

**BRITISH COLUMBIA
COLLECTIVE AGREEMENT**

MEMORANDUM OF AGREEMENT made this day of , 2010

BETWEEN: **AIRGAS CANADA 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, except for Outside Salespersons.**

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, and when hired by the Company, will be informed by the Company that he has to become a member of the Union as condition of employment and that he must sign the authorization cards provided by the Company 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 fifteen (15) days from the date that the deduction was made from the employees' wages.

Section 3 - Union Shop

Every employed 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.

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.

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

Section 4 - Union Security

- (a) Every motor vehicle and every piece of mobile equipment used by the Company, or leased by the Company, **to perform bargaining unit work** shall be operated by a member of the Union.

The Company agrees that where leased or hired equipment is engaged on any basis, the Company shall first make every effort to obtain equipment from a company, individual or firm whose employees are covered by a collective agreement with Teamsters Local Union No. 31 and, if such company, individual or firm can provide comparable service at a competitive cost, then the Company shall engage such company, individual or firm.

- (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.
- (e) Provided capable employees are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (f) 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 a Company tries to contact any regular employee who is either on lay-off in excess of two weeks or has failed to report for duty within twenty-four (24) hours of contact, and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal.

Section 2 - Casual Employees

A Casual Employee shall:

- (a) be hired on an incidental and temporary basis to provide for additional manpower;
- (b) be carried on a regular casual employee's seniority list in a branch or division not serviced by a union hiring hall as provided under article 3, section 3 (b), paragraph 1;
- (c) be given first opportunity to qualify as a regular employee as openings become available, providing he meets all Company qualifications and requirements;
- (d) not be covered under the provisions of the Health and Welfare Plan until such time as he becomes a regular employee; and

ARTICLE 5

Section 1 - Conflicting Agreements

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

Section 2 - Transfer of Company Title or Interest

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

Section 3 - Protection of Conditions

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

Section 4 - New Equipment and Classifications

Prior to any new types of equipment which produce a material change in the performance of bargaining unit work 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 and the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Companies and the Union shall finalize within thirty (30) days after such implementation a rate to be established and such rate to be retro-active to date of implementation.

ARTICLE 6

Section 1 - Seniority

Seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job or jobs. **In 2010 employees at Delta have super-seniority over employees at the Surrey location. Any newly-hired employees will have seniority as per Article 6 Section 3 – Probation.**

Section 2 – Job Postings

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, given all training reasonably required, and a reasonable 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 - Probation

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

Upon the conclusion of any forty-five (45) working day period during which a probationary employee has worked, the employee's name shall forthwith be placed on the regular employees' seniority list, effective from the first day of employment of the forty-five (45) working day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Section 4 – Terminal Closure

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

Section 5 – Casual Employees

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

Section 6 – Seniority List

Within each branch and/or division the Company will post and maintain seniority listings. Such up-to date listings will be posted annually in January and July of each year. Such lists to state name and starting date of employee.

Section 7 – Loss of Seniority

When an employee's employment is terminated by the Company for just 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 8 – Purchase of Another Company

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 Teamsters, the seniority of such employees shall be computed from the date that they respectively first became employees of the business aforesaid.

Section 9 - Recall

Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the

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

Section 10

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. The Company agrees to exercise its discretion reasonably.
- 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.
- (vii) For greater certainty, all leaves of absence granted under the aforementioned shall be without pay.

Transfer from Bargaining Unit

- (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 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.

Section 11 – Severance Provisions

- (a) **Severance pay shall apply to any employee who is covered by the terms of this Agreement, provided that his/her termination arises out of or is attributable to:**
- a. **A decrease in the number of jobs due to loss of business, or**
 - b. **The introduction of equipment or any method of operation which reduces the number of employees as defined in Article 14 (Section 1), herein, provided he/she has one (1) year or more of continuous service with the Company.**
- (b) **Severance pay shall accrue at the rate of one weeks' full pay based on an employees' pay at the time of the severance, for each year of service commencing after the first (1st) year of service, to a maximum of eight (8) weeks pay.**

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 of **not less than thirty (30) minutes unpaid time.**

No employee shall be required to take a meal period before he has been on duty for three and one half (3 1/2) hours or after he has been on duty five (5) hours.

Section 2 Rest Breaks

Any employee shall be entitled to one (1) **paid** 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.
- (b) It shall be the duty of the employee to report, in writing, on the appropriate forms of the company, promptly, but not later than the end of the shift, trip or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. All line-haul trucks and tractors to be equipped with trouble sheets in triplicate book form, and the book with one (1) copy to remain in the vehicle at all times.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service until repaired and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.
- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) In order to provide adequate vision, front and rear, the Company shall install heaters, mirrors and heated defrosters on all trucks and tractors; the mirrors to be of a size not less than 6" x 12", except where a smaller size or a different type is more adequate to the safe operation of the vehicle. Also, convex mirrors on the right hand side of the vehicle will be made available where required and where necessary. Also, convex mirrors on both sides of tractor will be made available where required and where necessary.
- (g) An employee will not be required to operate fork lifts on public streets or highways, if in the opinion of the employee, such machine does not have adequate visibility for its safe operation.
- (h) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (i) All warehouses shall be equipped with efficient and safe loading plates properly anchored.

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.
- (j) All trucks used during hours of darkness will be equipped with back-up lights.
- (k) The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.

ARTICLE 9**Section 1 - Pay Period**

- (a) Except as otherwise mutually agreed between the Parties all regular employees covered by this Agreement shall be paid 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 24, section 8(c) 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 – Error in Pay

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 five (5) working days.

Section 3 - Record of Employment

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due and deliver the Record of Employment to the employee as soon as possible, but not later than five (5) working 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 three (3) regularly scheduled work days leave, without loss of pay or benefits, in case of death of a parent, spouse, brother, sister, child, step child, legal guardian, and a maximum of three (3) days leave, without loss of pay, in the case of death of a parent-in-law, sister or brother-in-law, grandparents which includes spousal grandparents and grandchildren.

Bereavement leave is not compensable when the employee is on leave of absence or bona fide lay-off. However, if any of the aforementioned deaths occur during an employee's vacation, then bereavement leave

shall not be counted as vacation time and the vacation time shall be extended by three (3) days, or a maximum of three (3) days, whichever is applicable.

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 is not inconsistent with the efficient operation of the business.

A working day lost shall not be more than eight (8) hours for hourly employees.

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

Section 3 - Leave for Court Appearance

- (a) The Employer shall grant leave with regular pay, including sufficient time to travel, to employees other than employees on leave without pay who serve as jurors or witnesses in a court action, provided such court action is not occasioned by the employees' personal affairs.
- (b) In cases where an employee's personal affairs have occasioned a court appearance, such leave to attend a court shall be without pay.
- (c) An employee in receipt of his/her regular pay while serving at court shall remit to the Employer all monies paid to him/her by the court, except travelling and meal expenses not reimbursed by the Employer.
- (d) Time spent at court by an employee in his/her official capacity shall be at his/her regular pay.
- (e) Court actions arising from employment, requiring attendance at court, shall be with regular pay.
- (f) In the event an accused employee is jailed pending a court appearance, such leave of absence shall be without pay.
- (g) If an employee is required to attend at court under (d) and (e) above on a day of rest, his/her schedule shall be awarded another day off and the day off shall be taken at a mutually agreeable time.

Section 4 – Physical Examination

- (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 and for any time lost as a result thereof during his working hours.

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

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

such a specialist.

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

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

Section 5 - Compensation Sickness Coverage

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

- (a) the employee reimburses the Company for such contributions normally paid by said employee and is at no time more than five (5) months in arrears; and
- (b) the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two Parties; and
- (c) the provisions of this section do not apply to an employee who must take a physical examination and/or test occasioned by the loss of his licence due to a conviction for impaired driving.

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 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 license shall receive a Company contribution to a maximum of forty dollars (\$40.00) to the cost of the examination, provided a receipt is submitted to the Company.
- (c) The provisions of this section do not apply to an employee who must take a physical examination and/or test occasioned by the loss of his licence due to a conviction for impaired driving.

Section 7 – Sick Days

The employees shall be entitled to six (6) paid sick days per year, with any unused days at the end of the service year paid out at **one hundred dollars (\$100.00)** per day. **Surrey employees will be granted sick**

days according to the collective agreement effective January 1, 2011.

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.
- (c) **Management and unrepresented employees may perform incidental bargaining unit work such as for training and instructional purposes; maintenance and operational check of equipment and systems; in cases of imminent safety risk; and to facilitate customer needs. The performance of this work will not be to deprive laid-off employees of work nor active employee's significant overtime opportunity.**

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, or suspend, for just cause, direct or transfer employees from one classification to another;
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. Such rules and regulations must be reasonable and not in conflict with this Agreement;
5. an employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee.

ARTICLE 13

Section 1 - Protection of Rights

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

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

lines.

In the event that the Company is required to deliver product which is necessary for the preservation of human life to a customer who is affected by a labour dispute, the Union will meet with the Employer immediately and, if satisfied that the product which is to be delivered is indeed required for the preservation of human life, will undertake to use its best efforts to secure the permission of the bargaining agent involved to deliver such product.

Section 2 - Controversy With Other Unions

It shall not be a violation of this Agreement or cause for discipline in any form for an employee to refuse to handle, receive, ship, transport or deal with in any manner, materials, equipment or services affected by a labour dispute which has not been declared illegal by a court of competent jurisdiction.

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 – No Strike or Lockout

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 ninety (90) 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 minimization of 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 6, "Seniority" as contained herein.

Re-training and Upgrading: The Parties jointly and individually will undertake with the assistance of Labour

Canada 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 considerately without unnecessary damage and dirtiness.
- (b) All new terminals shall be adequately equipped with facilities as per section 1 (a) above where required.

Section 2 - First Aid Supplies

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

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 inches (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

The employees shall receive five (5) shirts and three (3) pairs of pants. The employees are entitled to replacement of shirts and pants, if necessary, every six (6) months.

Section 3 - Protective Clothing

- (a) Any employee who is exposed to a hazard by reason of handling toxic or noxious chemicals shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations and the cost shall be borne by the Company.
- (b) Where the Company makes it a condition of employment for all employees to wear safety-toed boots, the Company will supply same or allow the employees to purchase same and be reimbursed up to a maximum of one hundred dollars (\$100.00) by the Company provided that a receipt is provided. Such boots shall be replaced as necessary and as mutually agreed.

ARTICLE 18 – Start Times

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty except as otherwise mutually agreed by the Parties hereto. Time shall be posted and remain posted until 9:00 a.m. the following day.

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 - Pay For Change in Classification

When an employee from a higher rated classification is requested to work temporarily or until permanently re-classified at a lower-rated classification, he shall continue to be paid at the rate paid for the higher-rated classification.

Where an employee from a lower-rated classification is requested to work in a higher-rated classification for more than two hours, he shall be paid for the entire day at the rate paid for the higher-rated classification.

An employee who is required, as a condition of employment, to be the holder of a valid and subsisting licence

shall receive the appropriate rate of pay for whichever license he is required to hold. This clause shall not apply if an employee exercises his seniority into a different classification.

Section 2 - 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 or indirectly hire, fire, suspend or discipline employees. He shall be a member of the Union and shall have seniority in accordance with article 7 herein.

Section 3 – Room and Board

Any employee temporarily assigned by the Company to a terminal or operation located beyond reasonable commuting distance shall be reimbursed by the Company for reasonable expenditures for room and board.

ARTICLE 21 – Rates Of Pay

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

ARTICLE 22

Section 1 - Health and Welfare

The Teamsters - Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members of the Union as set out in appendix "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan as set out in appendix "B" hereunder annexed and forming part of this Agreement. **Effective September 1, 2010, all bargaining unit employees will be covered by the Teamster Plan. Surrey employees that paid premiums in July and August for Company benefits and BC Benefit Plan will be reimbursed.**

Section 2 - Payment of Dues and Contributions

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

Section 3 - Trust Agreement

The Company agrees that it shall be bound by the terms and conditions 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 4 - Delinquency

- (a) The Company acknowledges that the trustees of the Health and Welfare Plan and 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 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 23 – Hours of Work

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 6:00 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 Friday, both days included with Saturday and Sunday as regular assigned days off.

- (b) Night Bonus

Employees, other than regular shift employees, who work during the hours 6:00 p.m. and 6:00 a.m. shall be paid a bonus for those hours between 6:00 p.m. and 6:00 a.m. It is understood that this bonus shall not apply to any hours worked between 6:00 p.m. and 6:00 a.m. for which an employee is being paid at overtime rates or the differential pay. Additional employees added to regular shifts shall not be entitled to the provisions contained herein.

- (c) Shift Differential

The Company may institute shift work, that is to say work done wholly or partly outside the regular hours of work provided that the shift work is continued for not less than five (5) consecutive work days in any one (1) week. If the shift work is not continued for the said period in respect of any employee covered by this Agreement, the bonus provision of this article, section (b) shall apply in favour of such employee.

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.

Any employee who commences work at 2:00 p.m. or later or prior to 6:00 a.m. shall be guaranteed eight (8) hours pay.

- (d) Daily Guarantee

- (i) Any regular employee who is called out to work on a regular work day shall be paid not less than eight (8) hours pay. Any employee who is called out to work on a Saturday - sixth shift - or overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours. For hours worked in excess of six (6), he shall be paid for time worked.
 - (ii) When a casual hourly rated employee is called and reports for duty Monday through Friday, he shall be guaranteed a minimum of four (4) hours pay, and if he works in excess of four (4) hours shall be guaranteed six (6) hours, and if he works in excess of six (6) hours he shall be paid for eight (8) hours. However, in the event that such casual employee, whose hours extend wholly or partly outside the regular hours of work, shall be guaranteed eight (8) hours pay plus the overtime or shift differential premiums.
 - (iii) Any hourly rated employee reporting for duty on a callout or callback basis inconsistent with his regular scheduled work day or shift shall be guaranteed a minimum of four (4) hours pay but after completion of the duty he was called for, he may book-off work with a minimum of two (2) hours pay.
 - (iv) To qualify for the benefits of sub-sections (i), (ii) and (iii) of this article, this section, the employee will perform work within the bargaining unit in jobs other than his normal or regular job in the event that his services are not required in his normal or regular job.
- (e) Regular Shift

All shifts, by classification, shall be scheduled on a weekly basis. An employee shall have the same starting time for each day of the week except if he is scheduled to work in a different classification. **An employee shall have the same starting time for each day of the week, except if he is scheduled to work in a different classification or different location. A temporary vacancy that requires a change in location will be filled on a voluntary basis by a qualified employee. If no qualified volunteer is available, the Company will schedule associates in order of reverse seniority.**

- (f) Record of Employment

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

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 two (2) hours of overtime on any regular day, one and one-half (1 1/2 x) times his regular rate of wages and for all time worked thereafter, the employee shall be paid double (2x) his regular rate of wages
- (c) With the exception of those employed per article 24, section 1 (e), the following shall apply:
 - (i) For the first eight (8) hours worked on a Sunday or general holiday, an employee shall be paid double his regular rate of wages. The rate to be paid for the ninth (9th) and tenth (10th)

hour on a Sunday or general holiday shall be three (3) times the regular rate. The rate to be paid for all hours beyond the tenth (10th) hour shall be four (4) times the regular rate.

- (ii) For all employees assigned to a Monday to Friday work week, Saturday and Sunday shall be sixth (6th) and seventh (7th) shifts.
- (iii) Where any employee works on his regularly assigned rest day, except Sunday, he shall be paid at one and one-half (1 1/2) times his regular rate for the first eight (8) hours; two and one quarter (2 1/4) times his regular rate for the ninth (9th) and tenth (10th) hour and three (3) times his regular rate thereafter.
- (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 employees shall be required to work overtime in reverse order of seniority.
- (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, Dominion Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and in the event a general holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a general holiday. The rates of pay for these general holidays will be at the regular applicable work time rate.

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

Employees absent from work by reason of accident or illness not in excess of six (6) months shall receive full pay for general holidays as designated herein. Employees in receipt of Workers' Compensation Wage Loss Benefits 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 24 - Vacation

Section 1 - Two Weeks Vacation

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

Section 2 - Three Weeks Vacation

Any employee completing four (4) years of continuous service shall thereafter receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 3 - Four Weeks Vacation

All employees with seven (7) years of continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 4 - Five Weeks Vacation

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

Section 5 - Six Weeks Vacation

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

Section 6 – Credit for Illness

Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment. In any such year, the employee will be credited with a maximum of five hundred (500) hours for such absence if he has less than fifteen hundred (1500) hours of work in that year to qualify for vacation herein stipulated.

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

Section 7 - Year of Service

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

Section 8 - Calculation

- (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, 4, 5 and 6 of this article.
- (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 10, section 1 (b) of this Agreement.
- (d) An employee hired after January 1st in any year and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of that year.

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

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

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

Section 9 – Vacation (Prime Season)

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

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

- (b) Employees 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 fifteen hundred (1500) 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.

- (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) 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.
- (j) 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 26 – Maintenance of Standards

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

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

ARTICLE 27

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 affected thereby.

Section 2 - Negotiations for Replacement of Articles Held Invalid

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

ARTICLE 28 – 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 29

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. **A grievance not resolved at this step must be reduced to writing and submitted in accordance within the time limits stated above.**
- 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 **within fourteen (14) calendar days of the Step 1 meeting.**
- 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 the grievance procedure shall be referred to one (1) or two (2) authorized representatives of the Union and one (1) or two (2) authorized representatives of the Company. The representative 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. This step should be taken within fourteen (14) calendar days of Step 2 meeting. The Company and Union may mutually agree to extend the above time limits. Absent any mutual agreement failure by the employee or union to present a grievance in a timely manner as set forth above, said grievance shall become invalid.**
- Step 4: Failing settlement under Step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2 - Minister of Labour

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

Section 3 - Arbitrator's Decision

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

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

Section 4 - Costs

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

Section 5 - Policy Grievances

1. **Any grievance or any dispute that affects more than one (1) employee or may affect more than one (1) employee 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 one (1) or two (2) authorized representatives of the Union and one (1) or 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. Policy grievances will immediately proceed to Step 3 and be heard within forty-five (45) days upon the Company receiving written notice from the Union.**

2. **Failing settlement under this section, 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.**

ARTICLE 30

Section 1 - Term of Agreement

This Agreement shall be for the period from and including **August 1, 2009** to and including **June 30, 2012**. Either Party to this Agreement may, within four months immediately preceding **June 30, 2012** 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 Act including the right to strike or lockout the terms and conditions of employment as set out in this Agreement will be observed and not varied except by the Parties mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

Section 3

It is mutually agreed that the operation of sub-section 2 of section 66 of the Labour Relations Act is specifically excluded from operation in this Agreement.

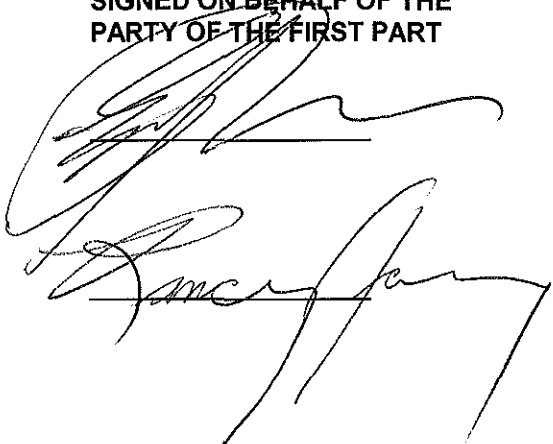
The Labour Relations Act provides as follows:

Section 66 (2) - Subject to sub-section 3 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 eight (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.

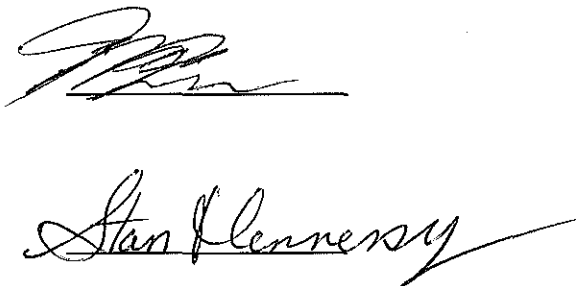
DATED THIS *30TH* DAY OF *SEPTEMBER*, 2010

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

Two handwritten signatures in cursive script, one above the other, positioned over a horizontal line.

SIGNED ON BEHALF OF THE
PARTY OF THE SECOND PART

Two handwritten signatures in cursive script, one above the other, positioned over horizontal lines. The bottom signature appears to read "Stan Hennessy".

APPENDIX "A"

	Current	Ratification	July 1, 2011
Drivers			
Class 1 Air	23.50	24.09	24.69
Class 3 Air	22.00	22.55	23.11
Class 5 Commercial Vehicle	21.75	22.29	22.85
Plant			
Cylinder Fillers	22.90	23.47	24.06
Cylinder Load & Unload	17.00	18.00	18.45
Shipper-receiver/technician/cylinder filler	23.49	24.08	24.68
Store			
Warehouse/Backup Driver/Dispatch	22.00	22.55	23.11
Billing Coordinator	17.00	17.43	17.86
Inside Sales	19.26	20.26	20.77
Clerical Temp	15.00	15.38	15.76

Company may pay \$2.00 less than above rate for up to six months for new hires.

Any employee who carries a pager shall receive fifty-five dollars (\$55.00) per week plus be paid for any call outs.

The Company will continue to pay thirty-eight cents (\$.38) per kilometre for each employee using his vehicle in the service of the Company.

APPENDIX "B" - HEALTH AND WELFARE

Section 1 - Participation

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

The company's participation in the Plan will continue throughout the life of this agreement.

Section 2 - Board of Trustees

A board of trustees will be constituted of those members provided for in the agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) members appointed by Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the trustees provided the Plan is administered in accordance with the collective agreement and any applicable government law or regulation.

The Plan and the activities of the trustees will be governed by an agreement, and declaration of trust and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the trustees from time to time.

Section 4 - Eligibility Conditions

- (a) For the purposes of this section, a regular employee or member of the Union hired by the company shall include a dependent contractor as defined under appendix "C" hereunder. A dependent contractor shall be considered a regular employee after working a minimum of forty-five (45) working days.
- (b) Any member of the Union who is a regular employee in the employ of the company on the date of this agreement shall join the Plan on the date of this agreement.
- (c) Any member of the Union who is hired by the company after the date of this agreement shall join the Plan on the first day of the month immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding sub-paragraph (c) above, any member of the Union who is hired by the company after the date of this agreement who has been covered under the plan within the thirty (30) day period immediately prior to the date on which he commences work with the Company and who becomes a regular employee shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.
- (e) If an employee whose coverage has been terminated due to lay-off is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits will commence on the date of return to work and all other benefits will be re-instated as of the first day of the month in which return to work occurs.

Section 5 - Rehabilitative Employment

Any employee who immediately following a period of disability for which benefits were payable under the Plan may, with the approval of the Union, the board of trustees and the company, return to work on a trial basis, either on full or limited duties without right or entitlement to coverage under the Plan, other than would have been provided had such return to work not have occurred. It is agreed that the provisions of article 11, section 5 shall not apply until such period of rehabilitative employment ceases.

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

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

Section 6 - Benefits

Benefits provided by the Plan are established by the board of trustees. Benefits currently provided are:

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

The amounts of coverage and details of each benefit are established by the board of trustees and are subject to amendment by them from time to time.

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

Section 7 - Cost

The company shall contribute one hundred (100%) percent of the contribution rate established by the board of trustees for any month in which an employee is covered by the Plan for one day or more.

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

Section 8 - Payment of Contributions

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

Payment of contributions by the company shall be subject to the conditions and provisions of article 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, except as provided under article 10, section 5 of this agreement.
- (c) It shall be the responsibility of the company to advise the administrator of the Plan in a timely fashion of termination of a member's coverage and the company will be held responsible for any costs incurred by the board of trustees that result from late notification of termination of coverage.

Section 10 - Failure to Remit Contributions

It is agreed that if the company fails to remit contributions

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

Section 11 - General

- (a) It shall be the responsibility of the trustees of the Plan to provide all necessary enrollment and administrative forms to the company.
- (b) It shall be the responsibility of the company to provide to the employee the necessary forms to enroll in and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C"

TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND

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

Effective March 1, 1993, the Employer shall make contributions of five cents (\$.05) per hour of work per employee to the Union/Industry Advancement Fund.

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.

APPENDIX "D"
RRSP

Company will contribute two percent (2%) of wages of members' straight time basic wages (no overtime). Members will also have option of contributing up to eighteen percent (18%) of their wages (not including overtime) to program. Details of program to be provided in handout.

LETTER OF UNDERSTANDING

BETWEEN: AIRGAS CANADA INC.

AND: TEAMSTERS LOCAL UNION NO. 31

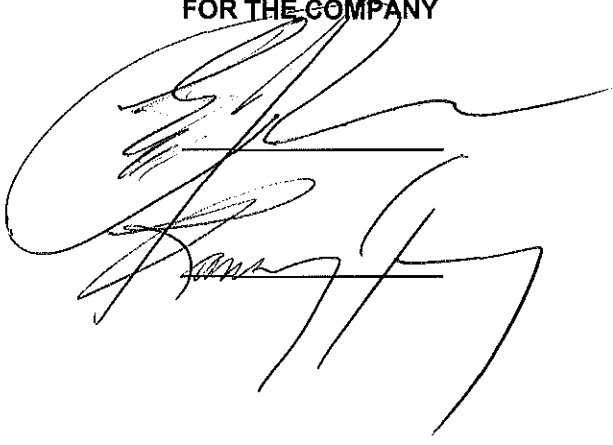
Emergency Exception

In the event of a bona fide emergency and, if no member of the bargaining unit is available, management personnel may perform work of the bargaining unit, provided that management notifies a shop steward in the bargaining unit immediately. It is expressly understood that management shall not intentionally make bargaining unit members unavailable in order to invoke this exception and that this exception is limited to bona fide emergencies only. Should the Union feel that management is taking undue advantage of this exception, the Company agrees to meet immediately with the Union to discuss the issue and further that the Company shall be subject to limitations on, or cancellation of, this privilege if no agreement is reached as a result of this discussion. The aforementioned also applies to article 11 (a).

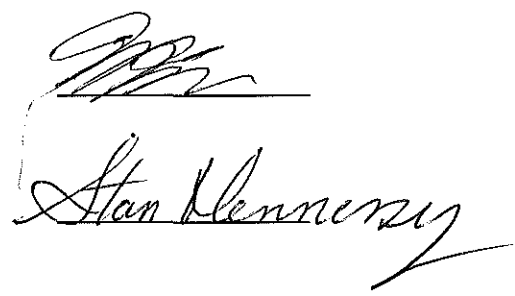
SIGNED THIS *30TH* DAY OF *SEPTEMBER*, 2010

FOR THE COMPANY

FOR THE UNION



A large, stylized handwritten signature in black ink, appearing to be a cursive name, positioned over a horizontal line.



A handwritten signature in black ink, appearing to be 'Stan Hennessy', positioned over a horizontal line.

LETTER OF UNDERSTANDING

BETWEEN: AIRGAS CANADA INC.

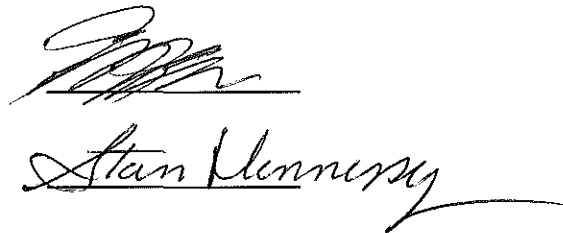
AND: TEAMSTERS LOCAL UNION NO. 31

E.S.P.P. (Employee Stock Purchase Plan) will be provided to all union employees as long as it is classified as an Airgas Inc. benefit and follows the same agreement agreed to by the parties.

SIGNED THIS *30TH* DAY OF *SEPTEMBER*, 2010

FOR THE COMPANY

FOR THE UNION

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.A handwritten signature in black ink, appearing to read "Stan Klennersey", with a long horizontal stroke extending to the right.

Schedule A**Combined Seniority List as of August 12, 2010****Airgas**

Philip Davis	06-01-1992
Jason Gagnaux	11-13-2007
Shawn McKay	05-05-2008
Darren Walshe	10-13-2009
Regan Bogue	11-02-2004
Carmine Campagna	08-09-2005
Annie Vartanian	01-15-2007
Alfaro, Tony	04-16-2007
Daniel Thiel	08-20-2007
James Doug Smalley	12-08-2008
Thane Proutt	15-12-2009
Ryan Olesko	02-08-2010

Casual

Joann Landolt	02-15-2009
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