

BRITISH COLUMBIA

MASTER CARTAGE AND WAREHOUSING AGREEMENT

MEMORANDUM OF AGREEMENT made this _____ day of _____, 2008.

BETWEEN: COARD TRANSPORTATION GROUP
(hereinafter called the "Company")

OF THE FIRST PART

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

OF THE SECOND PART

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

ARTICLE 1

Section 1 - Recognition

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

Section 2 - Union Co-operation

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

ARTICLE 2

Section 1 - Bargaining Authority

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

- (a) employees and categories of employees referred to in the Certificate of Bargaining Authority held from time to time by the Union, and
- (b) all dependent contractors and owner/operators employed by Companies signatory to this Agreement in the work categories falling within the area of jurisdiction of this Agreement

Section 2 - Bargaining Authority

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

ARTICLE 3**Section 1 - Posting of Agreement**

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

Section 2 - Check-off

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

Section 3 - Union Shop

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

When additional employees are required within an area which is serviced by a permanently established and operating Union hiring hall, the Company shall give the Union first opportunity to supply suitable Union members for employment. In the event the Union is unable to supply suitable persons and the Company hires a person who is not a member of the Union, the Company must contact the appropriate Union office before the person commences work, or else the Company will remove such person from the job at the request of the Union.

When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend first opportunity to Union members

who meet the Company's requirements and who apply for employment or have been referred to the Company.

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

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

Section 4 - Union Security

- (a) Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendix "A", whether owned by the Company or leased by the Company, shall be operated by a member of the Union. In the hiring of equipment on any basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to this Agreement. However, if unable to do so and if equipment is to remain in the hire of the Company in excess of forty-eight (48) hours, it shall be replaced by equal equipment operated by a member of the Union if available in immediate or adjacent area from a company signatory to this Agreement.

The Company agrees that where leased or hired equipment is used, the Company will first try to lease or hire such equipment from companies, individuals or firms whose employees are covered by Collective agreement with Teamsters Local Union No. 31. If it becomes necessary for the Company to dry lease equipment, said equipment shall be operated by members of the Teamsters Local Union No. 31.

- (b) All storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, categories of which are set out in Appendix "A", where such work is under the control of the Company.
- (c) Wherever physically possible and where such work is under the control or direction of the Company, all equipment shall be loaded and unloaded by the employees of the Company, members of the Union. The practice of loading and unloading equipment by other than employees of the Company where such work is under the control or the direction of the Company shall not be increased and shall wherever possible be discontinued.
- (d) The Company agrees not to contract out any work normally performed by employees covered by this Agreement if any employee is on lay-off for lack of work at the time such

contracting out is introduced or if the contracting out would cause the lay-off of any employee. The Company shall not contract out bargaining unit work.

- (e) Provided capable employees are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (f) Where it would result in a decrease in the number of employees, piggybacking shall not be used.

ARTICLE 4 DEPENDENT CONTRACTORS

Section 1 - Definition

A dependent contractor (which for the purposes herein, shall include owner/ operator) is the owner and/or purchaser and, except as permitted herein the exclusive operator of equipment supplied for the Company's services pursuant to this article and appendix "C".

Section 2 - Company Not Leaser

Without prior written approval from the Union, under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a leaser, vendor or seller of equipment to a dependent contractor, nor shall the Company directly or indirectly specify a leaser of equipment to a dependent contractor as a condition of entering into an agreement with a dependent contractor.

Section 3 - Industry Standards

The dependent contractor and the Company must conform to not less than the minimum standards and practices as established by this Agreement regarding monetary compensation as outlined in Appendix "A-1", hours of work and general working conditions.

Section 4 - No Mandatory Source

Under no circumstances shall the Company, directly or indirectly specify a mandatory source of fuel, tires, maintenance or insurance to be used by a dependent contractor as a condition of entering into a contract with a dependent contractor.

Article 5

Section 1 - Regular Employee and Owner Operator

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

- (a) he has completed his probationary period

understood a reverting employee shall be subject to all conditions herein, i.e. Health and Welfare, Pension, etc.

Section 3 - Working Agents

A working agent at small and/or remote company maintained terminals shall be considered as such:

- (a) He shall be an employee of the Company.
- (b) He shall be used by the Company, only at such small and/or remote locations, where the Company's volume will not support, and the Company does not employ more than four (4) employees including the working agent.
- (c) He shall be a member of the Union, but otherwise excluded under the terms and conditions of this Agreement, except he shall be entitled to the provisions of Article 7, Section 5, herein and that the monthly or annual monetary remuneration or benefits to him by the Company shall be an amount resulting in not less than he would otherwise receive under the terms of this Agreement for time worked.
- (d) He may be on a monthly salary as described.
- (e) His services shall not be utilized to deny other employees of their equitable share of overtime.
- (f) He shall not have the right to hire or fire and shall not be utilized to deprive other regular employees of their regular duties causing lay-offs.

ARTICLE 6

Section 1 - Conflicting Agreement

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

Section 2 - Transfer of Company Title or Interest

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

Section 3 - Protection of Conditions

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

Section 4 - New Equipment and Classifications

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

ARTICLE 7**Section 1 - Seniority**

There will be separate seniority lists for employees and for owner operators. Each seniority list shall be maintained so that in the event of a reduction or a restoration of the working force, seniority on a specific list will be used to reduce or restore the work force providing the remaining senior men on the list are capable of performing the remaining job or jobs.

Section 2

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

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

Senior employees shall be given preference to fill vacancy on differential rated equipment if qualified.

Section 3

In all areas, seniority for employees and owner operators shall be branch wide and the branch will include all terminals or warehouses in a particular city.

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

Section 4

All newly hired employees shall be considered as probationary employees for the first **sixty (60) days worked**. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid-off and the reasons therefore with notification in writing to the Union dispatcher.

Upon the conclusion of any **sixty (60) days worked** during which a probationary employee has worked one hundred and twenty (120) hours the employees name shall forthwith be placed on the regular employee seniority list effective from the first day of employment of the **sixty (60) days worked**, and the employee shall be entitled to all rights and privileges as provided in this Agreement with the exceptions of those as specified, i.e. health and welfare provisions.

Section 5

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

Section 6

Part-time or casual employees will not be used to deprive any of the regular employees or owner operators the conditions of this Agreement.

Section 7

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

lists will be provided to the Union. Such lists to state starting date of employee and owner operator.

Section 8

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

Section 9

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

Section 10

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

Section 11 - Leave of Absence

- (a) (i) When the requirements of the Company's services will permit, any employee and owner operator hereunder, upon written application to the Company with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in writing (with a copy to the Union) for a period of thirty (30) calendar days.

Upon six (6) months prior notification an employee may request every three (3) years and shall be granted up to thirty (30) days leave of absence in conjunction with his holidays. When considered by the Company approval or rejection is to be given in writing with a copy to the Union within thirty (30) calendar days and, if approved, such approval may not be withdrawn, except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.

- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union in writing and seniority will

accrue during such extensions.

- (iii) Any employee and owner operator hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.
 - (iv) Any employee and owner operator requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
 - (v) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be re-classified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examination.
- (b) When an employee or owner operator within the bargaining unit covered by this Agreement receives leave of absence in writing with a copy to the Union to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit.

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

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

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

ARTICLE 8**Section 1 - Meal Period**

The employee shall, except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day.

Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to paid time off for the purpose of eating at the end of his regular shift, except in a situation where interruption of work is not practical in which event the period may be staggered or postponed. Said meal period shall be paid at the applicable overtime rate of pay as provided in Article 20, Section 2 of this Agreement.

Section 2 - Rest Breaks

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

ARTICLE 9**Section 1 - Safety Conditions**

- (a) Maintenance of Equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment, i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) **The employee or owner operator shall report by radio or phone dispatch any problems with equipment.** It shall be the duty of the employee to report in writing on the appropriate forms of the Company, promptly but not later than the end of the shift, all safety and/or mechanical defects on the equipment which they have operated during that shift.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified

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

- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) It shall be the duty of the maintenance shop employees to perform their duties efficiently and as instructed in such a manner that repairs having been made to correct the safety and/or mechanical defect.
- (g) The Company shall not require employees to multi-deck trailers at night in an area without proper lighting.
- (h) Drivers will be held responsible to ensure that the proper equipment is used when towing another vehicle and the Company shall make available such adequate equipment.
- (i) All warehouses shall be equipped with efficient and safe loading plates, properly anchored.
- (j) In isolated areas where the nature of cargo requires additional assistance to handle the cargo, the Company shall endeavour to arrange such assistance as may be required.
- (k) All tractors used during hours of darkness will be equipped with back-up lights.
- (l) The Company shall inform, direct and supply to the employee proper information and handling devices or equipment for hauling dangerous cargo.

ARTICLE 10

Section 1 - Pay Period

- (a) Except as otherwise mutually agreed between the Parties, all regular employees covered by this Agreement shall be paid not less frequently than on every other Friday, all wages earned by such employee to a day not more than seven (7) days prior to the day of payment. The pay period shall commence each Sunday at 00:01 hours. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statement shall set forth the dated pay period, the total hours worked, the total overtime hours worked, either time and one-half or double time, the rate of wages applicable, and all deductions made from the gross amount of wages. Pay cheques shall be made available before an employee starts his shift, except under circumstances beyond the control of the Company.

- (b) Except where otherwise mutually agreed immediately prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay by separate cheque in accordance with Article 20 of this Agreement, for that period of time that he will be absent from work. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.

Section 2

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

Section 3

If an error occurs in an employee's pay cheque and the amount is equal to one (1) day or more, he shall be entitled on request to a cheque being issued in favour of such employee within two (2) working days.

Section 4 - Separation of Employment

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

ARTICLE 11

Section 1 - Paid for Time

- (a) All employees and owner operators covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.
- (b) When employees are required to ride ocean ferries with their equipment on ferry trips that exceed eight (8) hours (i.e. Port Hardy-Prince Rupert and Alaska ferries), they shall be compensated at their straight time hourly rate for one-half the total hours spent in making the trip. It is understood that the paid hours will not be used in the calculation of overtime.
- (c) Employees required to travel on public transportation or Company equipment in a deadhead manner shall be paid in accordance with Article 20, section 1 (a) (b) and (c).

Section 2 - Bereavement Leave

An employee and owner operators shall be granted a maximum of

three (3) regularly scheduled work days leave, without loss of pay or benefits in the case of death of a parent, spouse, brother, sister, child, parent-in-law, sister-in-law, brother-in-law, grandparents which includes spouse's grandparents and grandchildren. Regular employees will not have a loss of regular pay and benefits.

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

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

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

Section 3 - Jury Duty

An employee summoned to jury duty or subpoenaed as a witness concerning matters occurring during the regular course of his employment with the Company shall be paid **according to the Employment Standards Act.**

Section 4 - Medical

- (a) Where a regular employee or owner operator is required by the Company for bona fide reasons to take a medical outside of his regular hours of work, the Company shall pay to a maximum of two (2) hours straight time wages for such time spent, including instances where an employee is returning to work or is about to return to work following illness or disability.
- (b) If following a medical examination under (a) of this Section, the employee is dissatisfied with the decision of the Company doctor, the employee may seek a decision from his personal doctor. Should the decision of the Company's doctor and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist, whose speciality covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist.

The decision of the medical specialist shall be final and binding upon the Parties involved and the employee shall not suffer loss in wages or Health and Welfare Plan benefits whichever applies as a result of such examination(s).

Section 5 - Compensation Sickness Coverage

When an employee goes off work ill or on compensation or grievance is invoked on his discharge, the Company shall continue to pay

both his health and welfare plan fees and union dues, so that the employee shall be protected to the utmost provided:

- (a) the employee reimburses the Company for such contributions normally paid by said employee and is at no time more than **three (3) months** in arrears, and
- (b) the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two Parties

When an employee or owner operator returns to work, the Company shall deduct from his earnings any monies the Company has paid out that were payable by the employee.

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

Section 6 - License Tests

- (a) Whenever it becomes necessary for an employee to undertake tests for renewal of licenses or tickets, the Company shall, upon request, provide appropriate equipment for this purpose.

ARTICLE 12 - Discharge or Suspension/Management's Rights

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

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

ARTICLE 13**Section 1 - Protection of Rights**

It shall not be a violation of this Agreement or cause for discharge of any employee or owner operator in the performance of his duties to refuse to cross a legal picket line recognized by the Union.

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

Section 2 - Controversy With Other Unions

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

Section 3

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

Section 4

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

ARTICLE 14 - Technological and Mechanical Changes

Definition - technological and mechanical changes shall be defined to mean the introduction and utilization of vehicular and other equipment changes which have not previously been used with the bargaining unit by the Company and the use of which results in the termination or the laying off of regular employees.

Recognition by Parties - all parties to this Agreement recognize that technological and mechanical changes that result in the increased efficiency and productivity must be encouraged, and further that all Parties have a direct responsibility to reduce to a minimum the adverse effects that may result from such changes.

Prior Notification - the Company shall advise the Union as far in advance as possible, and not less than thirty (30) calendar days prior to the introduction of technological or mechanical changes, and the matter shall immediately become the topic of general discussion and consultation between the Company and the Union and particularly in regard to:

- (a) the effect such changes will have on the number of employees within the bargaining unit
- (b) the probable effect on working conditions
- (c) any changes in job classification

Dislocated Employees - in the event technological or mechanical changes result in a reduction in the work force or the demotion or promotion of employees, such reductions, demotions or promotions shall be done in accordance with the provisions of Article 6, Seniority, as contained herein.

Re-training and Upgrading - the parties jointly and individually will undertake with the assistance of **HRSDC** and through recognized provincial or local adult training programs, if necessary, to re-train and upgrade regular employees to enable them to become qualified and capable of performing new jobs resulting from or created by the technological or mechanical changes.

ARTICLE 15

Section 1 - Inspection Privileges

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

Section 2 - Shop Stewards

- (a) The Union shall elect or appoint **a maximum of two (2) shop stewards for every twenty employees or owner operators** from among its members in the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize shop stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to dismissal of a shop steward.
- (b) Grievances shall be processed during the normal working hours of the shop steward. A steward shall receive his regular rate of pay when grievances or pending grievances are processed with the Employer on Employer property or at any other place which is mutually agreed upon by both the Union and the Employer.
- (c) If the Employer representative is unable to meet the steward during the steward's normal working hours, the steward shall be paid for all the time spent during the processing of the grievances with the Employer on the Employer's property or at any other place which is mutually agreed upon by both the

Union and the Employer.

ARTICLE 16

Section 1 - Sanitary Conditions

Where possible and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lockers, lunchrooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the employees to use all facilities carefully, considerably without unnecessary damage and dirtiness.

ARTICLE 17

Section 1 - Union Label

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

ARTICLE 18 Paid-For Day of Accident

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

ARTICLE 19

Section 1 - Health and Welfare

A Health and Welfare Plan shall cover all Company employees. The Plan is set out in Appendix "B" and forms part of this Agreement

Section 2

The Company agrees to pay the full amount of legal costs incurred by the Union to recover any arrears in remittances for Health and Welfare Plan coverage, union dues, pension plan contributions or any other monies payable by the Company for the benefit of employees whether such money is payable to the Union or to another entity.

ARTICLE 20**Section 1 - Regular Work Day/Week**

- (a) Except as hereinafter provided, the regular work day shall consist of eight (8) consecutive hours of work between 5:00 a.m. and 6:00 p.m., not including the meal period. The regular work week shall consist of five (5) eight (8) hour days in the period from Monday to **Sunday**, with a minimum four (4) hour callout. Days off will be two consecutive days.

Where an employee exercises his seniority on a lay-off during the week which would require him to work outside the regular hours of work, he would only receive and be entitled to the shift differential as specified in the paragraph immediately following this and the displaced employee would likewise only receive the shift differential as specified.

(b) Guarantee

- (i) Any regular employee who is called out to work on a regular work day shall be paid not less than **four (4)** hours pay. Any employee who is called out to work on a sixth shift or overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours. For hours worked in excess of six (6), he shall be paid for time worked.

- (ii) When a part-time casual hourly rated employee is called and reports for duty, he shall be guaranteed a minimum of four (4) hours pay, and if he works in excess of four (4) hours shall be paid for time worked.

(c) Record of Employment

Any employee or owner operator on lay-off who requests his U.I.C. Record of Employment shall not be considered terminated.

Section 2 - Overtime Provisions

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

- (a) all time worked over and above eight (8) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs
- (b) for the first **three (3)** hours of overtime on any regular day, one and one-half times his regular rate of wages and for all time worked thereafter, the employee shall be paid double his regular rate of wages

- (c) with the exception of those employed per Article 23, Section 1 (e), the following shall apply:
- (i) for the first eight (8) hours worked on a General Holiday, an employee shall be paid double his regular rate of wages.
 - (ii) where any employee works on his regularly assigned rest day, he shall be paid at one and one-half times his regular rate for the first eight (8) hours; two and one quarter times his regular rate for the ninth (9th)
- (d) For the purpose of this Section the work week shall be from 00:01 Monday to 24:00 hours Sunday. With respect to General Holidays, the foregoing overtime provisions are in addition to eight (8) hours wages which shall be paid in any event.
- (e) Overtime shall be allocated wherever possible to capable senior employees in their classification in a voluntary manner provided, however, that upon reaching the bottom of the seniority list the employee shall be required to work overtime. **In the event there are no volunteers, the Company may seek qualified workers out of the Hall.**
- (f) Except in case of emergency or where it is unavoidable, no employee shall work weekly overtime until all regular employees in their unit have worked the full quota of regular hours, provided there are capable and qualified regular employees amongst those who have not worked their full quota of regular hours. Provided the foregoing has been complied with, seniority will prevail in classifications for the allocation of overtime.

Section 3 - General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and in the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday. The rates of pay for these general holidays will be at the regular applicable work time rate.

Owner operators will be given the above noted holidays off but without pay.

Employees entitled to those paid Holidays **shall have worked fifteen (15) of the thirty (30) calendar days** previous to the holiday.

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

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

When a general holiday falls on a regular employee's regular day off, then such employee will be granted a day off in lieu of such general holiday on either the last working day preceding or the first working day following such general holiday.

ARTICLE 21

Section 1 - Two Weeks Vacation

Upon completion of one year's service employees shall receive two (2) consecutive weeks vacation with eighty (80) hours pay at their hourly rate of pay in effect at the time they take their vacation or four percent (4%) of annual gross earnings, whichever is the greater. Vacation pay at four percent (4%) shall be paid to all employees with less than one (1) year of service.

Section 2 - Three Weeks Vacation

Any employee completing three (3) years of continuous service shall receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 6

Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment. In any such year, the employee will be credited with a maximum of five hundred (500) hours for such absence, if he has less than **one thousand and six hundred (1600)** hours of work in that year to qualify for vacation herein stipulated.

In any year where an employee has not qualified for a full vacation as a result of accident or illness, he will still be credited with a year of service to determine future vacations.

Section 7

Sixteen hundred (1600) hours shall constitute a year's service, but no employee will be permitted to accumulate more than one (1) year of service, or any additional fraction thereof in any single calendar year. However, general holidays shall count as hours worked.

Section 8

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) Where the date of commencement of employment is the anniversary date for the purpose of calculating annual vacations, employees shall receive vacations in accordance with the provisions contained in Section 1 and/or 2 , 3.
- (c) Irrespective of whether vacation benefits are calculated on the basis of (a) or (b) of this Section, vacation pay cheques will be issued to all employees in accordance with the provisions of Article 9, Section 1 (b) of this Agreement.
- (d) An employee hired after January 1st in any year, and who does not qualify for a full annual vacation, shall be paid four percent (4%) of his total wages from the date of employment to December 31st of that year.

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

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

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

Section 9

- (a) All employees entitled to more than two (2) weeks vacation may receive them in one continuous period, only if they take their vacation in the off-season. The Union and the Company may, however, waive this provision where an employee requests, for compassionate reasons, that he be granted all of his vacation continuously, within the prime season.

Prime Season defined:

May 15-September 30th inclusive
 December 15th-January 15th inclusive
 Spring Break-When it occurs

- (b) Employees entitled to three (3) weeks vacation, but whose seniority is such that they would not otherwise qualify for a vacation in the prime season, shall be given one week in that season.
- (c) Employees with the exception of those described in (b) above, requesting a vacation during the prime season shall receive

two (2) weeks in one (1) continuous period. The remainder of the vacation to which such employee is entitled shall be given during the off-season.

- (d) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business. Vacation lists shall be posted and remain posted on or before January 31st of each year.
- (e) Vacation period to start on completion of employee's normal work week, and end on the first day of his normal work week on the completion of his vacation.
- (f) Where an employee has less than **sixteen hundred (1600)** hours and is terminating employment, voluntarily or otherwise, he shall receive **4% or 6%** of his earnings in lieu of the holidays to which he is entitled.
- (g) Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any vacation period. Once vacation periods are established the time shall not be changed, except where mutually agreed between the employee and the Company.
- (h) Any employee who accepts gainful employment while on vacation may be terminated.
- (i) In the event a general holiday falls during an employee's vacation, the employee will be allowed a day off without pay in lieu of such general holiday, either immediately preceding or immediately following his vacation period. Such day off without pay in lieu of a general holiday, will be designated on the final vacation schedule.

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

ARTICLE 22

Section 1 - Savings Clause

If any Article or Section of this Agreement or any of the riders hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any rider thereto or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained shall

not be effected thereby.

Section 2 - Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 28 following.

ARTICLE 23 - Marginal Notations

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

ARTICLE 24

Section 1 - Grievance Procedure

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

Time limit to institute this Grievance Procedure:

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

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

Step 1: Any grievance of an employee shall first be taken up between such employee and the Company supervisor, however, the employee will be entitled to be represented by a Shop Steward or a Union representative.

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

Step 3: Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this Grievance Procedure, shall be referred to two (2) authorized representatives of the Union and two (2)

authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements, in writing, setting forth their respective positions relative to the matter(s) in dispute, not later than at their initial meeting.

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

Section 2

In each step of the grievance procedure, including referral to arbitration:

- (a) The party filing the grievance must proceed to the next step of the grievance procedure within twenty (20) calendar days or receiving (or should have received) the response from the other party or the grievance will be considered withdrawn.
- (b) The party responding to the grievance must reply within ten (10) calendar days of receiving the grievance or the matter will automatically be referred to the next step of the grievance procedure.
- (c) These time limits may be extended by mutual agreement of the parties, in writing.

Section 3 - Minister of Labour

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

Section 4 - Arbitrator's Decision

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

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

Section 5 - Costs

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

ARTICLE 25

Section 1 - Term of Agreement

This Agreement shall be for the period from and including date of ratification to and including November 30, 2009. Either Party to this Agreement may, within four months immediately preceding November 30, 2009 give to the other Party written notice to commence collective bargaining.

Section 2

After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under part 5 of the Labour Relations Code including the right to strike or lockout the terms and conditions of employment as set out in this Agreement will be observed and not varied except by the Parties mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

Section 3

It is mutually agreed that the operation of Section 50 of the Labour Relations Code specifically excluded from operation in this Agreement.

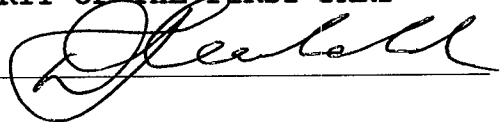
The Labour Relations Code provides as follows:

Section 50 - where a Collective Agreement is for a term of more than one year and notwithstanding the Agreement either Party may at any time after the Agreement has been in operation for 8 months apply to the Minister for leave to notify the other party that the Agreement will be terminated on its next anniversary date; and if the Minister consents and the notice to terminate is served on the other party at least three (3) months before the date on which the Agreement is to be terminated, the Agreement is terminated on that date.

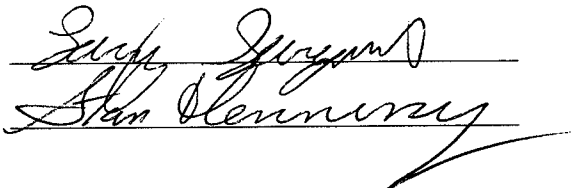
DATED THIS 29th DAY OF JANUARY, 2009

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

SIGNED ON BEHALF OF THE PARTY OF THE FIRST PART



SIGNED ON BEHALF OF THE PARTY OF THE SECOND PART



APPENDIX "A" - WAGE SCHEDULE**Company Drivers - Hourly Rates****On Ratification****Tractors \$20.40**

Note all probationary employees will be paid one dollar per hour (\$1.00) less than the full classification rate. Upon attaining regular employee status such employee will be paid fifty cents (50¢) per hour less than the full classification rate for the first six (6) months of employment.

Owner Operators - Dependent Contractors

Owner Operators will be remunerated on the basis of 70/30 revenue split. The minimum working rate shall be \$43.00 per hour. Vince Ready agreement for all container work.

APPENDIX "B" - HEALTH AND WELFARE

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted 1 July, 1971, and operated under an Agreement and Declaration of Trust revised on 26 November, 1990.

The Company's participation in the Plan will continue throughout the life of this Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) people appointed by the Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of Trustees, provided the Plan is administered in accordance with the Collective Agreement and any applicable government law or regulation.

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust, and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time.

Section 4 - Eligibility Conditions

- (a) For the purposes of this section a regular employee or member of the Union hired by the Company shall include a dependent contractor as defined under Article 4 of this Agreement. A dependent contractor shall be considered a regular employee on his date of hire.
- (b) Any member of the Union who is a regular employee in the employ of the Company on the date of this Agreement shall join the Plan on the date of this Agreement.
- (c) Any member of the Union who is hired by the Company after the date of this Agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding subparagraph "(c)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.
- (e) If an employee whose coverage has been terminated due to lay-

off is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.

Section 5 - Rehabilitative Employment

Any employee who, immediately following a period of disability for which benefits were payable under the Plan, may, with the approval of the Union, the Board of Trustees and the Company return to work on a trial basis, either on full or limited duties without right or entitlement coverage under the Plan other than would have been provided had such return to work not have occurred. It is agreed that the provisions of Article 10 Section 5 shall not apply until such period of Rehabilitative Employment ceases.

During such periods of "rehabilitative employment," it is agreed that:

- (a) The employee will be paid by the Company at his normal rate of pay for hours worked.
- (b) The duration of such rehabilitative employment shall exceed thirty (30) days only by mutual consent of all parties.

Section 6 - Benefits

Benefits provided by the Plan are established by the Board of Trustees. Benefits currently provided are:

- (a) Group Life Insurance
- (b) Accidental Death and Dismemberment Insurance
- (c) Weekly Indemnity
- (d) Long Term Disability
- (e) Dental
- (f) Extended Health
- (g) Medical Services Plan of B.C.

The amounts of coverage and details of each benefit are established by the Board of Trustees, and are subject to amendment by them from time to time.

It is understood that, should the provision of Medical Services Plan of B.C. coverage be removed from the Plan, the Company will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Company. It is further understood that entitlement to coverage for Medical Services Plan of B.C. coverage will be identical to entitlement to coverage under the Plan.

Section 7 - Cost

The Company shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees for any

month in which an employee is covered by the Plan for one day or more. Owner operators will pay 100% deducted by the Company; 100% company paid for company drivers.

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C. Medical Plan. This means that the Company will be responsible for any monies required to keep the Plan whole.

Section 8 - Payment

Contributions will be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the month for which coverage is required.

Payment of contributions by the Company shall be subject to the conditions and provisions of Article 22 of this Agreement.

Section 9 - Termination of Coverage

Except as provided under Article 10, Section 5, hereunder,

- (a) All coverage under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- (b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverage will terminate at the end of the month in which termination of employment occurs.
- (c) It shall be the responsibility of the Company to advise the Administrator of the Plan in a timely fashion of termination of a member's coverage and the Company will be held responsible for any costs incurred by the Board of Trustees that result from late notification of termination of coverage.

Section 10 - Failure to Remit Contributions

It is agreed that, if the Company fails to remit contributions due under this Agreement on behalf of any eligible employee, the Company shall be liable for the payment of all benefits the employee does not receive from the Health and Welfare Plan but would have received had the Company remitted the required contributions.

Section 11 - General

- (a) It shall be the responsibilities of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.

- (b) It shall be the responsibility of the Company to provide the employee the necessary forms to enrol and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C"**Section 1**

The Teamster - B.C. Master Employees' Pension Plan is designed to supplement other forms of pension an employee may have.

The Company together with other Companies signing a Collective Agreement that is the same or substantially the same as the B.C. Master Cartage and Warehousing Agreement on the one Part, and the General Truck Drivers and Helpers Union, Local 31 on the other Part, have together established a Pension Plan to be known and described as:

Teamsters - B.C. Master Employees Pension Plan

The Plan will continue throughout the life of the Collective Agreement.

The Plan will operate under the supervision and guidance of 5 Trustees appointed by the Companies and 5 Trustees appointed by the Union.

The Plan and the activities of the Trustees will be governed by a Trust Agreement aforesaid.

The following eligibility conditions shall apply to the Plan:

- (a) Any member of the Union who is a regular employee in the employ of the Companies described as part one above on the effective date of the Plan shall join the Plan from that date.
- (b) Any member of the Union who is hired by the Companies after the effective date shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee.
- (c) Notwithstanding the provisions of Sub-Section (b) of this Section, any member of the Union who is hired by the Company after the effective date of the Plan shall join the Plan as an active participant on the day he is so hired, provided that within the previous thirty (30) day period he was a participant in the Plan.
- (d) Notwithstanding the provisions of Sub-Section (b) of this Section, any member of the Union hired as replacement for regular employees shall join the Plan on the first day of the month following the month in which the employee is hired.

Section 2

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

Section 3

The cost of the Plan shall be borne by the Companies.

The Company shall contribute in respect of each employee at a rate of contribution for each hour worked as follows:

- (1) All straight time hours worked by (or paid for) an eligible regular employee, not to exceed 40 hours per week or 168 hours per month, except:
 - (a) Any Company driver working a four day work week shall be entitled to 40 hours per week, provided the employee works each day of the stipulated work week.
- (2) All hours, but no more than 168 hours per month, for an employee within the regular bargaining unit on leave of absence by reason of their being appointed or elected to a part-time or full-time position in the Union. (These contributions shall be paid by the Union).
- (3) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:
 - bereavement leave
 - vacation pay
 - statutory holiday pay

No contributions are required to be paid for:

- change in shift penalty
- call time - where a call involves a four hour minimum embodying call time and hours worked, only hours worked are contributed for
- severance allowance

The following rate of contribution shall apply:

Effective Date - Cents Per Hour

Date of ratification 50¢

Contributions shall be made on a calendar month basis for each regular employee and the Companies shall submit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the following calendar month.

UNION/INDUSTRY ADVANCEMENT FUND

Effective the date of ratification the Company will pay five cents per hour for all straight-time hours worked to a maximum of 168 hours per month worked for Dependant Contractors and five cents (5¢) per hour for company drivers to a maximum of eight (8) hours.

LETTER OF UNDERSTANDING

BETWEEN: COARD TRANSPORTATION GROUP


AND: TEAMSTERS LOCAL UNION NO. 31

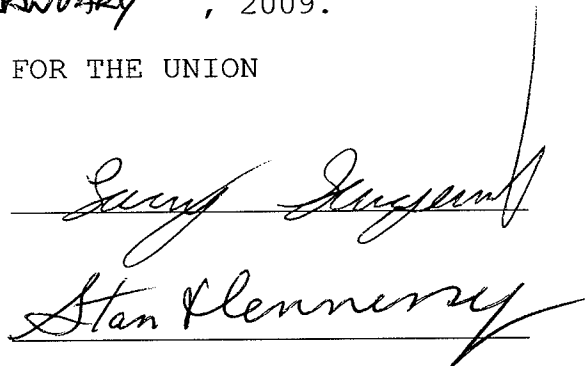
This letter of understanding is to confirm that Ed McKelvey falls under the Grandfather clause in that he will continue to receive five (5) weeks vacation yearly.

SIGNED THIS 29th DAY OF JANUARY, 2009.

FOR THE COMPANY

FOR THE UNION





Schedule 2: Rates in Effect from August 1, 2006

From/To	Vanterm Centerm	Deltaport	FSD	CP	CN
Vancouver Docks	\$100	\$135	\$120	\$135	\$135
North Vancouver	\$105	\$140	\$135	\$145	\$145
West Vancouver	\$110	\$145	\$140	\$150	\$150
Burnaby North	\$105	\$135	\$110	\$120	\$120
Burnaby South (S of Hwy 1)	\$110	\$135	\$105	\$120	\$130
Richmond North	\$105	\$120	\$105	\$135	\$135
Richmond South (S of Westminster)	\$110	\$110	\$105	\$140	\$135
Annacis Island	\$120	\$120	\$100	\$130	\$130
New Westminster	\$115	\$135	\$105	\$120	\$130
Coquitlam	\$115	\$135	\$110	\$110	\$115
Port Moody/Port Coquitlam	\$120	\$145	\$115	\$105	\$120
Pitt Meadows	\$135	\$150	\$120	\$100	\$130
Haney/Maple Ridge	\$140	\$160	\$135	\$105	\$135
Surrey North (N of 72, W of 152, FSD)	\$120	\$120	\$100	\$120	\$110
Delta North (Tillbury)	\$135	\$100	\$100	\$135	\$130
Surrey South (includes White Rock)	\$135	\$120	\$120	\$150	\$120
Cloverdale	\$135	\$135	\$115	\$130	\$100
Port Kells (N of Hwy, W of 208)	\$135	\$145	\$110	\$130	\$100
Langley City	\$145	\$135	\$120	\$135	\$105
Langley South (S of 40)	\$165	\$120	\$120	\$145	\$110
Pacific Hwy	\$165	\$120	\$120	\$145	\$110
Fort Langley/Aldergrove	\$155	\$165	\$135	\$155	\$120
Abbotsford/Clearbrook	\$175	\$175	\$160	\$165	\$135
Mission	\$175	\$185	\$165	\$145	\$145
Chilliwack/Sardis	\$200	\$200	\$185	\$185	\$175