

**BRITISH COLUMBIA**

**MEMORANDUM OF AGREEMENT made this                    day of                    , 2009.**

**BETWEEN:**                    **CANADA DRAYAGE INC.**  
(hereinafter called the "**Company**")

**OF THE FIRST PART**

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

**OF THE SECOND PART**

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

**ARTICLE 1**

**Section 1 - Recognition**

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

**Section 2 - Union Co-operation**

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

**ARTICLE 2**

**Section 1 - Certificate of Bargaining Authority**

The Company agrees to recognize the Union as the sole bargaining agent for:

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

**Section 2 - Bargaining Authority**

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

### **ARTICLE 3**

#### **Section 1 - Posting of Agreement**

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

#### **Section 2 - Check-off**

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

#### **Section 3 - Union Shop**

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

When additional employees are required within an area which is serviced by a permanently established and operating Union Hiring Hall, the Company shall give the Union first opportunity to supply suitable members for employment.

#### **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, such equipment shall only be used or hired 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.
- (d) The Company agrees not to contract out any work normally performed by employees covered by this Agreement.
- (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.
- (g) Where physically possible and where such work is under the control and direction of the Company, the stripping and loading of containers shall be done by members of the Union, except where otherwise mutually agreed.

#### **ARTICLE 4**

##### **Section 1 - Regular Employee**

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

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

#### **ARTICLE 5**

##### **Section 1 - Conflicting Agreements**

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

##### **Section 2 - Transfer of Company Title or Interest**

This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. In the event an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Company shall

notify the Union in writing, not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership or bankruptcy proceeding, not including financial arrangements thereof.

### **Section 3 - Protection of Conditions**

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

## **ARTICLE 6**

### **Section 1 - Seniority**

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

### **Section 2**

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

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

### **Section 3**

All newly hired employees shall be considered as probationary employees for the first ninety (90) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid-off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid-off and the reasons therefor with written notification to the Union Dispatcher.

Upon the conclusion of any ninety (90) calendar day period during which a probationary employee has worked two hundred and forty (240) hours, the employee's name shall forthwith be placed on the regular employees' seniority list, effective from the first day of employment of the ninety (90) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement with the exception of those as specified, i.e. Health and Welfare provisions.

### **Section 4**

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

### **Section 5**

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

### **Section 6**

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

### **Section 7**

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

### **Section 8**

Any employee who has been on lack of work lay-off for six months (6) 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 one year (1).

### **Section 9 - Leave of Absence**

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

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

- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union in writing and seniority will accrue during such extensions.
- (iii) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.
- (iv) If an employee, employed in a classification requiring a drivers license, suffers the revocation of his drivers license, he will be re-classified provided he is capable and work is available and such work will not result in the bumping of regular employees. If such

employee cannot be re-classified, the Company may grant a leave of absence to such an employee who has suffered a revocation of his drivers license of up to twelve (12) months duration in writing with a copy to the Union. The employee may only take advantage of this section once while in the employ of the Company.

- (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
  - (vi) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be re-classified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examinations.
- (b) When an employee within the bargaining unit covered by this Agreement receives leave of absence in writing with a copy to the Union to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit.

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

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

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

## **ARTICLE 7**

### **Section 1 - Meal Period**

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

Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to paid time off for the purpose of eating at the end of his regular shift, except in a situation where interruption of work is

not practical in which event the period may be staggered or postponed. Such meal period shall be paid at the applicable overtime rate of pay as provided in article 22, section 2 of this Agreement.

## **Section 2 Rest Breaks**

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

## **ARTICLE 8**

### **Section 1 - Safety Conditions**

- (a) Maintenance of Equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the employee to report in writing on the appropriate forms of the company, promptly, but not later than the end of the shift, trip, or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. All line-haul trucks and tractors to be equipped with trouble sheets in triplicate book form, and the book with one (1) copy to remain in the vehicle at all times.
- (c) Within thirty (30) days following ratification of this Agreement, all employees shall be enrolled into a Direct Deposit Program. Direct Deposit shall be made to the bank account of the employee's choosing. During the life of this Agreement, the Employer shall have the right to alter the pay period, provided the Employer provides all affected Parties with ninety (90) days written notice.
- (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 do correct the safety and/or mechanical defect.

## **ARTICLE 9**

### **Section 1 - Pay Period**

- (a) Except as otherwise mutually agreed between the Parties all regular employees covered by this Agreement shall be paid 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 miles driven or paid for, the total overtime hours worked, either time and one-half or double time, the rate of wages applicable and all deductions made from the gross amount of wages. Pay cheques shall be made available before an employee starts his shift except under circumstances beyond the control of the Company. Where this section applies to Interior employees, the payday will be Thursday afternoon unless other arrangements have been agreed to between the Union and the Company.

- (b) Except where otherwise mutually agreed immediately prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay by separate cheque in accordance with article 25 of this Agreement, for that period of time that he will be absent from work. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.
- (c) The Company agrees to use direct deposit.

## **Section 2**

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

## **Section 3**

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 10**

### **Section 1 - Paid for Time**

- (a) All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.

### **Section 2 - Bereavement Leave**

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

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

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



operation of the business.

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

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

### **Section 3**

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

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

### **Section 4**

- (a) Any Company or Government required physical or medical examination shall be promptly complied with by all employees provided, however, the Company shall pay for all such physical or medical examinations or for any time lost as a result thereof during his working hours. Notice shall be one (1) week in writing.

Where a regular employee is required by the Company to take a medical outside of his regular hours of work, the Company shall pay, to a maximum of two (2) hours straight time, wages for such time spent excepting in instances where an employee is returning to work or is about to return to work following illness or disability. Notice shall be one (1) week in writing.

- (b) If following a medical examination under (a) of this section, the employee is dissatisfied with the decision of the Company doctor, the employee may seek a decision from his personal doctor. Should the decision of the Company's doctor and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist whose speciality covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist.

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

- (c) An employee who has been absent from work because of illness or accident shall not suffer a reduction in his regular wages only because the Company requires a medical examination prior to the employee resuming work. If such employee is entitled to work under seniority and recall procedures, he will be paid his regular wages for each day or days until he returns to work, provided the Company medical examiner certifies the employee fit to resume work.

### Section 5 - Compensation Sickness Coverage

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

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

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

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

### Section 6 - Licence Tests

- (a) Whenever it becomes necessary for an employee to undertake **road** tests for renewal of licences or tickets, the Company shall upon request provide appropriate equipment for this purpose. Time taken off for such purpose shall be paid for at the employee's straight time rate.
- (b) Any driver with one (1) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's licence shall receive a Company contribution up to one hundred dollars (\$100.00) with receipt.

### Section 7 - Sick Leave

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

- (a) All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half (1/2) day per employed month to a maximum of **six (6)** days. The accumulation of paid sick leave shall be based on the following provisions.
  - (i) The employee shall begin accumulation of sick leave at the start of the pay period immediately following the date he completes one (1) year of continuous employment.
  - (ii) The employee must be paid for not less than one hundred and forty-five hours at regular pay in a four (4) week period to be credited for a half (1/2) day in that month including vacation and general holidays.
  - (iii) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.
- (b) Where any absence, occasioned by sickness or accident is not covered for payment for either the Teamsters - Transport Health and Welfare Trust Plan or Workers' Compensation, paid sick leave shall be applied as follows:

- (i) 1/2 day's pay for first sickness of the year and full day (1) for each sick day after.
  - (ii) One (1) full day's pay for each of the second (2nd) and third (3rd) days of sickness, provided those days are regular work days.
  - (iii) A day's pay for employees will be nine (9) hours pay at the regular hourly rate for his classification.
  - (iv) It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.
- (c) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.
- (d) A medical certificate may be required to claim benefits under this provision.

**ARTICLE 11 WORK ASSIGNMENTS**

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

**ARTICLE 12 DISCHARGE OR SUSPENSION - MANAGEMENT'S RIGHTS**

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

1. to maintain order, discipline and efficiency;
2. to discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause;
3. to increase and decrease working forces;
4. to make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union; and
5. an employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee provided the employee has had no additional discipline during this twelve (12) month period.

**ARTICLE 13**

**Section 1 - Protection of Rights**

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

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

**Section 2 - Controversy With Other Unions**

If a dispute arises as the result of the employees of a Company bound by the terms of the B.C. Master Freight and Cartage Agreement handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of Teamsters Canada, 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; and
- (c) any changes in job classifications.

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 7, seniority as contained herein.

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

## **ARTICLE 16**

### **Section 1 - Sanitary Conditions**

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

### **Section 2 - First Aid Supplies**

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

### **Section 3 - First-Aid Attendant**

Any employee holding a first-aid certificate recognized under the Workers' Compensation Board regulations who is designated by the Company to carry out duties of a first-aid attendant, Class C, shall receive in addition to his regular rate as provided in Schedule "A" herein a premium of fifty (50) cents per hour. The

employer shall be responsible for the cost of maintaining or upgrading the employee's first-aid certificate to the extent that course fees will be paid by the Employer.

## **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.

### **Section 2 - Uniforms Supplied**

- (a) Where any employee is required to wear any kind of uniform or coveralls as a condition of continued employment, such uniform or coveralls shall be furnished and maintained by the Company at no cost to the employee.
- (b) Where the Company makes it a condition of employment for all regular employees to wear safety-toed boots, the Company will provide a one hundred and twenty-five dollar (\$125.00) annual boot allowance upon receipt not sooner than the anniversary date of the employee's seniority.

## **ARTICLE 18**

Drivers will be notified not less than **two (2)** hours prior to their regular start time if they are not required for their shift. Where possible, employees will be notified not less than four (4) hours prior to the start of the shift if they are not required. The employee will notify the employer four (4) hours in advance, where possible, that they are unable to work.

## **ARTICLE 19**

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

## **ARTICLE 20**

### **Section 1 - Chargehand Defined**

A chargehand, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend, or discipline employees. He shall be a member of the Union and shall have seniority in accordance with article 7 herein.

## **ARTICLE 21**

### **Section 1 - Health and Welfare**

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

hereunder annexed and forming part of this Agreement.

### **Section 2 - Pension**

The Teamsters National Pension Plan covering members of the Union as set out in appendix "D" hereunto annexed and forming part of this Agreement shall continue.

### **Section 3 - Payment of Dues and Contributions**

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

### **Section 4 - Trust Agreement**

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

### **Section 5 - Delinquency**

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

## **ARTICLE 22**

### **Section 1 - Regular Work Day/Week**

- (a) Except as hereinafter provided, the regular work day shall consist of **nine (9)** consecutive hours of work between 6:00 a.m. and 6:00 p.m. not including the meal period. The regular work week shall

consist of five (5) consecutive days with two (2) consecutive days off. The Company may designate any five (5) day work week in the period from Monday to Sunday, both days included, with any two (2) consecutive days as regular assigned days off.

(b) **Shift Differential**

An employee who commences work at 4:00 p.m. or later or prior to 6:00 a.m. shall be guaranteed a \$1.00 per hour shift differential for all hours worked.

(c) **Daily Guarantee**

(i) If a regular full-time employee gets called in to work, he should be paid for five (5) hours. If he works over five (5) hours he gets paid seven (7) hours; if he works over seven (7) hours he gets paid nine (9) hours. Casual employees receive a four (4) hour callout.

(ii) A casual employee shall be guaranteed a minimum call-out of four (4) hours.

(d) **Posting Regular Shift**

The time of an hourly rated employee's regular shift for the following week shall be posted or given to him prior to the time he completes his current **day's** work. In the event of failure to post or give such notice, it shall be presumed that the times of his shift for the following week shall be the same as the current week. An employee shall have the same starting time for each day of the week **whenever possible**.

(e) **Record of Employment**

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

**Section 2 - Overtime Provisions**

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

- (a) All time worked over and above nine (9) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs. Overtime shall be paid at one and one-half (1 ½) times the regular rate of pay.

Where a regular employee misses a full day's work in a work week he/she can make up the lost shift at regular time on the sixth or seventh day provided that work is available and that the employee has the seniority and qualifications to perform the work. The Company shall attempt to ensure that all regular employees who have not worked five (5) shifts during the work week in any configuration shall be given additional hours prior to other regular employees who have worked a full work week are offered overtime. Should further employees be required to work, the Company will call in all casuals prior to assigning work on an overtime basis to regular employees on a reverse seniority basis.

- (b) For all hours worked on a sixth or seventh (6<sup>th</sup> or 7<sup>th</sup>) shift or general holiday, an employee shall be paid one and one-half times (1 ½ times) his regular rate of wages for the first ten (10) hours and two times (2) the hourly rate for all hours thereafter.



- (i) For all employees assigned to a Monday to Friday work week, Saturday and Sunday shall be sixth and seventh shifts.
- (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 ten (10) hours and two times (2) the hourly rate for all hours thereafter.
- (c) 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.
- (d) 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.
- (e) 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.

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

Employees in receipt of Workers' Compensation Wage Loss Benefits or Weekly Indemnity shall not be paid for the general holidays as designated herein.

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 23**

**Section 1 - Two Weeks Vacation**

Upon completion of one year's service employees shall receive two (2) consecutive weeks vacation with pay calculated at four percent (4%) of annual gross earnings. 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 thereafter receive six percent (6%) at the time they take their vacation.

**Section 3 - Four Weeks Vacation**

All employees with nine (9) years or more continuous service shall thereafter receive eight percent at the time they take their vacation.

**Section 4 - Five Weeks Vacation**

All employees with fifteen (15) years or more continuous service shall thereafter receive ten percent (10%) at the time they take their vacation.

**Section 5**

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 eighteen hundred (1800) 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 6**

Eighteen hundred (1800) 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 7**

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) An employee hired after January 1st in any year and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of that year.

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

- (c) 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 8**

- (a) All employees entitled to more than two (2) weeks vacation may receive them in one continuous period except in prime season. In prime season, vacation time will be limited to twenty percent (20%) of the employees. Prime season is defined as follows:

June 1st	-	September 30th inclusive
December 15th	-	January 15th inclusive
Spring Break	-	When it occurs

- (b) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business. Vacation lists shall be posted and remain posted on or before January 31st of each year.
- (c) Vacation period to start on completion of employee's normal work week, and end on the first day of his normal work week on the completion of his vacation.
- (d) Where an employee has less than eighteen hundred (1800) hours and is terminating employment, voluntarily or otherwise, he shall receive 4%, 6%, 8%, 10% or 12% of his earnings in lieu of the holidays to which he is entitled.
- (e) Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any vacation period. Once vacation periods are established the time shall not be changed except where mutually agreed between the employee and the Company.
- (f) Any employee who accepts gainful employment while on vacation may be terminated,.
- (g) Any regular employee receiving a differential or premium pay on a regular basis, this differential or premium will become part of his regular hourly rate of pay, and shall be paid on all general holidays and annual vacations.
- (h) In the event a general holiday falls during an employee's vacation, the employee will be allowed a day off without pay in lieu of such general holiday, either immediately preceding or immediately following his vacation period. Such day off without pay in lieu of a general holiday will be designated on the final vacation schedule.

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

- (i) All casual employees who are hired for vacation relief during the prime season (as outlined in Article 23 Section 8(a)) shall be classified and posted as "Vacation Relief Employees". Such employees shall be regular employees subject to all the conditions provided in this agreement for regular employees, except when such an employee is laid off during or at the end of the vacation season. Layoff, recall and seniority provisions do not apply.

**ARTICLE 24**

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

**ARTICLE 25**

**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 27 following.

**ARTICLE 26**

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 27**

**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 - fifteen (15) 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. A decision shall be rendered within ten (10) days from the date that the grievance was heard at Step 1.

- 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. A decision shall be rendered within fifteen (15) days from the date that the grievance was heard at Step 2.
- 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. A decision shall be rendered within fifteen (15) days from the date that the grievance was heard at Step 3.
- 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. It shall be the responsibility of the party desiring arbitration to so inform the other party within thirty (30) calendar days of a decision being rendered at Step 3.

**Section 2 - 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 3 - Costs**

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

**Section 4**

Time limits specified herein for the grievance and arbitration procedures may be extended by mutual agreement of the parties in writing.

**ARTICLE 28**

**Section 1 - Term of Agreement**

This Agreement shall be in full force and effect from the 1st day of September, 2008, until the 31st day of December, 2010 and shall remain in full force and effect from year to year thereafter provided that either Party may, within four months preceding the latter date recorded above, 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 Agreement, or a new Agreement.

**Section 2**

Should either Party give such written notice aforesaid to the other Party, this Agreement shall continue and remain in full force and effect until the Union commences a strike or the Company commences a lock-out, or until the Parties conclude a renewal or revision of the Agreement or a new 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.

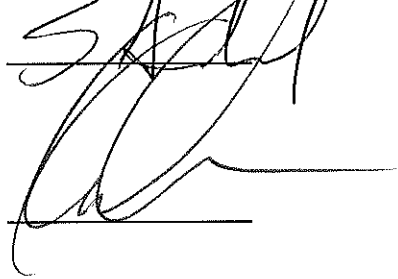
**The Labour Relations Code provides as follows:**

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.

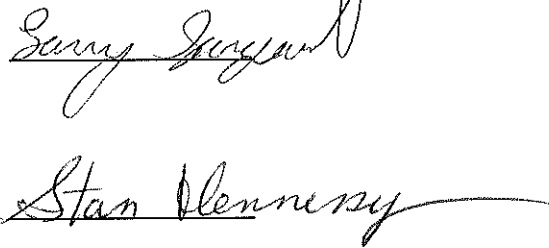
DATED THIS 1<sup>st</sup> DAY OF APRIL, 2009.

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

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher.

SIGNED ON BEHALF OF THE  
PARTY OF THE SECOND PART

Two handwritten signatures in black ink, written over horizontal lines. The top signature is 'Garry Fitzgerald' and the bottom signature is 'Stan Hennessy'. Both are written in a cursive style.

**APPENDIX "A" - WAGE SCHEDULE**

<b>CLASSIFICATION</b>	<b>FEB. 21/09</b>	<b>JAN. 1/10</b>
Driver	\$20.60	\$21.05

Hourly Rate for Leadhands and Trainers: \$0.50 per hour above regular rate retroactive to expiry of previous contract.

## APPENDIX "B" - HEALTH AND WELFARE

### Section 1 - Participation

It is agreed that the Company will participate in the Teamsters National Benefit 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 any employee is covered by the Plan for one day or more.

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C. Medical Plan. This means that the Company will be responsible for any monies 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 coverages under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- (b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverages will terminate at the end of the month in which termination of employment occurs.
- (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"**

**TEAMSTERS NATIONAL PENSION PLAN**

**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 National 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.
- (2) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:
  - jury duty
  - bereavement leave
  - vacation pay
  - statutory holiday pay
  - special personal floating holiday pay

Non-contributed reported hours

- WCB
- Weekly indemnity

The following rate of contribution shall apply:

Effective Date	Cents Per Hour
September 1, 2006	50¢
September 1, 2007	75¢

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.

**APPENDIX "D"**  
**TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND**

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

The Employer shall make contributions of five cents (\$.05) per hour for which wages are payable hereunder for each employee and dependent contractor covered by this Collective Agreement.

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

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