

COLLECTIVE AGREEMENT

Between

CO-VAN INTERNATIONAL

And

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114**



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June 1, 2007 to May 31, 2010

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COLLECTIVE AGREEMENT

between:

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL
WORKERS UNION OF CANADA (CAW-CANADA) LOCAL 114
(hereinafter referred to as "the Union")

and

CO-VAN INTERNATIONAL TRUCKS INC., at
93 North Bend Street, Coquitlam, British Columbia,
(hereinafter referred to as "the Company")

WITNESSETH:

The purpose of this Agreement is to assure employees certain desired working conditions, and to provide through collective bargaining for harmonious relationships between the Company and its employees, to secure an amicable and fair disposition of grievances, to prevent interruptions of work and stoppage of employees' payrolls; and to permit efficient operation of the Company's business and protection of the interest of the public. The Union recognizes that the ability of the Company to provide wages and working conditions satisfactory to its employees is, to a large extent, dependent on the co-operation of the employees in maintaining efficient and, so far as possible, stabilized and continuous operations in order that the market for the Company's products and service may be maintained and developed by prices fair and attractive to customers. In furtherance, therefore, of the above stated purpose, it is hereby agreed:

ARTICLE 1 - SCOPE OF AGREEMENT

1.01 It is agreed and understood between the Union and the Company that this Agreement is limited to and embraces only such matters as are specifically set forth in the Agreement and that all other matters shall be subject to further negotiations.

ARTICLE 2 - RECOGNITION

2.01 Scope of Recognition

The Company recognizes the Union as the sole representative for collective bargaining of the employees as designated herein, employed by the Company in Coquitlam, British Columbia.

The Company agrees to meet and negotiate with the duly elected officers and representative of the Union upon all matters relating to wages, hours of employment and other conditions of employment.

2.02 No Discrimination, No Intimidation

The Company recognizes and will not interfere with the right of its employees to become members of the Union, and will not discriminate against, interfere with, restrain or coerce employees because of membership in the Union.

ARTICLE 3 - BARGAINING UNIT

3.01 Unit Description

The Unit recognized as appropriate for purposes of collective bargaining and represented by the Union is as follows:

All employees of CO-VAN International Trucks Inc. in Coquitlam, B.C., save and except line foremen, persons above the rank of line foremen and office and outside sales staff.

3.02 Supervisor/Manager Exclusion

The Company agrees that it is not the function of the Parts Supervisor/Manager to do bargaining unit work. A Parts Supervisor/Manager may occasionally assist a Partsperson in an emergency situation.

3.03 Protection of Bargaining Unit Work from Sub-contracting

When the Company's facilities, space and trained personnel are available, the Company shall continue to have all work which can be efficiently performed by its employees, performed by members of the bargaining unit.

ARTICLE 4 - REPRESENTATION

4.01 (a) Shop Steward Structure

In all negotiations with the Company and in the processing of grievances as set forth in Article VI, the Union may appoint and Company will recognize a Shop Committee of two (2) employees for the day shift (one from the Service Department and one from the Parts Department) and one night steward to represent all employees working on the night shift. The Union shall designate one committeeman as the Chief Steward. In the

event that all the committeemen are working on the same shift, the Company will permit the appointment of an alternate steward from the other shift who, while acting in such capacity, will replace the regular steward. Not more than a total of three committeemen or stewards shall be recognized at any time. The Union agrees to notify the Company in writing of the names of members of the Shop Committee or alternates and the effective date of their appointment.

(b) Union Negotiating Committee

The Company also recognizes three (3) Union Negotiating Committee members who also will have their wages and benefits maintained by the Company during negotiations.

(c) Printing of Collective Agreements

The Company agrees to pay two hundred dollars (\$200.00) towards the cost of printing the Collective Agreements and making booklets for the members.

4.02 Union Activities

The Business Representative of the Union shall be permitted to contact Union members on routine Union business during the lunch period, provided permission is first obtained from the Service/Parts Manager; also to hold a meeting of employees in the bargaining unit in their lunch period, provided permission is first obtained from the General Manager/President or, in his absence, from the Service/Parts Manager.

ARTICLE 5 - FUNCTIONS OF MANAGEMENT

5.01 It is agreed that the Company has the sole and exclusive right to manage the affairs of the business and to direct the working forces of the Company. Such functions of management include (but are not limited to) the exclusive right to:

1. Direct generally the work of the employees subject to applicable requirements of this Agreement, including the right to hire, discharge or suspend employees for just and reasonable cause and also to promote employees, demote or transfer them for proper cause, to assign them to shifts, determine the amount of work needed and to lay them off because of lack of work in accordance with provisions herein.
2. Maintain discipline and efficiency of employees, including the right to make reasonable rules and regulations for the purpose of efficiency and discipline.

3. Determine the basis for selection, retention and promotion of employees for occupations not within the bargaining unit established in this Agreement.

ARTICLE 6 - SETTLEMENT OF DIFFERENCES

6.01 Earnest Effort

Should any differences arise between the Company and the Union or employees as to the interpretation, operation, violation or application of the Agreement or any part therein, or should there be any complaint or grievance by an employee or the Union or the Company with respect thereto, an earnest effort will be made to settle such matter immediately under the grievance procedure.

6.02 Ten Working Days to Start Grievance

No grievance shall be considered under the Grievance Procedure, nor shall it be referred to arbitration, unless it has been presented to Management within ten (10) working days of the date of occurrence upon which the grievance is based, unless such time has been extended by mutual consent.

6.03 Grievance Procedure

Both parties recognize the Union and the Company's right to present any complaint or grievance with respect to alleged violation of the Agreement. Such complaint or grievance to be presented to the party concerned within ten (10) working days of the date of occurrence upon which it is based. If such complaint or grievance is not settled to the satisfaction of the party concerned, it may be directly referred to arbitration as herein provided. An earnest effort shall be made to settle such matters promptly by negotiations under the following procedure:

- Step 1** Between the employees affected and the Service Manager or Parts Manager, or between the employee or employees affected, the Union Shop Steward and the Service Manager or Parts Manager. The meeting will be held within two (2) working days of notification by the Union of its desire to meet.
- Step 2** Between the employee or employees affected, the Chief Steward, and the General Manager/President. This meeting will be held within five (5) working days of the first step. A discharge grievance, Union policy grievance, or a Company grievance shall be submitted by the Union or the Company, as the case may be, at this step of the grievance procedure. The grievance shall be presented to the

opposite party at least three (3) days prior to a meeting at which it is to be discussed.

Step 3 Between the General Manager/President and representatives designated by the Union. This meeting will be held within five (5) working days of the second step meeting.

Step 4 Arbitration, if Step 3 fails, as outlined herein.

6.04 Single Arbitration Provision

The procedure for adjusting and settling labour disputes shall be followed by the parties by diligent application of the grievance machinery provided in this Agreement. If, however, a dispute has not been settled after steps thus provided here have been exhausted and it is alleged that such grievance involves the interpretation, application, operation, or violation of this Agreement or any of the provisions hereof, or, if apart from grievance procedure, either party alleges that there has been a misinterpretation or violation of this Agreement or any of the provisions hereof by the other, such alleged violation or misinterpretation, including any question as to whether a matter is arbitrable, either party, by notifying the other party in writing of its desire, may submit the difference or allegation to arbitration. The notice shall contain the name of the first party's suggested appointee to act as arbitrator. The recipient of notice shall, within five (5) working days of its delivery, notify the first party of acceptance or rejection of the proposed arbitrator.

In the event of a disagreement, the parties shall make an earnest effort to agree upon an acceptable arbitrator. Failing such agreement, the parties shall then request the Minister of Labour having proper jurisdiction to appoint an arbitrator.

The proposed arbitrators shall be Jim Dorsey or Joan Gordon.

6.05 Arbitrator's Decision is Final and Binding

The decision of the arbitrator so constituted shall, with respect to matters coming within the jurisdiction of such Arbitrator pursuant to the provisions of this Agreement, be final and binding on both parties hereto.

6.06 Arbitrator's Jurisdiction

Such Arbitrator shall have no jurisdiction to alter, change or amend any of the provisions of this Agreement, but the decision of such Arbitrator concerning its own jurisdiction, and in particular as to whether any grievance or matter to be arbitrated involves a violation or misinterpretation of this Agreement, shall be final and binding upon both parties.

6.07 Shared Costs

Each party hereto shall bear its own costs of and incidental to any such arbitration proceedings. The fees and/or proper costs and charges of the Arbitrator shall be borne equally by the two parties hereto.

6.08 Notice to Arbitrate

The Company nor the Union shall be under no obligation to process a grievance to the arbitration step unless it has so notified of the intent to the other party within thirty (30) days after receiving the answer at Step No. 3 of the grievance procedure.

6.09 Extension of Time Limits

The time limits prescribed for the performance of any act in this Grievance Procedure may be extended by mutual consent of the parties in writing. The aggrieved employee may be present at any step in the Grievance procedure.

6.10 Time Off With Pay

Members of the Union Shop Committee shall be afforded time off work without loss of pay to handle grievances in each step of the grievance procedure up to but not including the Arbitration Step.

ARTICLE 7 - STRIKES AND LOCKOUTS

7.01 Grievance Procedures to Settle Disputes

The Company and the Union agree that the grievance procedures provided herein are adequate to provide a fair and final determination of all grievances arising under the terms of this Agreement. It is the desire of the Union and the Company to avoid strikes and work stoppages.

7.02 Strikes and Lockouts

The Union agrees to adhere to the provisions contained herein for the settlement of grievances and for the duration of the Agreement will not authorize, assist or support any strike or stoppage of work for any cause. Participation in any strike, slow-down, sit-down or stoppage of work brought about either by action of the Union in violation of this Agreement or by individuals or groups without Union authority shall be just cause for dismissal or discipline by the Company of any or all participating employees.

7.03 Lockouts Prohibited

The Company, on its part, agrees to adhere to the provisions contained herein for the settlement of grievances, and will not engage in any lockouts of employees. The Company will not require the employees represented by the bargaining agent to cross a picket line which is legal in regard to the Labour Relations Act.

ARTICLE 8 - SENIORITY

8.01 Probationary Period

New employees shall be regarded as probationary employees until their names have been placed on the seniority list. There shall be no responsibility for the re-employment of probationary employees if they are laid off or discharged during this period. New employees shall serve a probationary period of **four (4)** months during which no seniority rights shall be earned by such employees, except that at the termination of such probationary period the employee's seniority service shall be calculated from the most recent date of employment and their names shall be placed on the seniority list which will indicate the employee's seniority with the Company by department.

The Parties agree that a probationary employee on lay off for a period of two (2) weeks or more shall have the period on lay off added to his/her probationary period.

The purpose of the probationary period is to properly assess a new employee for employment on a long term basis with the Company. Upon proper documentation that a new employee may be borderline for long term employment the Union may agree to extend this period an additional month to facilitate an employee correcting his/her shortcomings.

8.02 (a) Layoff Procedure

When a layoff becomes necessary, probationary employees will be laid off first; thereafter the Company may either lay off employees in accordance with their seniority or may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work.

(b) Notification to the Union

The Company is required to notify the Union in writing without undue delay when an increase or decrease in the work force occurs.

(c) Record of Employment Certificate

An employee being laid off will be presented with his record of employment certificate.

(d) Notice of Closure/Relocation

In the event of a plant closure or relocation, employees will receive three (3) months' prior notice.

8.03 Application of Seniority

In cases of increase and decrease of work force, bargaining unit seniority shall prevail, provided that employees to be retained or recalled by reason of seniority are qualified and capable of performing the work available.

8.04 Definition of Total Service

In determining an employee's length of service for seniority and employment purposes, total service shall be computed from the most recent date of employment.

8.05 Termination of Employment and Seniority

Employment and seniority shall both terminate when:

(a) Voluntarily Leaves Employment

An employee voluntarily leaves the Company's employment. This includes cases where an employee is absent from work in excess of five (5) working days without reporting to the Company's General Manager/President or is absent for five (5) working days without furnishing a reason for such absence which is satisfactory to the General Manager/President.

(b) Not Reinstated to Employment

An employee is discharged for just and reasonable cause and the decision is not reversed under the procedure set forth in this Agreement.

(c) Layoff of More Than One Year

Due to layoff because of no work, a period of more than one year has elapsed since the employee last worked for the Company.

(d) Failure to Notify

An employee fails to notify the Company of his intention to return to work from a layoff within five (5) working days of notice by the Company sent by registered letter to his last known address on the Company records.

(e) Fails to Report

An employee fails to report for work at the termination of a leave of absence, or vacation, unless prevented from doing so by reason satisfactory to the General Manager/President.

8.06 Status of Former Employees

Former employees re-entering service after their employee status and seniority have been terminated by any of the foregoing reasons shall be considered new employees.

8.07 Outside the Bargaining Unit

An employee will maintain seniority **status for twelve (12) consecutive months if transferred** to a position outside of the bargaining unit. **Seniority shall continue to accrue for the twelve (12) consecutive months, after which** all seniority rights will be lost. **An employee may voluntarily return to his previous position at any time prior to exceeding the twelve (12) consecutive months.**

8.08 Job Posting

(a) Posting Time

When a new job(s) or job vacancy becomes available, the Company will post the position for three (3) working days.

(b) Standard

The Company agrees that in making promotions, the filling of newly created jobs or the filling of vacancies, preference will be given whenever possible, taking into consideration ability, qualifications, etc. to those currently employed, based on their seniority with the Company, subject to the provisions of the grievance procedure.

8.09 Seniority Lists

(a) Content

The Company will prepare seniority lists of all employees and present to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority and classification of an employee who does not protest his status

in writing within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downwards to the most junior employee and contain the following information:

1. Employee's name and clock number,
2. Employee's Union starting date,
3. Employees length of service in years with Company,
4. Employee's regular classification,
5. Probationary employees will also be shown on the list.

(b) Additional List

Additional, revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once every three (3) months.

ARTICLE 9 - DISCIPLINE, SUSPENSION AND DISCHARGE CASES

9.01 Standard - Just and Reasonable Cause

The Company agrees that an employee bound by this Agreement may only be disciplined for just and reasonable cause.

Reasonable disciplinary measures may be invoked by the Company for the purpose of maintaining efficiency, safe practice and discipline, and for directing, leading, causing or participating in any interference or interruption of production in violation of this Agreement and shall be deemed to be imposed for good cause.

9.02 Written Reasons for Discipline, Suspension or Discharge

The Company shall set out written reasons for any discipline including the suspension or discharge of an employee. Copies of the discipline shall be provided to the employee and the Union at the time the discipline is meted out.

The Company shall be limited to such reasons in any future proceedings under the grievance and arbitration provisions of this Agreement.

9.03 Shop Steward Present

The Company agrees that if the Company chooses to implement written discipline, suspension or discharge on an employee, a Shop Steward shall be present.

9.04 Union and Employee Advised of Complaint

No complaint shall be recorded against an employee nor may be used against him/her at any time unless said employee and the Union are advised accordingly in writing within ten (10) working days of the Company's knowledge of the incident or occurrence, giving rise to the complaint.

9.05 Cancellation of Recorded Complaint

Any complaint recorded against an employee shall automatically be cancelled and removed from the employee's file after twelve (12) months and may not be held or used against him/her thereafter.

Any mention of a suspension shall be cancelled after eighteen (18) months, unless another suspension for the same offence occurs within eighteen (18) months of the former suspension, whereby the former suspension shall remain for a further twelve (12) months. No mention of the suspension may be held or used against the employee thereafter.

9.06 Employee's Access to Their File

The Company agrees that upon reasonable notice, an employee shall have access to his/her personnel files. Viewing the file shall be scheduled at a mutually convenient time. The file and its contents cannot be removed from the office and a representative of the Employer will be present at all times.

9.07 Employee Acknowledging Discipline

Whenever an employee decides to sign a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

9.08 Picket Lines

An employee covered by this Agreement shall have the right to refuse to cross a legal picket line in connection with a labour dispute. Failure to cross a picket line shall not be considered grounds for disciplinary action or otherwise to be a violation of this Agreement.

9.09 Issuing Discipline

All discipline shall be assessed in writing and copied to the Union within ten (10) days of the incident or first knowledge of the Company or be deemed null and void. The Employer may request of

the Union a time limit extension which shall not be unreasonably denied.

ARTICLE 10 - HOURS OF WORK

10.01 a) Shift Times

The normal working day shift shall consist of eight (8) hours of work between **6:00 a.m. and 5:30 p.m.**, Monday to Friday, with a lunch period of one-half (1/2) hour. The afternoon shift shall consist of eight (8) hours between **12:00 p.m. and 12:00 a.m.** with a lunch period of one-half (1/2) hour. The graveyard shift shall consist of seven and one-half (7 1/2) hours **between 11:00 p.m. and 7:00 a.m.** with a lunch period of one-half (1/2) hours.

i) Shift Premiums

Shift premiums shall apply for the following shifts:

2nd shift: Any shift between 12:00 p.m. and 12:00 a.m.

3rd shift: Any shift between 6:00 p.m. and 7:00 a.m.

(b) Starting Times

The Company may vary the starting times for Parts Department employees to start within the hours of 7:30 a.m. and 9:30 a.m. subject to a rotation of employees on the varied starting times agreeable to the Union.

(c) Afternoon Shift/Four Week Limitation

The Company agrees that employees working on the Monday to Friday day/afternoon shift rotation shall only work a maximum of four (4) consecutive weeks on the afternoon shift unless the Company and the employee mutually agree.

(d) Mutuels

Subject to Company approval shift changes shall be allowed between employees having the same job functions who mutually agree to change.

(e) Start/Stop Times - Saturday

The Company agrees that start times for Saturday shifts in both the Parts and Service areas may be 7:00 a.m. In the event of a 7:00 a.m. start time the stop time shall be 3:30 p.m.

10.02 Normal Work Week Defined

The normal working week shall consist of forty (40) hours in the five (5) day period, Monday to Friday inclusive.

10.03 Tuesday to Saturday Workweek, Graveyard Shift and/or a Workweek that includes Sunday

The Company may implement a Tuesday to Saturday day shift workweek and/or a Graveyard shift and/or a workweek that includes Sunday based on the following conditions:

(a) Tuesday to Saturday Workweek

1. A Tuesday to Saturday shift shall only be a day shift and shall consist of forty (40) hours in five consecutive days, Tuesday to Saturday inclusive. Employees working a Tuesday to Saturday day shift shall not rotate with those on Monday to Friday shift except as provided for in **10.03(a)5**. Employees working Tuesday to Saturday shift shall take Sundays and Mondays as days of rest.
2. Work Performed on Monday - All work performed on Monday by employees on a Tuesday to Saturday shift shall be overtime at the rate of time and one-half for the first four (4) hours and double time thereafter. All work performed on Sunday shall be paid for at double time rate.
3. Statutory Holiday - In the event a Statutory Holiday falls on a Monday, it shall be observed on the next working day following.
4. Premium - Employees working a Tuesday to Saturday day shift shall receive a premium over and above their classified rate for all hours worked on Saturday as defined in Article 15.03.
5. Parts - Employees working in the Parts may, at their election, share the Tuesday to Saturday work and in that event employees may rotate with those on the Monday to Friday Shift.

(b) Graveyard Shift And/Or A Workweek That Includes Sunday

1. Vacancies

The Company agrees that if a Graveyard shift and/or a workweek that includes Sunday is implemented vacancies on these shifts will be filled by new hires if there are no volunteers. Therefore, no employee of record on June 15, 1993 shall be required to work these shifts.

2. Days of Rest

Employees working graveyard shift and/or a workweek that includes Sunday shall work forty (40) hours in five consecutive days and shall take two consecutive days as days of rest.

3. Premium for Days of Rest Work

All work performed on a day scheduled as an employees day of rest by employees working on graveyard shift or a workweek that includes Sunday shall be paid overtime at the rate of time and one-half for the first four (4) hours and double time thereafter. If the employee is required to work both days of his/her scheduled days of rest he/she shall receive double time for all work performed on the second day.

4. Premium for Shift

Employees working graveyard shift and/or a workweek that includes Sunday shall receive a premium over and above their classified rate for all hours worked on Saturday and Sunday as defined in Article 15.03.

5. Stat Holiday

In the event a Statutory Holiday falls on the employee's scheduled day of rest it shall be celebrated on the next working day following or another day off in lieu of by mutual agreement between the employee and the Company.

(c) Shift Postings

All vacancies on the Graveyard shift, Tuesday to Saturday shift, or shift that includes Sunday work shall be filled as follows:

1. Vacancies to be Posted

All vacancies will be posted within five (5) working days of the vacancy occurring or the establishment of one of the above shifts.

2. Seniority Applies

Except as provided for in 6) seniority shall apply.

3. Three Days Posting

Vacancy postings will be removed after three (3) working days and a copy forwarded to the Shop Steward(s). The closing date for shift vacancy applications will be five (5) days from the date of the posting of the vacancy.

4. Least Seniority Assigned if Necessary

Where there are not a sufficient number of applicants to fill the vacancies, the employee(s) with the least seniority will be assigned the shift.

5. Assignment of Junior Employee

In order to temporarily fill a vacancy until a successful bidder has posted into the shift vacancy, the Company may assign a junior employee. Once the vacancy has been filled by shift posting the employee temporarily transferred shall return to his/her previous shift position.

6. Limitation

In the event the employees on the graveyard shift are not qualified or capable of performing the work available the Company may assign a more senior employee from amongst the employees hired after May 16, 1985 to the Graveyard Shift. The Company agrees that in the event a more senior employee is assigned the Graveyard Shift as described within this paragraph, the shift will not be for more than two weeks duration and the start of the Graveyard Shift schedule will be the same day as his/her previous schedule. (i.e. An employee working the Monday to Friday swing shift may only be assigned the Graveyard Shift starting on a Monday.)

Effective ratification of this Agreement, the Company may assign new hires to afternoon or graveyard shift only.

(d) 4 X 10 Shift

The company may institute a four (4) day X ten (10) hour shift which includes a paid lunch period for Saturdays and Sundays in addition to a Saturday shift premium of seventy-five cents (\$0.75) per hour and a Sunday day shift premium of one dollar and seventy-five cents (\$1.75) per hour as provided for in Article 15.03 of the Agreement.

10.04 40 Hour Guarantee

Employees may not be laid off during a work week but may be laid off at the completion of a work week of forty (40) hours. Employees working a normal work week shall receive written notice, copy to the Union, by the Thursday night of the week in which the employee is to be laid off. Employees working graveyard shift and/or a work week that includes Sunday shall receive notice of layoff a minimum of twenty-four (24) hours before the week in which the employee is to be laid off.

10.05 Post Shift Schedule

The Company agrees to post shift schedules for all employees three (3) weeks in advance of any change in an employees schedule except in the event of illness or other similar circumstances beyond the Company's control. In that event an employee rescheduled shall receive as much notice as possible.

10.06 Disposition of Tools and Parts

Employees shall be allowed sufficient time during working hours to return tools and parts to the tool room or Parts Department.

10.07 Rest Periods

The Company agrees to grant employees a ten (10) minute rest period during each half shift without loss of pay.

ARTICLE 11 - OVER TIME

11.01 Overtime Rates

The rate of overtime shall be time and one-half for the first two (2) hours of overtime worked after the end of a regular shift, excluding meal period, and double time shall be paid thereafter. For all overtime hours in excess of four (4) hours per week all employees shall receive double time. All work performed on any of the twelve (12) statutory holidays specified in this Article will be paid for at double time rate. Pay for time worked on a statutory holiday will be in addition to regular statutory holiday pay.

11.02 Saturday Work Overtime Rates

Employees working a Monday to Friday workweek who work Saturday shall be paid overtime at the rate of time and one-half for the first four hours and double time thereafter. Employees working a workweek other than Monday to Friday who work Saturday shall be paid in accordance with Article 10.03.

11.03 Overtime

(a) Notice

When reasonably possible, the Company shall give twenty-four (24) hours notice of overtime to employees.

(b) Voluntary

All overtime shall be voluntary. However, if no volunteers are available, the Company will assign the work to capable employees in line with the overtime equalization record. The Company will endeavour to distribute overtime equitably among employees in a particular classification.

(c) Parts

All overtime worked by a Parts Department employee for the purposes of inventory will be banked as per Letter of Understanding Re: Overtime banking.

11.04 Call In

Employees called in for emergency service will receive a minimum of two (2) hours' pay at the applicable premium rate.

ARTICLE 12 - STATUTORY HOLIDAYS

12.01 Holidays and Qualifiers for Pay

- (a)** Employees will be paid for the following holidays, or any other statutory holiday proclaimed by the Federal or Provincial government when the Company is forced by legislation to close down its operation, provided they work a full shift on their scheduled working days immediately before and immediately after such holidays:

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

- (b)** Employees having thirty (30) calendar days of employment prior to the date of observance of one of the above statutory holidays shall be paid for the holiday.

12.02 Stat Holiday and Weekends

When a statutory holiday falls on a Sunday, it shall be celebrated on the next working day following. In the event a statutory holiday should fall on a Saturday, an employee shall receive either pay or another day off in lieu of by mutual agreement between the Union and the Company unless the Saturday in question falls into the employee(s) regular work week

schedule then the employee shall take Saturday off as a Statutory Holiday.

12.03 Absence with Permission

Employees may be excused for failing to work a full shift on the qualifying days provided permission has been obtained from their service/parts manager in advance to leave early on the day before the holiday or come in late on the day following the holiday because of transportation problems in connection with leaving the city over the holiday, or for other emergencies where advance notice could not be given and which also must have the approval of the service/parts manager.

12.04 Excused Absence

Absence for the entire shift on the qualifying days will be excused for the following reasons:

- (a) Sickness, if supported by suitable medical evidence and providing the employee has worked some part of the work week preceding the holiday.
- (b) A personal injury arising out of and in the course of employment with the Company, if confirmed by suitable medical evidence.
- (c) Jury service or witness in court.
- (d) Scheduled vacation.
- (e) Death of a near relative of either employee or spouse (spouse, children, mother, father, brother or sister).

12.05 Three Week Limitation

Employees will be limited to a period of three weeks in which to submit medical evidence as to their inability to work on their qualifying days because of sickness or injury off the plant, unless there is reasonable evidence that such was not possible.

12.06 Afternoon Shift on New Year's Eve

The Company agrees that employees required to work afternoon shift on New Year's Eve shall be allowed to come in early so that the shift is completed no later than 6:30 p.m., New Year's Eve.

ARTICLE 13 - VACATIONS

13.01 Vacation Time Allotment

Employees with less than one year's vacation service will receive one day's vacation for each month of service with the Company to a maximum of ten (10) working days in any one vacation year. Employees who have more than one (1) year of vacation service and who have worked 125 days during the qualifying year and who qualify for more than two weeks' vacation will receive annual vacations as follows:

2 weeks	after 1 years' service
3 weeks	after 3 years' service
4 weeks	after 9 years' service
5 weeks	after 17 years' service
6 weeks	after 25 years' service

13.02 Vacation Pay

Pay for that portion of a vacation in excess of two weeks will be on the basis of the employee's current hourly rate times eight hours per day, provided the employee has worked 125 days in the work year December 1 to November 30. For an employee who has worked less than 125 days, vacation pay will be calculated on the following basis:

2 weeks	after 1 years' service at 4% of total earnings
3 weeks	after 3 years' service at 6% of total earnings
4 weeks	after 9 years' service at 8% of total earnings
5 weeks	after 17 years' service at 10% of total earnings
6 weeks	after 25 years' service at 12% of total earnings

13.03 Vacation Scheduling

Vacations are to be taken within the calendar year. Each employee shall be given an opportunity to indicate his preference for his vacation time on a form provided by the Company. The forms shall be distributed during the month of January in each year and must be returned by February 15. The vacation schedule shall be posted not later than March 1. The Company will endeavour to grant two consecutive weeks' vacation for each employee during the period between June 15 and September 15. It is understood that illness of an employee's counterpart or other unforeseen circumstance may necessitate altering the posted schedule. In such event, the employees concerned will be notified of the change as far in advance as possible. The maximum number of employees taking vacation at any one time shall be limited to three (3) in the Service department.

13.04 No Loss of Service Due to Illness/Injury With 5 Years or More Seniority

Employees having five (5) years' or more of seniority service, but who were unable to work a total of 125 days during the working year because of absence due to extended illness or injury, will suffer no loss of vacation or vacation pay.

13.05 Vacation Preference

Preference for vacation allotment shall be based on departmental seniority and current practices in each department.

13.06 Statutory Holiday

Whenever one of the statutory holidays referred to in Article 10 falls within an employee's regular vacation period, he shall be entitled to an extra day's vacation with pay to be taken immediately prior to or following his regular vacation.

13.07 Service

Vacation service will be computed annually up to but not including the first day of December in each year for employees who have qualified for two weeks' vacation. For all employees who may qualify for more than two weeks, the final date for qualifying is December 1st of the current calendar year.

13.08 Deduction In Case of Leave in Excess of 30 Days

Vacation service will be continuous from date of employment, except that deduction will be made for all time lost due to leave of absence in excess of thirty (30) days.

13.09 Service Broken

Continuity of service shall be considered broken only when:

1. An employee quits the Company's employ.
2. An employee is discharged.
3. An employee who has been laid off because of no work fails to report when recalled.
4. An employee who has been laid off because of no work is not recalled within a period of two years. This period shall be extended

to three years in the case of employees having three years' or more of seniority at the time of layoff.

5. An employee fails to return to work at the termination of a leave of absence.

13.10 Break In Service

An employee rehired after a break in service caused by any of the above reasons shall be considered a new employee.

13.11 Vacation Pay for Terminated Employees

Employees terminating their employment during the course of a working year in respect of which they have not receive an annual vacation shall receive vacation pay in accordance with the Employment Standards Act of British Columbia, adjusted in accordance with the vacation plan for those employees who are entitled to more than two weeks' vacation pay.

13.12 In Case of Death

In the case of the death of an employee who has qualified for but has not taken his vacation, such vacation money will be paid to the estate of the deceased employee.

ARTICLE 14 - CLASSIFICATIONS - WAGE RATES

14.01 Incorporation of Wage Schedules

The Company agrees to pay wage rates for the position classifications covered by this Agreement as set out in Schedules "A" and "B" attached.

14.02 New or Changed Job Classification

- (a) New or Changed Job Classification - If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in Schedules "A" and "B" attached or if any job classification(s) have been overlooked in Schedule "A" and "B" the Parties hereto are agreed to negotiate a rate for the job(s) in question.
- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.
- (c) All new job classifications or changed job classifications shall be posted and filled as per Article 8.08.

14.03 Payment for Working in Another Classification

- (a) Any employee assigned by the Company to fill the position of a higher rate of pay shall receive such higher rate while occupying the said classification, provided the employee works more than four (4) consecutive hours in the higher classification.
- (b) An employee performing work classified at the lower rate of pay shall receive their regular rate of pay while occupying said classification.
- (c) When an employee is working in a lower classification at the higher rate of pay and a vacancy in the said classification comes up, if the employee chooses to post into the position, the current rate of the classification shall apply.

ARTICLE 15 - SHIFT PREMIUM

15.01 Second Shift Premium

All employees covered by this Agreement assigned to and working on the second shift shall receive a premium of ninety cents (90¢) per hour over and above regular pay.

15.02 Third Shift Premium

All employees covered by this Agreement assigned or who have posted and are working on the third shift (graveyard) shall work seven and one-half hours for which they will receive eight hours pay and in addition, a ninety cents (90¢) per hour premium shall be paid for all hours paid.

15.03 Weekend Afternoon and Graveyard Shifts

All employees covered by this agreement assigned or who have posted and are working shifts on the weekends shall be paid a premium as follows:

Saturday Graveyard (midnight Friday until 8:00 a.m. Saturday)

- 7 ½ hours worked for 8 hours pay plus \$1.45 per hour.

Saturday Day Shift

- Seventy-five cents (75¢) per hour.

Saturday Afternoon Shift (3:30 p.m. until midnight)

- \$2.45 per hour

Sunday Graveyard (midnight Saturday until 8:00 a.m. Sunday)

- 7 ½ hours worked for 8 hours pay plus \$2.45 per hour.

Sunday Day Shift

- \$1.70 per hour.

Sunday Afternoon Shift (3:30 p.m. until midnight)

- \$2.45 per hour

Monday Graveyard (midnight Sunday until 8:00 a.m. Monday)

- 7 ½ hours worked for 8 hours pay plus \$2.45 per hour.

ARTICLE 16 - CHECK-OFF OF UNION DUES

16.01 Authorization

It is hereby agreed that for the duration of this Agreement, upon authorization in writing by any employee covered by the Agreement and in the manner as set out in schedule "A" below, the Company will deduct Union dues in an amount to be determined by the Union from time to time in accordance with its constitution and bylaws from the first pay in each month of such employees and transmit the same to the Secretary-Treasurer of Local 114, CAW, on or before the 25th day of each month. The amount of dues deducted on behalf of each employee will be shown on his income tax T-4 slip.

16.02 Deducted Employees to be Named

The Company will, at the time of making each such payment to the Secretary-Treasurer of the Union, name the employees from whose pay such payment has been deducted and provide a copy to the Chief Shop Steward.

16.03 Condition of Employment - Present Employees

It is further agreed that all present employees in the bargaining unit, who have authorized the Company in writing on the regular form provided for that purpose, to deduct their Union dues from their regular pay, shall continue to do so as a condition of their continuing employment for the duration of this Agreement, or until the termination of their employment or transfer from the bargaining unit.

16.04 Condition of Employment - New Employees

All new employees of the Company hired into the bargaining unit after the signing of this Agreement, and during the term of this Agreement, shall be required as a condition of employment, upon hiring, to assign to the Union,

through payroll deduction, an amount of money equal to Union dues, and for such purpose to sign an "Authorization to Deduct Union Dues" in the form provided **by the Union.**

ARTICLE 17 - LEAVE OF ABSENCE

17.01 Personal Leave

A leave of absence, except as otherwise provided herein, shall be understood to mean an absence from work requested by the employee and consented to by the management, covering an agreed period of time and for such reasons as -- settlement of an estate, serious illness or death of a member of the family, or an extended trip, but shall not be granted to accept other employment of any kind. The Company agrees, as a matter of policy, to grant a leave of absence for the above named reasons if it is practical to do so.

17.02 Union Leave

(a) Conventions, Etc.

Leave of absence not to exceed a period of four (4) weeks in each year, without loss of seniority, shall also be granted upon request by the Union in writing to not more than two (2) members of the Union for the purpose of attending conventions or other Union business.

(b) Full Time

The Company will grant a leave of absence up to one year to work for the Local or National Union. The employee must request leave of absence in writing. This leave may be extended for one additional year at the request of the Union. One month's notice in writing must be given prior to requesting this leave. One employee granted leave under this clause shall maintain and accumulate seniority up to one year, thereafter the employee shall maintain his seniority.

(c) Local Union Training and Leave Fund

The Employer agrees to pay into a special fund of one cent (\$0.01) per hour for all hours worked. The fund is for local leadership training and leave. Remittances shall be paid quarterly to the Local Union's address in New Westminster.

ARTICLE 18 - COMPETITIVE WORK

- 18.01** The Union agrees to discipline any member who after his regular working hours does truck repair work other than for the Company except on his own vehicle. The Company agrees to notify the Union of any such violations of which they may have knowledge. The Union agrees that in such cases the Company may discharge any member who after regular hours does truck repair work other than for the Company, except on his own vehicle.

ARTICLE 19 - SHOP INDUSTRIAL HEALTH, SAFETY AND ENVIRONMENT

19.01 Company Obligation

The Company agrees to continue to furnish healthy working conditions at all times and to provide adequate and modern devices with regard to safety, sanitation and environment. Whatever machinery and equipment the Company furnishes shall meet with all the required legal standards of safety and sanitation. Any recommendations or complains under this Article will be the subject of negotiations under the procedure provided for in this Agreement. The Union agrees that it will endeavour to have its members observe all safety rules.

19.02 Safety Committee

It is agreed a Safety Committee shall be established made up of two (2) annually elected Union members from the Branch and two (2) representatives appointed by the Company. The Committee shall meet the first week of each month and the minutes of the said meetings are to be distributed to Committee members. The minutes of the Safety Meeting will be posted on the bulletin board and a copy forwarded to the Union office.

19.03 Union Health and Safety Seminar

The Company agrees to grant one employee a three (3) day leave of absence of which one and one-half (1.5) days will be paid in order to attend the Union's Annual Industrial Health and Safety Seminar.

19.04 Plant Inspection

When a plant inspection is made by an Inspector authorized to enforce the Workers' Compensation Regulations, the Factories Act or any other Act or regulation pertaining to industrial health or safety, a Union representative for the Safety Committee shall be included in the tour, and a copy of the Inspector's report shall be made available to the Safety Committee.

19.05 Safety Boots/Shoes Allowance

Upon proof of purchase of safety toe boots or shoes, employees, who have completed six months' continuous service, shall be reimbursed **one hundred and thirty dollars (\$130.00)** once per contract year (cumulative to **two hundred and sixty dollars (\$260.00)** if combined over two (2) years).

19.06 Compliance with Health and Safety Legislation

The Company shall comply with all applicable provincial and municipal health and safety legislation and regulations. All standards established under the legislation and regulations shall constitute minimum acceptable practice to be improved upon by agreement of the Joint Industrial Health and Safety Committee and negotiations with the Union.

19.07 Disclosure of Information

- (a)** The Company shall provide the Union and the Joint Committee with written information which identifies all the biological agents, compounds, substances, by-products and physical hazards associated with the work environment. This information shall include but not be limited to the chemical breakdown of trade name descriptions, relevant information on potential hazards, results of testing to determine levels of contamination, maximum allowable exposure levels, precautions to be taken, symptoms, medical treatment and antidotes.
- (b)** The Company shall notify the Union and the Joint Committee of all new substances and processes to be introduced, by their chemical and trade names, noting potentially harmful effects, their threshold limit values, and what kinds of precautions will be taken, at least thirty (30) days before their proposed introduction.
- (c)** The Company shall provide the Joint Committee and the Union with all records, reports and data provided to and by the Workers' Compensation Board and other government departments and agencies. The foregoing does not apply to internal assessment matters between the Company and WCB.

19.08 Access to the Workplace

Union staff or Union health and safety advisors or consultants shall be provided access to the workplace if asked to attend Health and Safety Committee meetings by any member of the Committee (where they shall have voice but no vote), or for inspecting, investigating or monitoring the workplace.

19.09 Health and Safety Clothing, Tools and Equipment

The Company shall provide all employees working in any unsanitary or potentially hazardous jobs with all the necessary tools, equipment and protective clothing required.

These shall be maintained and replaced, where necessary, at the Company's expense. It is recognized that such protective equipment and clothing are temporary measures. The conditions necessitating their use shall be subjected to further corrective measures through engineering changes or the elimination of the hazard.

19.10 No Disciplinary Action

No employee shall be discharged, penalized or disciplined for refusing to work on a job or in any workplace or to operate any equipment where he/she justifiably believes that it would be unsafe or unhealthy to himself/herself, an unborn child, a workmate or the public, or where it would be contrary to the applicable federal, provincial or municipal health and safety legislation or regulations. There shall be no loss of pay, seniority or benefits during the period of refusal. No employee shall be ordered or permitted to work on a job which another worker has refused, until the matter is investigated by the Health and Safety Committee and satisfactorily settled.

19.11 Proper Training and Education

No employee shall be required or allowed to work on any job or operate any piece of equipment until he/she has received proper training and instruction.

The Company shall notify all workers exposed to a particular toxic substance or safety hazard of the dangers they face, possible symptoms, necessary medical tests and treatment, and plans to eliminate the hazard.

19.12 Accident and Near-miss Inspections

The Company agrees that every injury or near-miss which involved or would have involved a worker going to a doctor or hospital must be investigated.

A Union Committee member and a Company Committee member shall investigate the accident. The appropriate government inspection agency shall be notified immediately after a serious accident.

Accident Investigation reports shall contain:

1. the place, date and time of the accident.

2. the names and job titles of persons injured, if applicable.
3. the names of witnesses.
4. a brief description of the accident.
5. a statement of the sequence of events which preceded the accident.
6. the identification of any unsafe conditions, acts or procedures which contributed in any manner to the accident.
7. recommended corrective actions to prevent similar occurrences.
8. the names of the persons who investigated the accident.

19.13 First Aid

(a) First Aid Room

The Company agrees to establish in its new facility an adequate first aid area cordoned off from other work areas on the ground floor level.

(b) Bonus for First Aid Men

Company approved employee on each shift must have Industrial First Aid to meet the Workers' Compensation Board requirements. The Company has agreed to pay the full cost of Industrial First Aid course to meet Workers' Compensation Board requirements at the Branches. The bonus for First Aid is:

Level 1	fifty cents (50¢) per hour
Level 2	seventy-five cents (75¢) per hour

19.14 Injured Worker Provision

- (a)** An employee who is injured during working hours and who is required to leave for treatment or is sent home as a result of which injury shall receive payment for the remainder of the shift at his/her regular rate of pay.
- (b)** Such employee shall be provided with transportation to his/her doctor's or hospital and to his/her home.
- (c)** An employee who was injured at work shall receive pay for time spent for further medical treatment of the injury during regularly scheduled working hours, subsequent to his/her return to work. The foregoing shall only apply where the employee was unable to schedule treatments otherwise.

19.15 Ear Muffs

The Company will ensure that an adequate supply of earmuffs for employees working in the Service Department is available for the employee's use.

19.16 Whistleblower Protection

The Parties agree that it is the responsibility of the Company and its employees to notify the appropriate authorities if there is a release of hazardous substances to the air, earth or water systems. No employee may be disciplined for performing his/her duty to report to the appropriate authorities if Company does not act immediately. Such releases must also be investigated under the provisions of Article 19.02.

19.17 Environmental Awareness

The Parties agree that the Joint Committee as outlined in Article 19.02 also has the responsibility of promoting environmental awareness through recommending a recycling program and identifying reducing and/or eliminating wherever possible pollutants in the workplace.

19.18 Specific Provisions to Eliminate/Reduce Workplace Hazards

The Company agrees that the establishment of a new facility provides the impetus to establish the following prior to the opening of the new facility.

1. Compressor to be established in an isolated area outside the shop.
2. Freon Collector
3. Proper Exhaust System

19.19 Forklift and Parts Trucks Maintenance

The Company agrees that forklift and the parts truck shall be properly maintained at all times.

19.20 Hazardous Commodities

All employees handling hazardous commodities shall be properly instructed before handling said commodities. Ministry of Environment assistance will be provided if an emergency spill occurs.

19.21 Brake Pots

The Company agrees to refuse to handle brake pots unless they are properly caged and disarmed upon their arrival at the Shop.

19.22 Safety Screen in Parts Delivery Truck

The Company agrees that the parts delivery truck shall be equipped with a safety screen at all times.

19.23 CAW Prevent Cancer Campaign

The Company agrees to participate in the CAW Prevent Cancer Campaign.

19.24 CAW - WCB Accredited Coordinator Training

The Company agrees to provide eight (8) hours of paid (during the employee's normal working schedule) training for each Union Occupational Health & Safety Representative. The Company further agrees to ensure that the WCB required program is delivered by the CAW-WCB Accredited Training Representative.

19.25 Cell Phones

For emergency purposes, cellular phones shall be provided to employees away from the Company premises on Company business.

ARTICLE 20 - BULLETIN BOARD

20.01 For the sole use of the Union, the Company will erect and maintain a bulletin board. The location of the same shall be mutually determined. The board may be used for the purpose of disseminating information concerning meetings, elections, social events and other affairs of general interest. Under no circumstances may it be used for advertising, for political matter, for distributing pamphlets or circulars or for propaganda of any sort. No matter shall be posted until it has been submitted and approved by the Branch Manager or some person designated by him for that purpose.

ARTICLE 21 - GENERAL CONDITIONS

21.01 Payment of Wages

Wages shall be paid bi-weekly on the Thursday of the pay week in a manner convenient to the Company, and employees shall be given a statement of all hours, indicating overtime hours, earnings and deductions, covering each pay period.

21.02 Bereavement Leave

In the event of a death in the immediate family of an employee or spouse, the Company shall grant up to three (3) days' leave of absence with pay, to make arrangements for and/or to attend the funeral. The term "immediate family" shall mean spouse, parents, children, brothers, sisters, grandparents. Extra time off without pay will be granted for travel purposes; however, management is to be notified in advance, if possible.

21.03 Jury Duty

Any regular full time employee who is required to perform jury duty, attend a coroner's inquest or appear as a Crown Witness on a day on which he would normally have worked will be reimbursed by the Company for the difference between the pay received for jury duty or as a Crown Witness and his regular straight time hourly rate of pay for his regularly scheduled hours of work. It is understood that such reimbursement shall not be hours in excess of eight (8) per day or forty (40) per week, less pay received for jury duty or as a Crown Witness. The employee will be required to furnish proof of jury or Crown Witness service and jury duty or Crown Witness pay received.

21.04 Parts Department Uniforms

Effective September 16, 1990 and each year thereafter, the Company agrees to supply two (2) new pairs of pants and three (3) new shirts. Cleaning of the shirts and pants will be the responsibility of the employee.

21.05 Coveralls

Service employees will be supplied at the cost to the Company up to eight (8) pairs of clean coveralls per two (2) week period.

21.06 Travel Time

When employees who perform field service work and for those employees who are required to perform mechanical work for the Company away from the Company's premises, the Company agrees to pay such employees a premium bonus of one dollars (\$1.00) per hour for all time actually spent on the job, and in addition to necessary transportation, hotel and meal expense, travel time at their regular rate of pay up to a maximum of eight (8) hours in each twenty-four hour period, for travelling to and from the job. The mechanical work bonus shall not apply to driving time. Provided that it is agreeable to the employee concerned to travel on Saturdays, Sundays or holidays, it is understood and agreed that the rate to be paid for travelling time on such days will be the employee's straight time rate. Driving a vehicle shall at all times be considered working time and the appropriate provisions of Article 10, including overtime, shall apply.

21.07 Tool Insurance

The Company will assume the responsibility for the replacement of tools and/or tool boxes belonging to Service Centre employees in the event such tools and/or tool boxes become damaged or lost by fire and water resulting from a fire. Where there is evidence of breakage and entry into the shop the Company will assume this same responsibility if the entire tool box is lost by theft. However, all tools must be listed and the list presented by the employee to management for safekeeping prior to any fire or theft. The Company agrees that tools and/or tool boxes damaged or lost by fire or theft will be replaced at their replacement cost up to a maximum liability of **thirty thousand dollars (\$30,000.00)** for each employee as per the employee's tool inventory, subject to a five hundred dollar (\$500.00) deductible per incident paid by the employee(s). Increased coverage takes effect on **June 1, 2007**. To be eligible for coverage employees must submit current lists of tools at the beginning of each contract period.

21.08 Tool Allowance

Upon completion of one year of continuous service, mechanics and apprentices will be granted a tool allowance of **four hundred dollars (\$400.00)** effective June 1, **2007 through to June 1, 2009, whereby the tool allowance shall be increased to four hundred and fifty dollars (\$450.00)** for the repair and/or purchase of replacement tools (including impact tools) and metric tools. Up to the stipulated maximum of tool allowance, employees will be reimbursed for tools purchased or repaired during the year upon submission of invoices for the tools to Management.

ARTICLE 22 - INSURANCE AND PENSION PLANS

22.01 Incorporation into Collective Agreement

The Company agrees to maintain the insurance plan as set out in Appendix "B" and the pension plan as it is presently constituted in 22.02 and the Company further agrees that these plans are an integral part of this Collective Agreement.

22.02 Registered Retirement Savings Plan

Effective June 1, **2007**, the Company agrees to contribute one hundred and **eighty dollars (\$180.00)** per month per employee to the CAW Local 114 (CO-VAN International Trucks Inc. Unit) Group Registered Retirement Savings Plan or any subsequent Group RRSP established by the Union.

Effective June 1, **2008** the contribution will be **\$190.00**.

Effective June 1, **2009** the contribution will be **\$200.00**.

22.03 No Change to Benefits

The benefits set out in this article, and the eligibility for such benefits, shall not be changed or modified during the life of this Agreement, except by negotiation and the mutual agreement of the Union and the Employer.

ARTICLE 23 - PAID EDUCATION LEAVE AND TRAINING

23.01 The Company agrees to pay into a special fund one cent per hour per employee for all compensated hours for the purpose of providing paid education leave. Such leave shall be for upgrading the employee skills in all aspects of trade union functions. Payments should be made on a quarterly basis into a trust fund established by the National Union, CAW.

Cheques shall be made payable to CAW Leadership Training Fund and mailed to:

CAW
205 Placer Court
North York, ON
M2H 3H9

The Company further agrees that members of the bargaining unit, selected by the Union to attend such courses, shall be granted a leave of absence without pay for twenty (20) days class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees on said leave of absence shall continue to accrue seniority and benefits during such leave.

23.02 Pay for Text Books, Course Fees and Paid Training Leave

(a) Course Fee Reimbursement

The Company agrees to pay for course fees, text books and exam fees including any medical exams required for individuals who the Company approves to attend.

(b) Housekeeping

The Company agrees to maintain the wages of employees who the Company has approved attending training programs as per Article 21.01 of this Agreement.

(c) The Company agrees to pay for apprentice tuition fees after completion of training with fifty percent (50%) paid six (6) months after training and fifty

percent (50%) paid twelve (12) months after training or at the start of the next years training, whichever is earliest.

ARTICLE 24 - PREVENTION OF WORKPLACE HARASSMENT & DISCRIMINATION

24.01 The Company and the Union agree that discrimination and/or harassment of any employee because of colour, national origin, religion, age, marital status, sexual orientation, or disability is absolutely prohibited. Every employee has the right to work in an environment of mutual respect, free from discrimination and harassment including sexual harassment. Harassment also includes abusive and demeaning behaviour. Action contravening this policy will constitute grounds for discipline.

24.02 Sexual harassment means any repeated and/or unwelcomed words or actions made by a person who knows or ought to know it is unwelcome and includes but is not limited to the following:

- a) Unnecessary touching or patting
- b) Suggestive remarks of other verbal abuse
- c) Leering at a person's body
- d) Compromising invitations
- e) Demands for sexual favours
- f) Physical assault

24.03 A complainant may either initiate a grievance as per the grievance procedure of the collective agreement or file a written complaint with the General Manager or his/her designate and the President of the Local Union and deliver a copy to the alleged harasser.

24.04 The Parties agree that the event of a complaint of sexual harassment it will be investigated thoroughly by both parties in confidence. Employees reporting any incident of harassment are guaranteed protection from reprisal due to filing such a complaint.

24.05 An Arbitrator or Arbitration Board hearing a complaint or grievance under this Article shall have the authority to:

- a) Dismiss the grievance or complaint
- b) Determine the appropriate discipline up to and including dismissal
- c) Decide that the alleged harasser be transferred, demoted, or decide to impose other terms or conditions necessary to provide final conclusive settlement of the grievance.

- d) In no event shall the Arbitrator or Arbitration Board have the authority to alter, modify, or amend the Collective Agreement in any respect.

24.06 Where sexual harassment is proven and results in the transfer of an employee, it shall be the offender who is transferred. The complainant shall only be transferred with the complainants consent.

24.07 Nothing in this Article shall be considered to negate the right of an employee to seek compensation through civil action or other legal means for any damages arising from a bona fide complaint of sexual harassment, including but not limited to hearing a Human Rights Complaint.

ARTICLE 25 - PAID CARE LEAVE

25.01 (a) After completion of one year of service, **care** leave not exceeding five (5) days in any one calendar year will be granted with full pay provided a completed Weekly Indemnity claim form is provided to the Company whenever the period of illness exceeds two days. The Company agrees to pay the cost of getting the claim form filled out. **Paid care leave may be used for family related issues or personal sick days.**

(b) **There shall be no carry over of care days into the following year; however those who currently have sick days accumulated shall be grandfathered until such time that all current care days have been used up.**

(c) **The five days of paid care leave is available for use every year from January 1st to December 31st. The Company shall pay out up to three (3) unused paid care days by no later than January 31st, providing the employee's written request is received prior to December 31st.**

ARTICLE 26 - DURATION OF AGREEMENT

26.01 **Term**

The Agreement shall be in full force and effect from and including June 1, **2007** to and including May 31, **2010** 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 date of May 31, **2010** 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.

26.02 Continuation

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 commence a strike or the Company shall give notice of lockout, and commence a lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

26.03 Exclusion of Section 50(2)

By agreement of the Parties hereto, the provisions of Section 50(2) of the Labour Relations Code of British Columbia are specifically excluded.

Signed on this _____ day of _____, **2007.**

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

CLASSIFICATIONS AND WAGE RATES - SCHEDULE "A"

SERVICE DEPARTMENT

The Company and the Union agree that the wage rates on Schedule "A" and "B" will be implemented effective on the dates as follows:

Classification	Effective June 1/07	Effective June 1/08	Effective June 1/09
<u>JOURNEYPERSON:</u>	\$30.85	\$31.45	\$32.65
Mechanics, Body and Fender persons, Painters, Welders			
Charge Hand (including service) Charge Hand (day shift only)	\$32.35	\$32.95	\$34.15

As of June 1, 2007, the following Journeyperson premiums shall apply:

5 years Service plus	\$.50/hr
Diamond Certification – Co-Van	\$.30/hr
Diamond Certification – Full	\$.60/hr
Big B Diesel	\$.50/hr

As of June 1, 2008 the premium for Diamond Logic 3 shall be \$.50/hr

There shall be a Service bonus of \$500.00 once per year for completion of the Diamond Certification by September 30th of each year. Should the employee not upgrade their certificate when needed, the \$.50/\$.30 premium will be revoked.

All of the above mentioned premiums, excluding the Big B Diesel premium, shall apply to Charge Hands.

APPRENTICES:

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

Government apprentices may be employed at the trade in the ratio of one (1) Apprentice to every five (5) Journeyperson or major fraction thereof.

Apprentices to be distributed proportionately between the first and second shift, taking into consideration training courses. Apprentices to work only under the guidance of Journeyperson.

Apprentices required to attend vocational school during their regular working hours shall receive 100% of their regular pay which will include allowances from any other source.

New employees falling into this category will not be required to start at the minimum rate as provided in this Agreement but shall be credited with such experience as may be proven.

A joint Apprenticeship Committee of one Union representative and one Company representative will monitor the progress of apprentices through their apprenticeship training program with the Company.

<u>Classification</u>	Effective June 1/07	Effective June 1/08	Effective June 1/09
SERVICE SALESPERSON:	\$30.10	\$30.70	\$31.90
JANITOR:	50% of Journeyperson Rate		
SERVICE LOT PERSON:	40 - 50% of Journeyperson Rate		
LUBEPERSON/HELPER: (Able to assist with minor repairs and/or do PDI.)	60% of Journeyperson Rate		

Mobile Maintenance Mechanic: Journeyman Rate

- **The Company agrees that this position shall be posted and a back-up for this position shall also be posted for the purpose of holidays, leaves of absence or sickness. All terms and conditions of the Collective agreement shall apply.**
- **As of June 1, 2007, the following premiums shall apply to Mobile Maintenance Mechanic:**

5 years Service plus	\$.50/hr
MVI / Class 1 & 3 with air	\$.35/hr

Pay Deduction for Absence

Pay will be deducted from employees on a pro rata basis for all time absent for personal reasons.

Premium for MVI Certificate/Class 1 and 3 with Air

Effective June 1, 2007, the Company shall pay a premium of **fifty cents (\$0.50)** per hour for employees holding an MVI Certificate and a Class 1 or 3 driver's license with **an** air ticket.

An employee who holds an MVI Certificate **as of June 1, 2007** but does not hold a Class 1 or 3 driver's license with air ticket will receive the premium as herein provided.

The employee will have one (1) year to attain a Class 3 driver's license with an air ticket. The Company agrees to pay the course fees, texts, exam fees, and wages as per Article 23.02 (a) and (b).

The Company will cease paying the MVI / Class 1 and 3 with air ticket premium to an employee in the event of any of the following:

- a) The employee does not obtain a Class 3 with an air ticket within the allotted year.
- b) The employee does not renew their MVI Certificate, Class 1 license or Class 3 license.
- c) The employee loses their MVI Certificate, Class 1 license or Class 3 license.

CLASSIFICATION AND WAGE RATES - SCHEDULE "B"

PARTS DEPARTMENT

	Effective June 1/07	Effective June 1/08	Effective June 1/09
Classification			
GROUP LEADERS:	\$30.05	\$31.05	\$32.05
QUALIFIED PARTSPERSON:	\$29.25	\$30.15	\$31.05

At least one (1) man in each four (4) employed in the Parts Department will be in the classification at wage rates of

SHIPPERS AND/OR RECEIVERS: - 75% of Qualified Partsperson Rate then progress as per scale to 80% of Qualified Partsperson.

As of June 1, 2007, the following Qualified Partsperson premiums shall apply:

5 years Service plus	\$.50/hr
Parts Certification Training	\$.25/hr

There shall be a Parts bonus of \$350.00 once per year for completion of the Diamond Certification by September 30th of each year. Should the employee not upgrade their certificate when needed, the \$.25 premium will be revoked.

PARTS DELIVERY PERSON

Grade		
1	1st six months	45% of Qualified Partsperson rate
2	2nd six months	50% of Qualified Partsperson rate
	Thereafter	55% of Qualified Partsperson rate

PARTS IMPROVERS

Grade		
1	1st six months	65% of Qualified Partsperson rate
2	2nd six months	70% of Qualified Partsperson rate
3	3rd six months	75% of Qualified Partsperson rate
4	4th six months	80% of Qualified Partsperson rate
5	5th six months	85% of Qualified Partsperson rate
6	6th six months	90% of Qualified Partsperson rate
7	7th six months	95% of Qualified Partsperson rate
	Thereafter	100%

APPENDIX "B"

INSURANCE PLAN

A Medical, Insurance and Dental Plan shall be maintained at no cost to the employee in accordance with the following:

Medical

Medical coverage will be equivalent to that supplied by the British Columbia Medical Plan.

Extended Health Benefits

Extended Health Benefits equivalent to MSA Extended Health Benefit Plan.

- \$25.00 deductible per family member to a maximum of \$25.00.
- 100% Co-insurance.
- \$250.00 per two calendar years for Vision Care including glasses and contact lenses.

Insurance Coverage

- | | | |
|---|------------------------------------|---|
| 1 | Life Insurance | One times (1x) annual salary, rounded to next higher \$100.00, maximum benefit of \$75,000.00. |
| 2 | Accidental Death and Dismemberment | 100% of Basic Life Insurance. |
| 3 | Weekly Indemnity | 60% of gross weekly wages or not less than the current maximum U.I.C. payment-i.e. Which ever is the greater. |

Benefits payable from the first day for accident or hospitalization on the fourth day for illness for a maximum of 26 weeks (1-1-4-26 Plan).

- | | | |
|---|----------------------|--|
| 4 | Long Term Disability | 40% of basic monthly earnings rounded to the nearest \$1.00 to a maximum of:
Effective June 1, 1998 \$2,000 per month |
|---|----------------------|--|

Benefits payable after Weekly Indemnity Benefits have been exhausted (26 weeks) to age 65.

There are no "offsets" to the Plan (i.e. Canada Pension Disability payments are not deducted).

Dental Plan

Plan "A"	100% basic services, including initial installation, repair and relining of dentures, recementing of crowns, inlays and bridges.
Plan "B"	50% crowns and bridgework
Plan "C"	50% orthodontia, lifetime maximum of \$2,000.00

Plans "A" and "B" have no calendar year money maximum.

Survivor Income Benefits

If you should die while coverage is in effect the Transition Benefit of \$175 per month will be paid to your eligible survivor for a maximum of 24 months. If the transition benefit is payable to your spouse who has a dependent child or to your orphaned child, the amount of the benefit will be \$200 monthly.

The Transition Benefit will be reduced by any survivor, disability or retirement benefit under the Canada/Quebec Pension Plan or any Old Age Security Benefits. The minimum Transition Benefit payable to a spouse or child will be \$100 monthly.

The Transition Benefit payable to your mother or father, who is eligible for any retirement, old age, survivors or disability benefit under the Canada/Quebec Plan or any Old Age Security Benefits, will be \$100 per month.

LETTER OF UNDERSTANDING #1

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

RE: WAREHOUSE ATTENDANT

The Parties agree to a new classification in the Parts Department of "Warehouse Attendant".

The Company agrees the wage rate for this classification shall be sixty-five percent (65%) of the Qualified Partsperson rate.

The general duties of the Warehouse Attendant will include the following:

- maintenance of physical inventory
- binning
- assisting in stocking shelves
- general tasks (cleaning, painting, etc.)

Signed on this day of , 2007.

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #2

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

RE: NEW HIRES

The Parties agree to the following shift scheduling arrangements for newly hired mechanics and apprentices.

1. Mechanics

A newly hired mechanic will be assigned to either of the two following shifts for the duration of his/her probationary period.

- Monday to Friday swing shift
- Tuesday to Saturday day shift.

Upon completion of the probationary period the new hire shall be assigned any shift for which his/her seniority dictates. The Company may assign a new hire to another shift prior to the completion of his/her probationary period.

2. Apprentices

Newly hired apprentices with two (2) years experience or less in the trade will be assigned to either of the two following shifts for a period of two (2) years.

- Monday to Friday swing shift
- Tuesday to Saturday day shift.

An apprentice may be assigned a shift other than the above provided sufficient training and supervision will be maintained and the apprentice has the seniority required.

Signed on this _____ day of _____, **2007.**

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #3

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

RE: PARTS DEPARTMENT SHIFT VARIATION

The Parties agree to the following variation of the normal shift schedules in the Parts Department:

1. Afternoon Shift - the afternoon shift may commence at 4:30 p.m. and finish at 1:00 a.m.
2. A shift may commence at 12:00 noon and end at 8:30 p.m. The Company agrees to pay a premium of seventy-five cents (75¢) per hour to employees working this shift.

Signed on this _____ day of _____, 2007.

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #4

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

RE: OVERTIME BANKING

The Company agrees to implement an Overtime Banking provision if ten (10) or more of the eligible employees participate in the program. Details of the program are as follows:

The parties agree that an employee may notify the Company that he/she wishes to "bank" any overtime hours worked to be taken as personal time off. The overtime hours banked shall be the hours the employee would otherwise be paid at the applicable overtime rate had he/she taken pay (e.g. overtime worked at double time (2X) will be two (2) hours banked time).

When banked time is taken as personal time off, the rate of pay for such hours shall be the rate the employee was earning at the time overtime was worked. When an employee takes paid time off as herein provided, it shall be without loss of benefits.

Effective immediately and every third week of January thereafter, an employee who wishes to "bank" overtime for the following year shall notify the Company. The maximum hours of personal time off shall be eighty (80) hours in each year period. Hours left at February 1st shall be paid out at the rate the overtime was worked.

An employee shall be entitled to take banked personal time off by mutual Agreement between the employee and his/her supervisor.

Signed on this _____ day of _____, 2007.

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #5

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

**RE: MEDICAL INSURANCE COVERAGE, LIFE INSURANCE COVERAGE,
DENTAL INSURANCES, WEEKLY INDEMNITY INSURANCE COVERAGE,
RRSP**

The Parties agree to the following commencement dates for the following benefits:

- 1) Medical insurance coverage shall commence the 1st day of the month following the completion of the 1st month of employment.
- 2) Life insurance coverage shall commence the 1st day of the month following the completion of the 1st month of employment.
- 3) Dental insurance coverage shall commence the first day of the first month following completion of probation.
- 4) Weekly indemnity shall commence the first day of the first month following completion of probation.
- 5) Employees RRSP contributions shall commence in the month in which the employee finishes probation.

Signed on this _____ day of _____, **2007.**

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #6

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

RE: JOINT SICK LEAVE COMMITTEE

The Management and the Union agree that during the life of this Agreement a joint committee will be formed to review any abuses of sick leave and to discuss other alternatives to the existing sick leave plan. It is agreed that no changes can be made to the existing plan without the approval of the Union membership as per the Union's Constitution.

Signed on this _____ day of _____, 2007.

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock

LETTER OF UNDERSTANDING #7

BETWEEN: CO-VAN INTERNATIONAL TRUCKS INC.

AND: NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114

Re: HIRING/NEW HIRES INCENTIVE

The parties to this agreement understand and concur that attracting and retaining qualified technicians is critical to the success of the Company.

Toward that end, the Company is establishing an incentive program directed toward hiring new technicians.

For any journeyman level technician recruited by a then current employee of Co-Van International, the employee will be paid a \$500.00 bonus upon the completion of six months of continuous employment by the newly attracted employee. This incentive will also apply to a non-journeyman technician with approval of the service manager.

A new journeyman technician hired from outside Co-Van International will be paid for the first twelve (12) months of employment at the journeyman rate plus \$200.00 per month special incentive. After twelve (12) months the \$200.00 special incentive will end. This \$200.00 will apply to non-journeyman technicians in part or in full at the Company's discretion.

Signed on this _____ day of _____, 2007.

On behalf of:
CAW LOCAL 114

On behalf of:
CO-VAN International Trucks Inc.

Rob Korosec

Larry McCloud

Jim Blackburn

David Dufault

Linda Jensen

Jim Hebe

Kevin Hancock