and gloves and proper shop towels.
 - (iv) The Employer shall pay up to eighty-five dollars (\$85.00) for the purchase of safety boots or safety shoes in each year of the Agreement upon presentation of a receipt. Employees may carry over one year's boot allowance. If an employee chooses to carry over the allowance, the Employer shall pay up to one hundred and seventy dollars (\$170.00) in the following year upon presentation of a receipt. All employees shall wear safety boots or safety shoes during working hours.
- (b) If the Employer requires or uses any outside services it shall attempt to use a Employer with whom the Teamsters Union has an agreement, provided that Article One (1) is not violated.

8. UNION NOTICES

The Employer agrees to provide space that is readily accessible for Official Union notices and there shall be no interference by the Employer with said Notice Board.

The Employer shall be responsible for the posting of the following items:

- (i) A copy of this Agreement;
- (ii) An up to date Seniority List.

9. CONFLICTING AGREEMENT

The Employer agrees not to enter into any agreement or a contract with employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement, or any Statute of the Province of British Columbia or Canada. Any such agreement will be null and void.

The Employer agrees that before effecting any wage rate other than those set out in this Agreement it shall first negotiate same with the Union Agent in accordance with the applicable section of this Agreement.

10. PROTECTION OF RIGHTS

- (a) The Employer shall not require any Union member to cross a picket line or to accept any products or goods from any person or employees of any person with whom a Union has a picket or placard line around or against, or to deliver any products or goods to any person, or employees of any person with whom a Union has a picket or placard line around or against.
- (b) The Union reserves the right to render assistance to other Labour organizations and it shall not be considered a violation of this Agreement for the Union to do so, or to refuse to work with non-Union workers.
- (c) All Union dues and Health and Welfare Plan premiums are to be trust monies and shall be paid to the party entitled thereto not later than the due date; and upon default of compliance with this Section, the Union may require the Employer to post with the Union a cash bond not exceeding five thousand dollars (\$5,000.00) for each violation. It shall be held by the Union to ensure future compliance and in the event of failure to comply, the Union may deduct from such cash bond amounts to cover default payments.

11. TRANSFER OF TITLE OR INTEREST

- (a) This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event the entire operation or any part thereof is sold, leased, transferred, or taken over by sale, transfer, lease assignment, receivership, or bankruptcy proceeding, or another Employer, limited or otherwise, is set up to perform any of the functions previously performed by the Employer covered herein, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof.
- (b) The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, or assignee of the operation covered by this Agreement or any part thereof. Such notice shall be in writing and a copy thereof shall be delivered to the Union prior to the time the Employer executes the contract of sale, lease or transfer. The Union shall also be informed of the nature of the transaction, not including financial details. In the event the Employer fails to give notice as herein required or fails to provide the Union with particulars herein required, the Employer shall be liable to the Union and to the employees covered by this Agreement for all loss or damages sustained as a result of such failure.

The Employer shall not sell the business to another party until such time as the Employer gives to the Union a letter from the prospective purchaser that the purchaser shall accept the continuation of the collective agreement in force at that time.

12. GRIEVANCE PROCEDURE

- (a) Any complaint, disagreement or difference of opinion between the Employer, the Union or the employees covered by this Agreement, which concerns the

interpretation or application of the terms and provisions of this Agreement, shall be considered a grievance.

Any employee, the Union or the Employer may present a grievance. Any grievance which is not presented within thirty (30) days following the event giving rise to such grievance shall be forfeited and waived. This provision shall not be used to deny any employee his or her rights under the Provincial Labour Statutes.

- (b) The steps of the Grievance Procedure shall be as follows:

STEP I

The employee, with or without the Shop Steward, shall take his grievance up with the Foreman or Supervisor. The Employer shall take up his grievance with the employee concerned who shall have the right to have the Shop Steward present.

STEP II

Should a solution not be reached by Step I, then a Representative of the Union, accompanied by the employee and the Shop Steward, if the Union wishes, shall discuss the matter with Management.

If no solution is reached, then the grieving party shall submit in writing its contention on the dispute. The other party shall reply in writing within seven (7) days. Failure to respond or failing settlement of the dispute at this stage shall cause the matter to be submitted to Arbitration as set out herein.

Notwithstanding the above, if an authorized Agent of the Union claims a violation of this Agreement, he may invoke the Grievance Procedure at Step II as the grieving party on behalf of the Union or on behalf of any employee or employees concerned.

STEP III

The party desiring Arbitration shall appoint a member for the Board and shall notify the other party in writing of its appointment.

The party receiving the notice shall within seven (7) days thereafter appoint a member for the Board and notify the other party of its appointment.

Failure to appoint their nominee, by either party, the other party who has appointed their nominee shall apply to the Labour Relations Board to appoint a nominee on behalf of such party.

STEP IV

The Arbitrators so appointed shall confer to select a third person to be Chairman and failing for five (5) days from the appointment of the second of them to agree to a person willing to act, either of them may apply to the Labour Relations Board.

- (c) Notwithstanding the foregoing provisions respecting the establishment and jurisdiction of an Arbitration Board, if the parties agree a Sole Arbitrator shall

be chosen to act in the same capacity and having the same powers as a Board of Arbitration.

- (d) If the Arbitration Board finds that an employee has been suspended or discharged without proper cause or improperly laid off, that employee shall be reinstated by the Employer without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the discharge, suspension or improper layoff had not taken place. If an Arbitration Board finds circumstances which in the opinion of the Arbitration Board makes it just and equitable may order the Employer to pay less than the full amount of wages lost.

The Board of Arbitration shall not have any jurisdiction or authority to alter or change any of the provisions of this Agreement, or to give any decision inconsistent with the terms of this Agreement, except where there is a dispute between the parties regarding the rate of pay for a newly established or altered classification not provided for herein, or a dispute under 25 (b) herein, or a dispute under the Welfare Plan, the Board of Arbitration or Sole Arbitrator shall have the power to deal with such matters and bring down a final and binding award.

Each of the parties hereto will bear the expenses of their nominee and the parties will equally bear the expenses of the Chairman.

- (e) Any discharged or suspended employee, within seventy-two (72) hours of his discharge or suspension, shall be given by the Employer, in writing, the reasons for his discharge or suspension, with a copy to be sent to the Union. In the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of an employee, only the reasons so set forth in writing shall constitute cause to be argued before an Arbitration Board. The seventy-two (72) hours to be exclusive of Saturdays, Sundays or General Holidays.
- (f) The Employer agrees that if any grievance proceeds to Arbitration and the Arbitration Board finds in favour of the Union or any employee the Employer shall pay for all time lost by any employee as a result of such employee being called on to appear as a witness.
- (g) If adverse statements are to be put into an employee's personnel file, a copy of same will be given to the employee with a copy to the Union within thirty (30) days of the event giving rise to the adverse statement, otherwise it shall be null and void. In any case one (1) year from the date of occurrence such adverse statements shall be deleted from the employee's file.

13. JOB POSTING, ETC.

- (a) In the event that a job becomes vacant or a job or classification is created, the Employer shall post a notice on the Bulletin Board notifying that a vacancy, job or classification exists, giving the details of the job, rates of pay, etc. Employees desiring such job shall then apply, in writing, within

seventy-two (72) hours of such posting, excluding weekends, except that employees on vacation at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job shall receive such job. If there is a dispute as to whether any employee has the ability to perform the job in question, he shall be placed on such job to determine whether or not he has the ability.

It is understood that employees may apply for lower paid jobs as well as higher paid jobs.

Any employee promoted to a different classification within or outside the unit shall be allowed a reasonable period of trial up to ninety (90) days, and if found unsatisfactory shall be returned to his former position without loss of seniority.

- (b) Wherever there is a significant change in job content or working conditions, the parties shall discuss the appropriateness of a rate revision. If agreement cannot be reached, the matter may be processed through the Grievance Procedure to a final conclusion.

14. TECHNOLOGICAL CHANGE AND RETRAINING

The Employer shall not introduce or implement any technological change until and unless:

- (i) The Employer has given three (3) months' notice in writing to the Union of its intention to introduce a technological change;
- (ii) The Employer has given first opportunity to the employees then on the payroll through the Job Posting Procedure to receive training required by such technological change;
- (iii) The parties agree to an appropriate rate of pay for the job affected by such technological change. If the parties do not agree, the matter shall be settled by Arbitration.

15. SEVERANCE PAY

- (a) Employees with one (1) year or more of service, whose employment is terminated as a result of technological change, or of closure of the whole or any part of the operation or loss of business shall receive termination pay of one (1) week's pay for each year of service with the Employer, at the rate of pay the employee was receiving on the date of termination.

The above shall also apply when an employee retires.

- (b) Severance pay will not be applicable in the event of layoff of an employee unless the layoff without recall exceeds a period of six (6) months.

16. PAY DAY AND PAY STATEMENTS, ETC.

- (a) All employees covered by this Agreement shall be paid not less frequently than on a bi-weekly basis all wages earned by such employees up to and including the day of payment.
- (b) Each pay day the Employer shall provide each employee with an itemized statement in respect of all wage payments. Such statement shall set forth the total hours worked including overtime, the rate of wages applicable and all deductions made from the gross amount of wages.
- (c) Where there is an error on a pay cheque this shall be corrected and any monies owing be paid not later than two (2) working days from the date the Employer's payroll official is notified of the error, or a five percent (5%) penalty on the amount owing will be paid to the employee involved for each day the error is not corrected.
- (d) Whenever Canada Savings Bonds are issued for sale, the Employer shall make same available to its employees who desire same and make such deductions as are necessary.
- (e) The Employer shall, where it receives written authorization from any employee, make payroll deductions and remit same on behalf of such employee to the United Civic Savings Credit Union.
- (f) The Employer shall record on each employee's T-4 slip, the total Union dues deducted and submitted on behalf of that employee.

17. ANNUAL VACATIONS

- (a) No later than January 1st of each year, the Employer shall post a Vacation list on the Bulletin Board and each employee in order of seniority shall apply for his or her vacations on such list at a time same is desired, and such request must be completed by March 31st. Once such list is completed, vacations shall not be altered except by mutual consent of the employee and the Employer.

Vacations shall be taken in one (1) unbroken period unless requested by the employee who shall have the right to decide whether their vacations shall be in one (1) period or split. If employees so choose, their vacations must be given between May 15th and September 1st each year.

- (b) An employee's anniversary date of original hiring shall be used as the date to calculate an employee's vacation entitlement and payment.
- (c) The Employer will grant vacations to all employees with pay as follows:

YEARS OF EMPLOYMENT	WEEKS ENTITLEMENT	HOURS PAY	APPLICABLE PERCENTAGE
1	2	80	4%

2	3	120	6%
7	4	160	8%
Effective March 1, 1998			
20	5	200	10%

Employees shall receive vacation pay either at the rate of pay they are receiving at the date of taking their vacation for the number of hours to which they are entitled, or the applicable percentage of their annual gross earnings for the year for which they are receiving their vacation, whichever is greater.

- (d) Absence due to any illness or authorized leave of absence will be deemed to be time worked for the purpose of vacation entitlement and pay.
- (e) When an employee has worked a minimum of fifteen hundred (1500) hours in his calendar year running from anniversary date to anniversary date, he shall be eligible for vacations with pay as above set forth. If less than fifteen hundred (1500) hours are worked, the employee shall be entitled to vacations as above set forth, however, the applicable percentage rate only shall apply.
- (f) In the event that an employee leaves the employ of the Employer before he is entitled to two (2) weeks vacation, he shall receive four percent (4%) of the gross earnings he received while in the employ of the Employer.
- (g) In the event of an employee leaving the employ of the Employer after he had his vacation he earned for the previous year, and has not worked over fifteen hundred (1500) hours, he shall only receive four percent (4%), six percent (6%) eight percent (8%), or ten percent (10%), as the case may be, of his pay for the year in which he ends his employment for which no vacation has been paid.
- (h) Prior to an employee going on his vacation, the Employer shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated (i.e. on a percentage basis or weekly wages) and shall include all overtime payment or anything of a monetary value received from the Employer on which the employee has to pay income tax, and also a cheque for the appropriate vacation pay the employee is entitled to.
- (i) If employees do not have the option to receive their vacations during the period May 15th to September 1st then such employee shall receive an additional vacation with pay.

18. GENERAL HOLIDAYS

- (a) All employees who maintain seniority shall be entitled to the following General Holidays with pay, based on eight (8) hours at their applicable rate at

the time of taking such holidays, plus any shift premiums he would normally be entitled to:

New Year's Day	Thanksgiving Day	Remembrance Day
Good Friday	Canada Day	Christmas Day
Easter Monday	B.C. Day	Boxing Day
Victoria Day	Labour Day	

Each year, each employee shall be entitled to an additional General Holiday with pay. This Holiday shall be a Floating Holiday to be taken at a time mutually agreed to between each employee and the Employer.

If an employee retires, terminates or resigns before receiving the Floating Holiday, he shall be paid a day's pay in addition to all other monies to which he is entitled.

- (b) If during the life of this Agreement the Federal or Provincial Governments declare or proclaim any other day than those listed herein as a Holiday, then employees shall receive such day off with pay as set out herein in (a) above.
- (c) Employees who are required to work a shift which commences at any time during the General Holiday, or a shift which carries over into a General Holiday for at least two (2) hours, shall in addition to their regular Holiday pay receive double their hourly rate for all hours worked during that shift.
- (d) It is agreed that the General Holiday shall take place on the day and date designated as a Holiday by the Federal or Provincial Government.
- (e) An employee shall be paid for each General Holiday even if it falls on his weekly days off, Annual Vacation, Jury Duty, Bereavement Leave, Compensation, Layoff, Sick Leave, or any other authorized leave of absence. The employee shall be given a day off with pay in such circumstances or an extra day's pay as he chooses.
- (f) In the case of absence due to injury or illness on a General Holiday where the employee is receiving payment of either Compensation Board payments or Weekly Indemnity payments under the appropriate Welfare Plan provision, then the Employer shall pay the difference between the regular gross earnings of such employee and what he is receiving from the other source for such General Holiday.

19. SEPARATION OF EMPLOYMENT

- (a) If an employee is discharged he shall be paid in full for all monies owing to him on the date of his discharge.

If an employee quits the Employer may withhold payment for five (5) calendar days.

- (b) The Employer shall give a Record of Employment Certificate to any employee who separates from employment for any reason within five (5) days of the last day worked, or terminates.

20. SENIORITY

- (a) There shall be a Seniority List setting out the name and date of employment of all employees. Such list must be kept current, and a copy must be supplied to the Union every twelve (12) months, and one (1) copy posted on the Bulletin Board.
- (b) Seniority shall be length of service within the Bargaining Unit. Employment elsewhere with the Employer shall be credited only for calculation of vacation entitlement and pay.
- (c) Layoff and recall shall be based on seniority, that is, the last hired shall be the first laid off and the last laid off shall be the first recalled provided the senior employee is qualified to do the available work.
- (d) Seniority shall be lost if an employee:
 - (i) Voluntarily leaves the employ of the Employer, or
 - (ii) Is discharged for cause, or
 - (iii) After a layoff, fails to report for work for five (5) working days after being recalled by telephone and registered letter, or
 - (iv) If absent without leave for five (5) working days without legitimate reason, or
 - (v) Is on continuous layoff for six (6) months

21. DAYS AND HOURS OF WORK AND OVERTIME

- (a) Each employee shall be guaranteed eight (8) hours work each day, provided he commences work at the start of his shift, with a half ($\frac{1}{2}$) hour off for lunch. Start time for all employees shall be 7:30 A.M.

The work week shall be Monday to Friday inclusive during which time the employee shall be guaranteed forty (40) hours work.

- (b) Any time worked in excess of eight (8) hours per day Monday to Friday inclusive shall be paid at one and one-half times ($\frac{1}{2}x$) the regular rate of pay for the first three (3) hours and double time (2x) rates of pay thereafter.
- (c) Time worked on the sixth (6th) day, Saturday and the seventh (7th) day, Sunday shall be paid at one and one-half times ($\frac{1}{2}x$) the regular rate of pay for the first four (4) hours; double time (2x) thereafter, with a minimum of four (4) hours guaranteed.
- (d) Any employee called back to work after his scheduled shift has been completed and he has left the premises, shall be paid a minimum of three (3) hours pay at the rate of one and one-half times ($\frac{1}{2}x$) the regular rate of pay.

- (e) An employee who is called in to work during his vacation shall be paid a minimum of eight (8) hours double time (2x).
- (f) All daily shifts shall be scheduled in advance and a schedule posted on the Notice Board showing the hours of work and the established rest breaks and no split shifts shall be allowed at any time.
- (g) The Employer agrees that if it becomes necessary to work overtime such overtime will be distributed equally amongst those employees concerned who normally perform such work.
- (h) The Employer shall give to each employee whose shift is to be changed a minimum of twenty-four (24) hours advance notice prior to such shift change becoming applicable or eight (8) hours pay in lieu thereof.
- (i) Every employee should have a minimum of ten (10) hours rest between the end of one (1) shift and the commencement of another. In the event that any employee is recalled to work before a period of ten (10) full hours elapses, he shall be paid at overtime rates of double time for the entire shift that he is called in to work before he has received his full ten (10) hour break. No employee shall be permitted to resume work on his own accord until ten (10) full hours have elapsed.
- (j) All employees working with tools shall be allowed sufficient time during working hours to return tools, parts, etc. to the Stores or Crib before the end of each shift. Employees shall also be allowed sufficient time to clean all tools before the end of their shift.
- (k) All employees shall receive a paid fifteen (15) minute washup period.
- (l) Employees may refuse to work overtime individually or collectively.

22. TRANSPORTATION AND EXPENSES

- (a) Employees required to report for work outside the Vancouver area who do not return daily shall be paid all their transportation, accommodation and meal expenses. Prior to an employee leaving he shall be given an amount of money to cover all expenses. Upon his return the employee shall present receipts for all expenses incurred and return to the Employer the amounts of money that was not spent.
- (b) Travel time and waiting time during an employee's regular shift hours will be paid at the regular rate of pay. Travel time and waiting time authorized by the Employer or the customer outside the employee's regular shift hours will be paid at one and one-half times ($\frac{1}{2}x$) the employee's regular rate of pay, to a maximum of eight (8) hours in a twenty-four (24) hour period. All travel time and waiting time on Saturday, Sunday or any General Holiday shall be paid at one and one-half times ($\frac{1}{2}x$) the regular rate of pay, to a maximum of eight (8) hours in a twenty-four (24) hour period.

- (c) When an employee is going on an out of town job which requires him to be away from home one or more nights, the Employer shall inform the employee on or before the day of departure whenever possible. If an employee is sent out of town on one job and subsequently assigned to other jobs which together exceed fourteen (14) days, the Employer shall, if the employee so requests, return the employee to his home base with all the above travelling conditions applying.
- (d) When an employee is on an out of town job and suitable accommodation cannot be provided, then the employee shall be paid forty dollars (\$40.00) per day in lieu of the accommodation.
- (e) Employees required to report for work within the Vancouver area but away from the Employer's premises shall not be required to leave home any earlier than they normally would to report for work. They shall commence earning wages at their regular shift starting time. If the travelling time is outside their normal work hours they shall be paid at one and one-half times ($1\frac{1}{2}x$) the regular rate of pay.
- (f) If employees use their own vehicles on Employer business they shall be paid seventy-five cents (75¢) per km. The Employer shall also ensure the vehicles are covered with the appropriate insurance coverage and pay the premiums for same.

23. LUNCH AND REST PERIODS

- (a) No employee shall be worked longer than four (4) hours without an uninterrupted half ($\frac{1}{2}$) hour off during the regular daily shift exclusive of rest breaks.
- (b) Each employee shall receive an uninterrupted fifteen (15) minute break in each half of his daily shift. The time for said breaks to be determined by Management. However, such shall not be scheduled earlier than one and one-half ($\frac{1}{2}$) hours from the commencement of each half of an employee's work shift. If overtime is to be worked, then each employee shall receive a paid fifteen (15) minute break, prior to such overtime commencing.

24. COMPENSATION COVERAGE

When an employee goes on Compensation, he shall, when the Compensation Board signifies that he may go to work, be returned to the payroll at his previous job and applicable rate of pay.

25. SAVINGS CLAUSE

- (a) If any Article or Section of this Agreement should be held invalid by operation of law or by a 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 or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained shall not be affected thereby.

- (b) 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 the Union, 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 may submit the dispute to the Grievance Procedure as in Article 12 herein.

26. INSPECTION PRIVILEGES

An authorized Agent of the Union shall have access to all areas of the Employer's establishment during working hours. He shall identify himself if requested.

27. SANITARY FACILITIES, ETC.

- (a) The Employer agrees to maintain clean, sanitary washrooms having hot and cold running water and proper hand cleanser and towels in sufficient quantity, with toilet facilities, and employees shall observe the simple rules of cleanliness and good housekeeping in these facilities.
- (b) The Employer will provide equipment adequate to maintain the shop temperature at 18 degrees Celsius. Employees shall not be required to perform outside repair work in temperatures below -29 degrees Celsius, unless adequate protection from the climatic conditions and some form of heat is provided.

28. SAFETY AND HEALTH

- (a) The Employer shall make reasonable provisions for the safety and health of its employees during the hours of their employment and provide proper First-Aid kits.
- (b) Any employee who considers that any equipment or practice being carried on within the premises is unsafe shall have the right to refuse to work with such equipment or under such conditions.
- (c) In the event of an employee becoming ill during his shift, the employee shall report directly to his Supervisor or Foreman, and if the employee wishes to go home or to a doctor, permission to do so will be granted.

29. BONDING

If the Employer requires any employee to be bonded, the Employer shall request the employee to fill in a bonding form that is sanctioned by the Union. The cost of such bonding shall be paid for by the Employer.

30. SICK LEAVE

Each employee shall be entitled to two (2) days sick leave with full pay in each calendar year.

31. MANAGEMENT

The Union agrees that the Employer has the exclusive right and power to manage the Employer's operations, to direct the working forces and to hire, promote as set out in this Agreement, demote and/or discharge for just cause, or layoff employees, to assign to jobs, and to increase and decrease the working forces, to determine the products to be handled, produced or manufactured, the schedule of products and the methods of processing and means of production and handling, to make rules and regulations agreed to by the Union.

Provided however, that the Employer agrees that any exercising of these rights and powers in conflict with any provisions of this Agreement shall be subject to the provisions of the Grievance Procedure.

32. HEALTH AND WELFARE PLAN

(a) Effective March 1st, 2001, the Employer agrees to continue participation in the Teamsters Local 213 Miscellaneous Division Health and Welfare Plan and Trust Fund (The Plan and Fund) for all employees subject to the jurisdiction of this Agreement (hereinafter referred to as employees). The Employer will continue and/or commence contributions to the Plan and Fund on the following basis:

- (1) from the effective date for all employees who have completed the requirements set forth in (2) below, as of the effective date;
- (2) for all other employees as of the effective date and all employees whose date of employment is after the effective date:
 - (i) from the first (1st) day of the month next following or coincident with the date which is one (1) month after his date of employment, contributions shall commence with respect to all benefits except Dental;
 - (ii) from the first (1st) day of the month next following or coincident with the date which is two (2) months after his date of employment, contributions shall commence with respect to Dental benefits;
 - (iii) from the date of employment for all benefits for any employee subject to the transfer provisions of the Plan.

The Employer agrees to make such monthly contributions to the Trust Fund for the benefits to be provided to its employees as the Trustees of the Plan and Trust Fund shall establish from time to time and do such other things as may be required to become and remain an Employer under the Plan and Trust Fund.

It will be the responsibility of the Employer to ensure that all employees complete such forms as are required in the operation and administration of the Plan and for making the required contributions to the Trust Fund on their behalf. Failure of the Employer to secure the necessary administration forms from employees, forward completed forms and/or remit contributions on the due date to the Administrator as appointed by the Trustees will cause the Employer to be liable for any claims arising as a result of such failure.

It shall be the Union's responsibility to supply all necessary administration forms to the Employer.

The benefits as described below shall be provided to the employees in accordance with the terms and conditions of the Plan and Fund:

Medical Services Plan of B.C.	Payment of premiums for coverage at such rates as may be established from time to time by the B.C. Government which has not opted out
Group Term Life Insurance	\$90,000.00
Accidental Death and	An amount equal to the Group Dismemberment Insurance Term Life Insurance
Weekly Indemnity Benefits	66_% of weekly salary (up to E.I. maximum) paid on a first (1st) day accident, fourth (4 th) day sickness, 52 week duration basis (1/4/52)
Long Term Disability Benefit	75% of monthly salary (maximum \$750.00 per month)
Dental Benefit	Basic (Part A) - 100% coverage, Major Restorative (Part B) - 50% coverage, Orthodontic (Part C) - 50% coverage
Extended Health Care Benefit	\$25.00 deductible, 100% reimbursement above deductible with vision care

Prescription Drugs	Included with Extended Health Care and reimbursed subject to the terms of that benefit
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- (b) However, if any employee is otherwise covered for M.S.P., the employee may opt out of the M.S.P. coverage under this Agreement. If such other coverage ceases, then it shall be the employee's responsibility to notify the Employer and to request coverage which the Employer shall then provide immediately.
- (c) The Employer shall remit the required contributions under this Article to the Administrator appointed by the Trustees of the Teamsters Local 213 Miscellaneous Division Health and Welfare Plan by the tenth (Both) day of the month for which such contributions are due. Cheques are to be made payable to the Teamsters Local 213 Miscellaneous Division Health and Welfare Plan.
- (d) The Employer shall remit contributions for employees who are absent from work due to an illness or accident for up to fifty-two (52) weeks.
- (e) For employees who become laid off, the Employer shall remit contributions required to maintain the Medical Services Plan of B.C. coverage, Extended Health Care Benefit and Prepaid Prescription Drug Benefit if applicable and the Group Term Life Insurance Benefits. This lay-off provision shall take effect on the first (1st) day of the month following the month in which the employee was laid off and shall continue during the lay-off but for a maximum period of six (6) months.
- (f) The full cost of the Health and Welfare Plan shall be borne one hundred percent (100%) by the Employer.
- (g) To be entitled to the benefits set out in this Article, the employees must be and remain active dues paying members.

33. ARTICLE HEADINGS

The Article Headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

34. MEDICAL EXAMINATIONS

- (a) Any medical examination requested by the Employer shall be complied with, provided however, that the Employer shall pay for all such examinations. The Employer reserves the right to select its own medical examiner or physician and the Union may, if in its opinion it thinks an injustice has been done an employee, have said employee re-examined at the Union's expense. When a medical examination is required by the Employer, the following conditions shall apply:

If an employee takes a medical examination he shall be paid for the time involved at his regular rate of pay.

- (b) If, following an Employer requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned duties, the following procedure shall be followed:
 - (i) The Employer shall notify the Union of the medical findings in respect to the employee. Should the Union or the employee disagree with said findings, the employee at his own expense shall have the right to be examined by his personal physician.
 - (ii) Where there is no agreement between the Employer appointed physician and the employee's physician on the condition of the employee, the two (2) physicians shall select a medical consultant to examine the employee with respect to the dispute.
 - (iii) The findings of the consultant shall be final and binding upon all parties.
 - (iv) The remuneration of the consultant shall be borne equally by the Employer and the Union.
 - (v) Should the consultant deem the employee to be capable of carrying on his assigned duties, then the employee shall not suffer any loss of earnings caused by his having been removed from or temporarily suspended from his regularly assigned duties.
- (c) Where any employee who drives a motor vehicle in the course of his employment is required to take a medical examination to verify his right to drive such motor vehicle or to obtain an Air Ticket, the Employer shall, where same is not paid for by any part of the Welfare Plan, pay for such medical examinations.

35. CLASSIFICATIONS AND WAGE RATES, ETC.

- (a) The classifications and wage rates for the effective period of this Agreement shall be those as set out in Appendix "A" attached hereto and forming part of this Agreement.
- (b) Time shall be computed from the time the employee commences his day's work until his shift is finalized.
- (c) When an employee meets with an accident at work, he shall be paid a full day's wages for the day of the accident.
- (d) If an employee is required to take time off during working hours in regards to any compensable injury or illness, he shall be paid for such time off in a manner that will ensure him a minimum of eight (8) hours pay for that day.

- (e) When an employee is temporarily removed from his regular work, he shall be paid his regular rate of pay or the rate of the other work, whichever is the greater, for all time employed on such work, and no employee's rate may be reduced below his regular rate.
- (f) All work involved in the taking of inventory shall be performed by bargaining unit employees.

36. PAID ELECTION TIME OFF

The Employer shall not alter the regular or normal hours of employment of any employee to circumvent either this Agreement or the requirements of Section 48 of the Canada Elections Act and/or Section 200 of the Provincial Elections Act.

37. GENDER

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

38. LOSS OF BENEFITS

No employee who, prior to the date of this Agreement, was receiving more than the rate of wages in this Schedule or working less hours than stipulated in this Agreement, or any other benefits, shall suffer a reduction of wages or increase in hours worked per week or loss of benefits because of the adoption of this Agreement.

39. RETROACTIVE PAY

The Employer agrees that the wage rates effective as of March 1st, 2006, shall be paid retroactively to each person from that date for all hours worked subsequent to February 28th, 2006.

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

DATED AT Vancouver, British Columbia, this day of , 2006.

ON BEHALF OF THE EMPLOYER

ON BEHALF OF THE UNION

APPENDIX "A"

WAGE RATES PER HOUR

CLASSIFICATIONS	EFFECTIVE MAR 1/06	EFFECTIVE MAR 1/07	EFFECTIVE MAR 1/08
Journeyman Mechanic	\$26.03	\$26.78	\$27.53
Mechanics Helper	\$18.00	\$18.00	\$18.00
Machinist	\$26.03	\$26.78	\$27.53
Welders & Fabricators	\$25.63	\$25.98	\$26.33
Partsperson	\$25.63	\$25.98	\$26.33
Partsperson Helper	\$18.00	\$18.00	\$18.00

Lead Hand shall receive one dollars (\$1.00) per hour above the highest classification under his/her supervision. There shall be two (2) Lead Hands in the bargaining unit.

Apprentices:

(a) The wage rate progression for all the above classifications shall be based on the scale as herein set out:

1 st 6 months	-	60% of the listed rate
2 nd 6 months	-	65% of the listed rate
3 rd 6 months	-	70% of the listed rate
4 th 6 months	-	75% of the listed rate
5 th 6 months	-	80% of the listed rate
6 th 6 months	-	85% of the listed rate
7 th 6 months	-	90% of the listed rate
8 th 6 months	-	95% of the listed rate

(b) Apprentices who have completed a course on diesel engines at a vocational school shall receive credit for the number of months they attended the course in addition to the length of time worked for the Employer in establishing the proper rate of pay only.

(c) Any apprentice who attends authorized training classes during their normal working hours shall receive their normal rate of pay based on a forty (40) hour work week less any wages or grants they received from the Government.

(d) Upon completion of the program and after completing any applicable examinations the apprentice shall automatically be classified as a Journeyman Mechanic.

- (e) All present employees not on an apprenticeship program shall be recognized as and paid at the rates set forth above for the applicable classification.
- (f) New employees shall be given credit for previous experience within the classification for which they are hired. Their wage rate shall be determined by the appropriate six (6) month period set out in (a) above.
- (g) The classifications listed above will be the employee's primary function.
- (h) **Job Description for Partsperson:**
 - (1) Parts: Responsible for selling, invoicing, cardexing, ordering, shipping, receiving, filling bins, keeping inventory.
 - (2) Engines, gears, generators - keeping inventory.
 - (3) Assist in selling engines when required.
 - (4) Answer incoming calls.

APPENDIX "B"
Teamsters (Local 213) Pension Plan

Section 1 - Trust Plan

- a) The Teamsters (Local 213) Pension Plan is established by a Trust Agreement dated May 1, 1971 to provide retirement income to Union members employed with participating companies.
- b) Effective October 1st, 2000, the Employer shall commence participation in this Plan through the life of the collective agreement.

Section 2 - Eligibility

The following eligible and contribution conditions shall apply to the Plan:

- a) Any member of the Union who is a regular employee in the employ of the Employer on the effective date of the plan shall join the Plan from that date.
- b) All new employees whose date of employment is after April 21, 2006 shall join the plan one hundred and eighty (180) days after the employees date of hire.

Section 3 - Responsibilities

The Trustees shall establish benefits from time to time in conformity with the sound financial applications of the negotiated contributions.

Section 4 - General Principles

- a) The cost of the contributions to the Plan shall be borne one hundred percent (100%) by the Employer. The Employer agrees to make contributions to the Teamsters (Local 213) Pension Plan on behalf of all regular employees who are members of Local 213.
- b) The Employer shall make the following contributions per hour on behalf of the employees:

Hourly Rate	Effective March 1/06	Effective March 1/07	Effective March 1/08
Less than \$15.00	\$1.25	\$1.40	\$1.55
\$15.00 or more but less than \$20.00	\$1.60	\$1.75	1.80
\$20.00 or			

more \$2.40 \$2.55 \$2.70

Pension contributions for overtime hours shall be remitted at the appropriate overtime rate (i.e. one and on-half (1.5X) or two times (2X) the straight time contribution).

Such contributions shall be remitted by the Employer to the Administrator appointed by the Trustees of the Teamsters (local 213) Pension Plan by the fifteenth (15th) day of the month following that to which they refer.

Section 5 - Benefits Coverages

Benefits which the foregoing contribution schedule would support are as outlined in the Pension Plan Booklet which shall be provided to each employee member of the Plan.