

COLLECTIVE AGREEMENT

Between

CHARRON TRANSPORT LIMITED

-and-

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS UNION LOCAL NO. 880

EXPIRY DATE: March 31, 2010

12245(04)

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THIS AGREEMENT made as of this $_$	day of ₋	, 2007
BETWEEN:		

CHARRON TRANSPORT LIMITED (hereinafter referred to as the "Company")

-AND-

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS UNION LOCAL 880 (hereinafter referred to as the "Union")

ARTICLE 1: INTENTAND PURPOSE

- 1.1 The Company and the Union each agree that the purpose and the intent of this Agreement is to promote co-operation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules, to govern the relationship between the Union and the Company, to promote efficiency and service, and set forth herein, the basic agreement controlling rates of pay, hours of work, dispute procedures and conditions of employment.
- 1.2 There shall be no effort by either signatory to misinterpret, read into, or delete from any provisions of this Agreement.
- 1.3 Therefore, this Agreement between the Union and the Company, signed by the accredited Officials of both parties, has mutually agreed upon and the terms as laid out shall be carried out in letter and spirit by both parties.

ARTICLE 2: RECOGNITION

2.1 The Company recognizes the Union as the exclusive Bargaining Agent for its "Employees" only while they are employed in the occupations as defined below:

The term "Employee" shall mean - "Highway Drivers", "City Drivers", "Peddle Drivers", "Dockmen", "Maintenance Men", "Brokers" and "Mechanics".

- 2.2 This Agreement covers the terms and conditions of employment of such persons only while they are employed in the aforementioned occupations.
- 2.3 It is agreed that all Union Members shall maintain their Union membership in good standing for the duration of this Agreement as a condition of employment.
- All employees hired prior to the date of the signing of this Agreement, must as a condition of their continued employment authorize the Company to deduct from their pay, on the pay day the Local Union's Dues Deductions are made, an amount equal to the Local Union's monthly dues, for the duration of the Agreement, as their financial contribution to the Local Union.
- 2.5 All employees shall as a condition of employment, become Union Members within sixty (60) working days of their date of employment, maintaining such membership in good standing for the duration of the Agreement, providing that their employment *is* satisfactory to the Company and their membership acceptable to the Union.
- 2.6 The Company agrees to deduct from the last pay cheque of each month, the monthly dues of any employee covered by this Agreement. The Union will supply the Company with Application for Union Membership and Dues Deduction Authorization forms, which shall be signed by all new employees on the day on which the new employee is hired. All completed copies of the Application for Union Membership forms shall be returned to the Union, and shall serve as notification of commencement of employment.
- 2.7 Upon commencement of employment, the Company shall notify in writing, the Secretary-Treasurer of the Local Union. Upon termination of employment of a Union Member, the dues deduction form shall be immediately returned to the Local Union.
- 2.8 The Company shall show the yearly Union monthly dues deductions on the employee's T-4 Slips.

ARTICLE 3: MANAGEMENT FUNCTIONS

The Union recognizes that the Company has the exclusive right to manage the business and to exercise all of the customary prerogatives of management, except those specifically delegated to the Union in this Agreement.

ARTICLE 4: DISCRIMINATION

- 4.1 No person shall be refused employment or in any manner be discriminated against or coerced, restrained or influenced, on account of membership or non-membership in any labour organization.
- 4.2 The Union, its members, and/or its Agents shall not intimidate or coerce or attempt to intimate or coerce, in any manner whatsoever, employees into membership. Any employee found violating this provision will be immediately discharged.
- The Union agrees that except with the consent of the Company, no official of the Union and no person authorized by the Union, shall enter the Company's premises and/or engage in Union activities on the Company's premises or during working hours of an employee, except as outlined in Article 5, section 5.2 of this Agreement.

ARTICLE 5: STEWARDS

- 5.1 The Company acknowledges the right of the Union to appoint one (1) Steward for the Highway Drivers, and one (1) Steward for City employees, and if the operations are such as cannot be covered by these Stewards, additional Stewards may be appointed.
- 5.2 It shall be the Steward's duty to process grievances **as** outlined in Article 6 of this Agreement. The Stewards may also discuss Union membership with **a** new employee within thirty (30) working days of his employment. The Steward's duty shall in no way conflict with his duties to the Company and he shall be held responsible for the same quantity and quality of work as other employees. Should the Company believe that the Steward's activities are affecting the Steward's work or the work of other employees, the Company shall contact the Business Representative of the Local Union, and register the grievance, commencing with Step **D** as outlined in Article 6 of this Agreement.
- The Union will inform the Company, in writing, of the name of the Steward, and of any subsequent change in the name of the Steward. The Company shall not be asked to recognize any Steward until such notification from the Union has been received.
- 5.4 Should there be any cause to suspend or discharge the Steward, the Company shall in every case notify the Local Union in writing so that the Local Union is in receipt of such notification before such discipline or discharge.

- 5.5 The Steward shall be the last man laid off in the event of a lay-off.
- Wherever possible, grievances shall be processed during the normal working hours of the Steward. A Steward shall receive his/her regular rate of pay when grievances, or pending grievances, are processed with the Company on Company property, or at any other place which is mutually agreed upon by both the Union and the Company. In no case will a Steward be paid premium rate for the settlement of grievances.
- 5.7 If the Company representative is unable to meet the Steward during the Steward's normal working hours, the Steward shall be paid at his/her regular rate of pay for all time spent during the processing of the grievance with the Company on the Company property or at any other place which is mutually agreed upon by both the Union and the Company. In no case will a Steward be paid premium rate for the settlement of grievances.

ARTICLE 6: GRIEVANCE PROCEDURE & ARBITRATION

- In this Article a grievance shall consist only of a dispute concerning the interpretation and application of any clause in this Agreement, alleged violations of the Agreement, and alleged abuses of discretion by supervision in the treatment of employees. If any question arises as to whether a particular dispute is, or is not a grievance, within the meaning of these provisions, the question may be taken up through the Grievance Procedure and determined if necessary, by Arbitration. There shall be an earnest effort on the part of both parties, to settle such grievance promptly, through the following steps:
 - (a) By conference between the aggrieved employee, Steward and Foreman. Such conference to be held within five (5) working days (Saturdays, Sundays and General Holidays excluded) and the Foreman shall give his answer within five (5) working days (Saturdays, Sundays and General Holidays excluded) of the presentation of the grievance to him/her.
 - (b) Failing settlement as in (a) by the Steward and the Foreman, the Steward may ask the Foreman to make an appointment with the Manager in an effort to reach a settlement. It shall be the responsibility of the Foreman and the Steward to submit a written report to the Manager.
 - (c) If a grievance is not settled after making every endeavour in procedures

outlined in (a) and (b), it shall be referred to the General Manager.

Should the parties fail to reach satisfactory settlement in the preceding (d) steps, the final settlement of the grievance must be submitted to a Board of Arbitration as outlined below. In the event that the Company has a grievance, the Manager or General Manager shall endeavour to settle the matter with the Steward and in the event of failure, shall deal with an official of the Union. Before submitting the grievance to arbitration, the dispute may, by mutual agreement, be brought to the attention of a Joint Grievance Committee, established for his purpose by the Company and by the Local Unions. The Joint Grievance Committee will render a decision unless it is deadlocked which shall be final and binding and have the same judicial powers as a Board of Arbitration established under the following provisions. The Joint Grievance Committee shall be comprised of two (2) persons, one (1) of whom shall be selected from Management and one (1) from the Local Unions. It is understood that in the selection of the representatives the Company must name a representative from another Company must name a representative from another Company and the Union must name a representative from another Local Union. It is further agreed that in the event that any Joint Grievance Committee is unable to render a majority decision, the grieving patty must within fourteen (14) calendar days of the date the Joint Grievance Committee declares a dead-lock, unless they wish to withdraw the grievance, proceed to Arbitration as outlined in Article 6, section 6.2.

6.2 ARBITRATION

It shall be responsibility of the party desiring Arbitration to inform the other party in writing, not later than five (5) days after the last discussion of the grievance between the Union and the General Manager. A Board of Arbitration of one person to act as a Chairperson shall be appointed and such appointment to be agreed upon by both parties. Should the members fail to select a Chairman within fifteen (15) calendar days after the last discussion between the Union and the General Manager - Article 6 (c) or (d) - either party shall request the Labour Canada to name the Chairman who shall be a member of the recognizes Arbitration list as presented by the Minister of Labour.

- 6.3 The Board of Arbitration shall not have the right to alter or change any provisions of this Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement.
- 6.4 Each of the parties agrees and shall equally share the expenses and

fees of the Chairperson.

- Both parties to this Agreement agree that it is in the interest of both parties to make every reasonable effort to clear up grievance problems with the least possible delay.
- The Company shall not be responsible for the payment of time used by any employee in the investigation and settlement of a grievance.

ARTICLE 7: SENIORITY

- 7.1 (a) The purpose of seniority is to provide a policy governing work preference, lay-offs and recalls. In the event of a reduction of the working forces, the Company shall apply the principle of "Last on First off' insofar as it is consistent with management's obligations to maintain an efficient working force. Following a layoff, rehiring shall be executed conversely to the outlined layoff procedure.
 - (b) Should an employee be laid off and is not recalled he shall maintain his seniority for a period of three (3) years from the date of layoff.
- 7.2 Seniority shall be terminal wide and include all persons working at the terminal and on the terminal payroll. It is further agreed that the maintenance department's seniority shall be separate and not interchangeable with any other department within the Terminal.
- 7.3 In all layoffs the Company shall consider (a) seniority of the employee; (b) merit, training, skill and efficiency of employee, and where the qualifications expressed in (b) are relatively equal, the employee's seniority shall be the determining factor.
- 7.4 In the event of a layoff, before laying off employees out of seniority order (after acquired) the Company will notify the Union.
- 7.5 The Seniority lists for the Maintenance, City and Highway departments shall be prepared and posted separately, every three (3) months.
- 7.6 Employees shall be considered probationary until placed on the seniority list. Such employees shall work under the provisions of this Agreement and shall be employed on a probationary basis for sixty (60) working days, during which period he may be terminated or disciplined without recourse to the grievance procedure. The Company may not terminate such an employee for the purpose of forcing an additional probationary period. Upon completion of the sixtieth (60th) working day, the employee shall either be terminated or placed on the regular seniority list as of the

date of the commencement of his probationary period.

- 7.7 Employees promoted to Supervisory positions or positions not subject to this Agreement will retain their seniority after promotion for a period of twelve (12) months only. If demoted for any reasons or if they voluntarily request reinstatement to their former position, the time spent in the supervisory position shall be included in their seniority rating. Such employee shall forfeit any and all recourse to the grievance procedure as outlined in this Agreement should he/she subsequently be discharged in such a position beyond the jurisdiction of this Agreement. This Article is to be applied only once for any employee during the term of this Agreement.
- 7.8 An employee's employment shall be terminated for any of the following reasons:
 - (a) If an employee voluntarily quits;
 - (b) If an employee is discharged and is not reinstated pursuant to the Grievance Procedure as provided in this Agreement;
 - (c) If an employee has been laid off and not employed elsewhere and has refused to return to work within twenty-four (24) hours after being contacted personally. When the employee cannot be contacted or is employed elsewhere, then the Company will notify the employee by registered mail to his last known address to return to work and he will be allowed no more than seven (7) consecutive days from the date of notification to report for duty;
 - (d) If he takes employment other than that declared and agreed upon when applying for a leave of absence;
 - (e) If an employee is absent from work without securing a leave of absence for more than three (3) consecutive working days;
 - (9 If an employee is laid off and not recalled for a period extending beyond thirty-six (36) consecutive working months or if such employee requests and is paid any statutory termination benefits, whichever comes first;
 - (g) If an employee is laid off in excess of thirteen (13) weeks and requests his severance pay, he will be paid in accordance with the Canada Labour Code on the pay day following his request.
- 7.9 Leave of absence in excess of thirty (30) days will not be granted until a request for same is submitted in writing, to both the Union and the Company and mutually agreed upon.

7.10 In the event an employee is demoted as a disciplinary measure, he shall retain all seniority rights when the penalty terminates.

ARTICLE 8: DISCHARGE

- 8.1 Should **a** discharged employee ask for a hearing through the Grievance Procedure within forty-eight (48) hours (Saturdays, Sundays and General Holidays excluded) of his/her discharge, he/she shall, if subsequently reinstated by such Grievance Procedure or Arbitration, be compensated for his/her time lost at his/her normal rate of pay, or receive compensation according to the amount agreed upon by the parties in the Grievance Procedure or decided upon by the Board of Arbitration.
- 8.2 A Driver suspended or discharged away from his home terminal shall receive transportation back to his home terminal within ten (I0) hours of suspension or discharge.

ARTICLE 9: STRIKES AND LOCKOUTS

- During the term of this Agreement, there shall be no lockout by the Company, or any strike, sit down, slow down, work stoppage, or suspension of work, either complete or partial for any reason by the employees.
- 9.2 (a) The Company acknowledges the right of the employees to recognize and refuse to cross a picket line.
 - (b) The Union recognizes the right of the Company to protect its business and the property of its customers.
 - (c) Each party recognizing the rights of the other in this regard agrees that the Union will notify the Company of any strike or picket line activity and that the Company will notify the Union if, in their opinion such strike or picket line is illegal or is unduly prejudicial to the interest of the Company, it's employees or the Union.
 - (d) In such cases, a meeting will be held in order to mutually agree on a policy. In the event that the Company and the Union cannot agree, each party reserves the right to take whatever action it deems necessary and appropriate.

ARTICLE 10: EQUIPMENT

- 10.1 It is a mutual advantage of both the Company and the employee that employees should not operate vehicles, which are not in safe operating condition, and not equipped with safety appliances required by law.
- It shall be the duty of employees to report promptly in writing, to the Company, all defects in equipment. It shall be the duty of the Company to maintain all vehicles in a safe operating condition in accordance with the Department of Highways regulations. The maintenance of equipment in sound operating condition is not only a function, but a responsibility of Management. The determination of, as well as the responsibility for all decisions in regard to the condition of equipment, shall rest with the senior representative of the Company, on the premises.
- It is agreed between the Company and the Union having regard for safety and Driver's health factor, that all power units (P.C.V. Licensed vehicles) shall have and be maintained by the Company, heaters, windshield wipers and defrosters. All new equipment delivered after the date of ratification shall be equipped with air conditioning and cruise control.
- It is mutually agreed that a three (3) part form shall be supplied the Drivers on which to report defects in equipment with sufficient copies so that one (1) copy may be held available for the Driver, and so that the office of the Company will have a copy of this report on file. The Mechanic will sign this report when repair work is completed. The mechanics will red tag unfit units.

ARTICLE 11: BULLETIN BOARDS

11.1 The Company agrees to permit the posting of any notices of Union meetings or functions on a Bulletin Board conspicuously placed and provided solely for that purpose.

ARTICLE 12: UNIFORMS

The Company agrees that if any employee is required to wear any kind of uniform as a condition of his continued employment, such uniform shall be furnished and maintained by the Company, free of charge, at the standard required by the Company. No employees shall be required to wear a uniform that does not bear the Union Label. Before

employees are requested to wear a uniform by the Company, the Union shall be consulted as to the type and standard.

12.2 It is further provided that voluntary pooling arrangements for the purchase of, or rental of uniforms, shall not come within the scope of this Agreement.

ARTICLE 13: LOSS OR DAMAGE TO CARGO

13.1 Employees shall not be charged for loss or damage to cargo.

ARTICLE 14: MEDICAL EXAMINATIONS

- Any medical examination or drug testing requested by the Company shall be promptly complied with by all employees, provided however, that the Company shall pay for all such examinations. The Company reserves the right to select their own medical examiner or physician and the Union may, if in their opinion they think an injustice has been done an employee, have said employee re-examined at the Union's expense.
- 14.2 Medical requirements applied by the Company shall not exceed those applied by the Department of Transport as it relates to drivers licenses.
- Any employee cleared to work by his/her Doctor and the Company Doctor, who has had to wait **for** the examination **by** the Company Doctor, shall be paid for all lost time to which he/she would be entitled, provided they are not receiving W.C.B. or sick pay.

ARTICLE 15: PASSENGERS

No Driver shall be permitted to allow anyone except employees of the Company who are on duty or other transport drivers broken down on the highway, to ride in his truck except by written authorization of the Company.

15.2 **Safe Driver Week**

Each Teamster Driver can make arrangements with the Office to take one (1) immediate family member over the age of seven (7) years on one trip during the designated "Safe Driving Week" being the first full week in July of each year. The driver will be allowed to take more than one (1) immediate family member in the week. Immediate family is defined as spouse, child or grandchild. A posting along with request

forms will be issued no later than June 15th.

ARTICLE 16: EXTRA CONTRACT AGREEMENTS

16.1 It is agreed that neither party to this Agreement shall enter into any agreement or contract with the employees which conflicts with the terms and provisions of this Agreement.

ARTICLE 17: STATUTORY HOLIDAYS

17.1 The following Statutory Holidays shall be observed:

NEW YEARS DAY VICTORIA DAY DOMINION DAY
CIVIC HOLIDAY LABOUR DAY THANKSGIVING DAY
CHRISTMAS DAY BOXING DAY DAY BEFORE NEW YEARS
TWO (2) FLOATING HOLIDAYS (with prior arrangement)
GOOD FRIDAY

- All hourly rated employees shall receive eight and one-half (8%) hours pay at their regular hourly rate of pay for the twelve (12) Holidays mentioned in this Agreement. All Highway Drivers shall receive ten (IO) hours at their regular hourly rate of pay for the twelve (12) Holidays mentioned in this Agreement providing:
 - (a) they have not been laid off for a period longer than thirty (30) calendar days prior to the Holiday;
 - (b) they have not been absent from work due to sickness or injury for a period longer than three (3) months prior to the Holiday.
- 17.3 Employees who are available for work on their normal shift preceding and following a Statutory Holiday shall be entitled to their Holiday Pay.
- 17.4 If an employee is required to work on one of the Statutory Holidays he/she shall be paid at one and one-half (1%) times the regular rate of pay for the time worked, in addition to his/her Statutory Holiday pay.
- 17.5 When one of the Statutory Holidays falls on a Sunday, the day proclaimed shall be the day observed.
- 17.6 An employee shall not be entitled to pay for the aforementioned Holidays until such time as he has been in the employ of the Company for thirty (30) working days in accordance with the Canada Labour Code.

17.7 Any of the Statutory Holidays, as listed in this Article, falling within an employee's annual vacation, shall be paid his Statutory Holiday pay, in addition to his normal vacation pay.

ARTICLE 18: VACATIONS WITH PAY

- 18.1 All employees of the Company with less than one (1) year of employment shall receive a vacation pay in accordance with the regulations established under the Canada Labour Code.
- 18.2 Employees who have completed one (1) year of employment shall receive two (2) weeks of vacation with vacation pay calculated at a rate of four percent (4%) of their gross earnings to date.
- 18.3 Employees who have completed five (5) years of continuous employment will be entitled to three weeks (3) vacation with vacation pay calculated at a rate of six percent (6%) of gross earnings from the fifth anniversary date.
- 18.4 Employees who have completed ten years (I0) of continuous employment will be entitled to four weeks (4) vacation with vacation pay calculated at a rate of eight percent (8%) of gross earnings from the tenth anniversary date.
- Employees who have completed fifteen years (15) of continuous employment will be entitled to five weeks (5) vacation with vacation pay calculated at a rate of ten percent (10%) of gross earnings from the I5th anniversary date.
- Employees who have completed twenty (20) years of continuous employment will be entitled to six weeks (6) vacation with vacation pay calculated at a rate of twelve percent (12%) of gross earnings from the 20th anniversary date.
- 18.7 The choice of vacation periods shall be issued in order of seniority in each Department. A vacation Request Form shall be issued to each employee on or before March 1st of each year and remain in effect until April 1st. The request form must be completed and handed into the office. After the April 1st deadline, vacation will be granted on a first come-first serve basis until the vacation schedule is completed. The Company will make every endeavour to guarantee that any employee wishing to take their vacation in May, June, July and up to August 15th, will be allowed to do so. However, it shall not be mandatory for

employees to take vacations during this period. Once a vacation has been approved, no change will be considered, unless there is a written request to this effect at least fifteen (15) days prior to the scheduled vacation dates of the employee and at least fifteen (15) days prior to the new dates proposed. The Company will not unreasonably refuse to grant such a change. At no time will an employee who changes his vacation date be able to displace the previously scheduled vacation of another employee.

- 18.8 It shall be the responsibility of the Company to post a bid sheet on which employees may choose vacation periods and the final vacation schedule shall be posted by the Company not later than May 1st, in each year.
- 18.9 Employees qualified for more than three (3) weeks vacation will be restricted to three (3) weeks during the recognized summer vacation period.
- 18.10 It shall be compulsory for all employees to take their vacation during the calendar year in which they qualify for such vacations.
- **18.11** Vacation Pay and Statutory Holiday Pay will be considered as earnings.
- 18.12 Employees, while on vacation, cannot be called into work. Accrued vacation pays will be paid upon request by the employee prior to his taking the vacation.

ARTICLE 19: WORK PREFERENCE

- 19.1 Senior personnel shall have preference for work on the first five (5) days of the week, providing work is available.
- Drivers with available hours who wish to work on the weekend will be required to sign a weekend work sheet. This sheet will be posted on Wednesday and will remain posted until Friday at 4:00 p.m. Those drivers who do not sign the sheet will not be considered for weekend work. Employees who have signed the list and have available hours will be offered weekend work in order of seniority.
- 19.3 The Company shall endeavour to arrange the highway runs in a manner that will give preference to senior drivers.
- 19.4 Whenever extra employees are required in the Highway Department, the Company agrees that the senior City Driver shall have the first

opportunity of bidding on such run, provided he has the necessary qualifications. An employee, who feels he has been unjustly dealt with in this respect, shall have recourse to the Grievance Procedure outlined in Article 6 of this Agreement.

- 19.5 (a) In the event Highway drivers are required to deliver or pick-up loads within a (20) mile radius of the city of Chatham at the end of his/her shift, he/she will be paid the overtime rate for all hours involved in such delivery providing he/she has accumulated eight (8) hours in such shift.
 - (b) A Highway driver that wishes to book off ten (10) hours at his home terminal between trips will be allowed to do **so** providing he notifies the Company by 4:00 P.M.
 - (c) Drivers will be paid at their regular hourly rate from the time of their initial delivery to the time of their final pick-up (meal and break time excluded) within the city limits of MetropolitanToronto.
- An employee shall be paid at one and one-half (1%) times his/her regular hourly rate of pay for all hours worked at the hourly rate in excess of eight (8) hours per day or forty (40) hours per week. Sundays will be premium days for all departments and will be paid at time and one-half (1½) the employee's regular rate of pay.

This clause does not apply to mileage driven in the Highway Department or to those employees whose work week may commence after ten (10) o'clock p.m. Sunday night.

ARTICLE 20: HEALTH &WELFARE

The Company will pay the total premium cost of O.H.I.P. for each full-time regular employee, or any Government Legislated replacement of O.H.I.P.

Life Insurance:

 Member
 \$30,000.00

 Spouse
 \$10,000.00

 Dependent Children
 \$10,000.00

Eye Glasses for member and dependents \$175.00 every two (2) years.

- To be eligible for the above benefits sixty (60) days after the probation period, an employee must:
 - (a) have been in the employ of the Company for sixty (60) working days

plus sixty (60) calendar days.

- (b) have not been laid off for a period of more than thirty (30) working days.
- (c) have not been absent from work due to sickness or injury for a period of more than six (6) calendar months.

Employees will be entitled to safety shoes and prescriptions after the sixty (60) working day probation period plus sixty (60) calendar days.

- 20.3 The Company agrees to pay the full cost of premiums for a Health & Welfare Plan as described in the attached Schedule "A", which forms part of this Agreement.
- To be eligible for the above Health and Welfare Plan an employee must:
 - (a) Have been in the employ of the Company for sixty (60) working days,
 - (b) have not been laid off for a period of more than ninety (90) days,
 - (c) have not been absent from work due to sickness or injury for a period of more than six (6) months.
- The Company shall not be held responsible for failure to remit premiums due to clerical errors, and such clerical errors shall not, in any way, affect the coverage of any given employee, provided any such clerical errors are corrected as soon as they are brought to light.
- The Company shall continue to make life insurance, prescription drug and major medical benefits available to early retirees upon payment by the employee of One Hundred Dollars (\$100.00) per month. Employees will be allowed to make such payments until age 65, or in the case of Life Insurance, to age 70.

To be eligible for early retiree benefits, the employee must complete then (10) years of employment.

ARTICLE 21: REGISTERED RETIREMENT SAVINGS PLAN

The Company agrees to pay into a reputable R.R.S.P. Plan, the sum of Two Hundred Dollars (\$200.00) per month for each union employee who has satisfied 20.2 (a) and has worked at least five (5) days in a month and if the employee contributes a minimum of \$50.00 to his R.R.S.P., the Company will add an additional \$50.00 bringing the total monthly contribution up to \$275.00 per month.

21.2 LONG TERM DISABILITY

A Long Term Disability Plan will be available to our employees if they pay the premiums.

Deduction would start August 2001 To Start September 1 for coverage 2 year - 5 year same occupation 3 year - 5 year any occupation

ARTICLE 22: WAGE SCHEDULE

22.1 **DRIVERS HOURLY RATE** (a)

		APR. 1/07	APR. 1/08	APR. 1/09	
		\$18.30	\$18.65	\$19.00	
(b)	NEW DRIVERS				

	APR. 1/07	APR. 1/08	APR. 1/09
Probation	\$16.30	\$16.65	\$17.00
Seniority	\$17.40	\$17.75	\$18.05
1 st Anniversary	\$17.75	\$18.05	\$18.40
2 nd Anniversary	\$18.05	\$18.40	\$18.75

Upon the date of ratification of this union contract, all new drivers hired will be placed on a **sixty** (60) working day probation and one cent (\$.01) per mile less than the union contract rate.

After 60 working days the driver will be placed on the seniority list and will be entitled to all benefits included in the union contract.

On the drivers 3rd anniversary (seniority date anniversary), he will be paid the rate that is quoted in the union contract for both hours and mileage.

- (c) If a driver is required to drive in the U.S.A., the Company agrees to supply American money at par.
- (d) Pay cheques are to be accompanied with a breakdown of mileage rates, hourly rates, dues deduction etc.

(e)

22.2 (a) MILEAGE RATES

Highway Drivers shall be paid mileage rates in accordance with the following schedule:

AXLES	APR. 1/07	APR. 1/08	APR. 1/09
Trailers	38¢/mile	38.5¢/mile	39¢/mile
Trains	39¢/mile	39.5¢/mile	40¢/mile

- (b) Mileage less than forty (40) miles radius of Chatham shall be paid at the Drivers prevailing hourly rate of pay.
- (c) Highway Drivers breakdown and delayed time shall be paid for at the aforementioned Drivers' Hourly Rate of Pay and shall be accounted for by the Highway Driver on a form provided and approved by the Company. In the event of breakdowns or other allegedly unavoidable delays occurring in areas without supervision the Company may, at it's discretion, require drivers to sign and declare a statutory declaration this is of the same force and effect as a statement made under oath and by virtue of the Canada Evidence Act in which they shall set forth the cause to the best of their knowledge and beliefs for such breakdowns and/or delays occurred.

Highway drivers will receive in addition to their regular highway mileage rates, eight dollars (\$8.00) per trip for initial hook-up, and final drop. This amount represents four dollars (\$4.00) for initial hook-up, and four dollars (\$4.00) for final drop, but will not pyramid if driver is in the hourly rate when making initial hook-up or final drop.

22.3	(a)		Apr. 1/07	April 1/08	April 1/09
		Licensed Mechanic Unlicensed Mechanic	\$20.90 \$19.10	\$21.25 \$19.45	\$21.60 \$19.80
		Apprentice	\$16.80	\$17.15	\$17.50

(b) Probationary employees in the Maintenance Department shall be paid seventy-five $(.75\phi)$ per hour less than the aforementioned rates until their first anniversary and seventy-five $(.75\phi)$ less until their second anniversary.

The probationary period for probationary employees in the mechanics department will, be sixty (60) workings days.

(c) The Company agrees to pay to each seniority employee in the

Maintenance Department Three Hundred Dollars (\$300.00) per contract year for replacement and upgrading of tools. Employees must present proof of purchase before receiving reimbursement.

- (d) The Company agrees to pay each seniority employee in the Maintenance Department a maximum of One Hundred and Ninety Dollars (\$190.00) per contract year for proper work boots providing they present proper proof of purchase before receiving reimbursement. Employees will be allowed to purchase up to two (2) pairs of shoes per year.
- (e) No driver will be forced to train a new employee.

22.4 (a) **LEAD HAND**

When Lead-Hands are to be appointed by Management, a bid will be posted and the Lead-Hand will be selected according to qualifications and seniority. However, it will be the sole responsibility of Management to make the final selection provided that when qualifications are equal, the senior man will be given the preference. It is understood that the differential in wages for Lead-Hands will be a minimum of seventy-five cents (.75¢) per hour in excess of the regular rate of pay.

(b) SHUNT POSITION AT HOME BASE

This shall **be** a posted position with a yearly bid which **will** be awarded by qualification and seniority. Where qualification is equal, seniority shall prevail.

22.5 (a) **HOURS OF WORK**

The work week shall consist of forty **(40)** hours per week at eight (8) hours per day, Monday through Friday for hourly rated employees. Overtime shall be paid for all hours worked in excess of forty **(40)** hours in any one week or eight (8) hours in any one day and to be paid for at the rate of time and one-half the employee's regular hourly rate of pay.

(b) Employees covered by this Agreement reporting for work shall receive no less than five (5) hours pay, except on Saturdays when there shall be a guarantee of four (4) hours pay. An employee who is called back to work within three (3) hours, commencing with the time he had finished his day's work, shall receive a minimum of two hours pay. Should an employee be called back to work after three (3) hours have elapsed from the completion of his day's work, such call back shall then be entitled to receive the regular guarantee.

- (c) Part-time employees shall receive the same minimum wage scale as probationary employees but are not otherwise covered by the terms of this Agreement. A part-time employee shall be considered an employee working fifteen (15) hours or less per week. The Union will be informed of the number of part-time employees working and the number of hours they have worked.
- (d) Employees shall not take more than one (1) continuous hour for meals, however, should the taking of full continuous hours for meals cause additional waiting time, the Company may request the employee to take not less than thirty (30) minutes. No employee shall be compelled to take more than one (1) continuous hour for lunch and the lunch period shall be between the 4th and 6th hours. An employee shall not, however, take any time off for meals before he has been on duty for four (4) hours, nor after he has been on duty six (6) hours.
- (e) All hourly rate employee will be allowed a ten (10) minute coffee break in the first half shift and the second half shift without loss of pay.
- (f) All employees must have their time sheets handed into the office at the end of their last shift in the week.

ARTICLE 23: GENERAL

- All employees who have a regular starting time or who are on scheduled runs will not be required to contact the Company before reporting for work.
- It has been agreed that employees handling hazardous materials shall be supplied by the Company with any and all necessary safety equipment (rubber clothing, goggles, etc.) to protect the employee's person. The Company agrees to supply and maintain cover-alls for the maintenance department. The Company agrees to pay each seniority driver Ninety Five Dollars (\$95.00) per year towards the cost of proper work boots, providing they present proof of purchase before reimbursement. The Company further agrees to supply each seniority employee with a hard hat if required to work at customer's yards or terminals on a one (1) time basis only.

The Company will provide employees with *two* (2) pairs of gloves in January of each year. No replacement during the year.

- The Company agrees to provide clean and sanitary appointments in respect to lunchrooms and sleeping accommodations.
- 23.4 Highway Drivers laid over away from home shall receive the actual cost of room rent, providing a bona fide receipt is presented. These drivers shall also receive a flat meal allowance of Fifteen Dollars (\$15.00) per night upon presentation of receipt.
- Employees on the regular seniority list shall not be laid off due to the Company hiring outside equipment for such pickup and delivery work when the Company has appropriate and useable equipment for the same work. This clause will not be applicable to the emergency use of hired trucks for short duration. It is understood that these provisions will not be used to deprive employees on the regular seniority list of their regular work, consistent with efficient operations.
- 23.6 Personnel shall be allowed time off to vote in Dominion, Provincial or Municipal elections in accordance with the appropriate statute.
- In the event of a death in the immediate family, (i.e. Father, Mother, Spouse, Son, Daughter, Common-law Spouse, Sister, Brother, Grandparents, Grandchildren, Step-parents, Mother-in-law, Father-in-law, Brother-in-law, Sister-in-law) an employee shall be given necessary time off to attend the funeral and will be paid three (3) days pay. Highway drivers to receive ten (10) hours pay per day; Hourly drivers to receive eight and one-half (8%) hours pay per day at the regular rate of pay providing that the period between the day of the death and the funeral are working days. If more time is required for any reason relating to the death, a leave of absence will be granted.
- Seasonal Employees hired to work from the 15th day of August to the 15th day of October in any year shall be paid the applicable probationary rate. They shall pay to the support of the Local Union the amount of the monthly dues, which shall be checked off, but no other provisions of this Agreement shall apply. They shall not interfere with seniority rights and job conditions of full time employees.

The Company shall indicate on the check off form if such an employee is a seasonal employee.

- 23.9 The Company shall issue pay cheques in such a manner that all employees shall have at least one (1) full banking day prior to a Saturday or a General Holiday.
- 23.10 (a) Casual help shall be defined as a person(s) employed by the Company

- to fill the vacancy created by any driver who is absent from work for any reason, and shall perform the normal duties of a driver.
- (b) No casual will be allowed to commence work ahead of any available driver who has a regular starting time of 10:00 a.m. or prior, unless such driver has been given the opportunity to commence work at the same time as the casual.
- (c) In the event the Company fails to comply with these requirements, the driver referred to herein will be entitled to payment for the time between the commencement of his shift and that of the casual in addition to his regular shift.
- (d) Casuals may be used to fill the vacancy(ies) created by regular drivers who are on vacation providing qualified regular employees are given the first opportunity to fill the vacancy(ies) in accordance with seniority. Casuals may be paid at the applicable probationary rate. A list of all casuals working in any week will be posted with each new seniority posting.
- In the event that a Safety Committee is required by the applicable Federal or Provincial Legislation, the Company will establish such a committee and pay participating employees at the regular hourly rate for the time required.

ARTICLE 24: BROKER OPERATION

24.1 No regular employee will be forced to become Brokers. If they do become Brokers, they will retain their seniority. Brokers will pay union dues and all of the Collective Agreement applies except the wages. The Company cannot use a Broker out of seniority because of his equipment.

ARTICLE 25: DURATION

25.1 THIS AGREEMENT shall become effective on the 1st day of April, 2007 and shall remain in full force and effect up to and including the 31st day of March, 2010 and shall continue automatically thereafter for periods **of** one (1) year, unless either party notifies the other, in writing, within the period of ninety (90) days before the Agreement ceases to operate and such notice shall indicate the desire of the party to bargain with the view of renewal, with or without modifications, of this Collective Agreement.

- Negotiations shall begin within fifteen (15) days following notification for amendment as provided in this Article.
- 25.3 THIS AGREEMENT shall be binding upon the parties hereto, their successors, administrators, executors and assigns.

DATED THIS __ 28 _____, 2008.

FOR THE COMPANY Charron Transport Ltd.

FOR THE UNION Teamsters, Chauffeurs, Warehousemen and Helpers Union Local No. 880

GENERAL RULES AND REGULATIONS GOVERNING THE ACTIONS OF ALL EMPLOYEES

These Rules and Regulations and the penalties to be charged for their violations are placed in effect with the approval of the Company and the Union so that all employees of the Company may know that Company Rules and Regulations are required of them in the conduct of general Company business.

Nothing in these Rules and Regulations shall deprive employees of the right to challenge a penalty through the regular grievance machinery. Existing Company Rules and Regulations shall not conflict with those contained herein. In the case of conflict, it is agreed that these Rules and Regulations shall apply.

Nothing contained herein shall prejudice the right of the Company to institute additional Rules and Regulations which do not conflict with those contained herein, and in such case, thirty (30) days' notice in writing, shall be given to the Union before application.

Should the Union disagree with the Company's application of the Rules and Regulations, the question may be referred to a meeting of the Joint Rules and Regulations Sub-Committee.

All infractions of the Highway Traffic Act and Municipal By-Laws shall be the responsibility of the Drivers, except, those, which are by their nature, the responsibility of the Company.

1: ACCIDENTS

- (a) Accidents for which the employee is at fault or for which his action or lack of action is a contributory factor, will result in disciplinary action which may range from "Reprimand" to "Dismissal" according to the seriousness of the accident, the degree of negligence or carelessness and frequency of accidents.
- (b) Failure to report any accident as soon as possible will result in the employee being subject to dismissal.

2: EQUIPMENT

(a) Tampering with tachograph, governor or other safety device: Subject to Dismissal

(b)	Operating power equipment with radiator or grille covered or obstructing with unauthorized covering: 1 st offence Subject to 3 days off 2 nd offence Subject to Dismissal
(c)	Excess idling of equipment. 1 st offence Reprimand 2 nd offence 1 day off 3 rd offence 3 days off 4 th offence 1 weekoff Subsequent offenses Subject to Dismissal
(d)	Failure to ensure that units are properly hooked-up and locking devices engaged and trailer support fully raised: 1 st offence1 day off 2 nd offence3 days off 3 rd offence1 weekoff Subsequent offensesadditional time off, Subject to Dismissal
(e)	Intentionally operating equipment with tire pressure too low. 1 st offense Reprimand 2 nd offense 1 day off 3 rd offense 3 days off Subsequent offenses Subject to Dismissal
(9	Failure to ensure that power equipment is properly serviced for gasoline oil and water, and that all tire pressures are checked before leaving the terminal, where required by the Company. 1 st offense Reprimand 2 nd offense 3 days off 3 rd offense 1 week off Subsequent offensesSubject to Dismissal
(g)	Failure to properly tarp cargo and equipment. 1 st offense3 days off 2 nd offense1 week off Subsequent offenses Subject to Dismissal
(h)	Failure to keep cab free of all refuse while on duty . 1 st offense Reprimand 2 nd offense 3 days off 3 rd offense Subject to Dismissal
(i)	Failure to report mechanical defects in equipment, if known.

	1 st offense 3 days off 2 nd offense 1 week off Subsequent offensesSubject to Dismissal
(j)	Unauthorized use of Company-owned motor vehicles. 1 st offense Subject to Dismissal
3: CONDUC	CT& BEHAVIOUR
(a)	Consuming intoxicants while on duty or on the Company's property. 1 st offense Immediate Dismissal
(b)	Reporting for duty while under the influence of an intoxicant. 1 st offenseReprimand to 1 week off 2 nd offenseSubject to Dismissal
(c)	Theft, dishonesty, or wilful damage, or failure to turn in monies collected. 1 st offense Immediate Dismissal
(d)	Discourtesy to a customer (subject to investigation). 1 st offense Reprimand 2 nd offense 1 week off 3 rd offense Subject to Dismissal
(e)	Mishandling or abuse of any Company equipment or property, excluding cargo (according to the degree of negligence or carelessness). 1st offenseReprimand to 3 days off 2 nd offense3 days to 1 week off after investigation 3 rd offenseSubject to Dismissal
(9	Failure to obey instruction of authorized personnel (Names of persons in authority will be posted). 1 st offense Reprimand 2 nd offense Subject to Dismissal
(g)	Flagrant disobedience of orders of authorized personnel. 1 st offense Subject to Dismissal
(h)	Failure to make proper collections. 1 st offense Reprimand 2 nd offense 1 week off 3 rd offense Subject to Dismissal
(i)	Failure to load and unload properly or mishandling freight. 1 st offense Reprimand

2nd offense..... 3 days off 3rd offense..... Subject to Dismissal (j) Conviction resulting in the loss of drivers license while operating Company equipment. 1st offense..... Subject to Dismissal (k) An employee will not be discharged due to the loss of his/her drivers license. The Union and the Company will meet to discuss movement to alternate work, but no other employee will be laid-off due to such move and the employee moving shall be placed at the bottom of the departmental seniority list for work preference and lay-off. 4: REPORTS Intentionally punching another employee's time card. (a) 1st offense..... Subject to Dismissal Deliberate falsification of time cards or trip reports. (b) 1st offense..... Subject to Dismissal Failure to report to Dispatcher at specified time when required to do so (c) while on duty. 1st offense. Reprimand 2nd offense..... Reprimand 3rd offense..... 3 days off Subsequent offenses...Subject to Dismissalin aggravated cases 5: DRIVING BEHAVIOUR Failure to follow routings as designated or instructed. (a) 1st offense..... 3 days off 2nd offense..... Subject to Dismissal Driving at speeds in excess of Government posted speed limits. (b) 1st offense Reprimand 2nd offense 3 days off 3rd offense 1 weekoff 4th offense Subject to Dismissal Unnecessary delays while operating Company vehicles. (c) 1st offense Reprimand 2nd offense 3 days off 3rd offense 1 weekoff

Subsequent offenses. . . Subject to Dismissal

(d) Deliberate tail-gating.

1st offense Reprimand to one (1) Week off 2nd offense..... Subject to Dismissal

Carrying of unauthorized persons in Company vehicles. (e) 1st offense Subject to Dismissal

6: ATTENDANCE

- Absence in excess of three (3) successive working days without (a) notification will be considered as a voluntary quit.
- Failure to notify the Company not less than one (1) hour before regular (b) starting time when unable to report for duty without a reasonable explanation.

1^{st'} offense Reprimand

2nd offense Reprimand

Subsequent offenses. . . Subject to Dismissal

Reporting late for work without a reasonable explanation. (c)

1st offense..... Reprimand 2nd offense..... 3 days off 3rd offense..... 1 week off

4th offense Subject to Dismissal

Failure to report for duty after being instructed to do so. (d)

1st offense Reprimand to one (1) Week off

2nd offense Subject to Dismissal

Any employee absent due to illness must supply substantiating evidence (e) satisfactory to management, when required.

FOR THE COMPANY:

Charron Transport Ltd.

FOR THE UNION:

Teamsters, Chauffeurs,

Warehousemen and Helpers Union

Local No 880

LETTER OF UNDERSTANDING

Between:

CHARRON TRANSPORT LIMITED

(herein referred to as the "Company"

-And-

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS LOCAL UNION NO. 880

(herein referred to as the "Union")

Re: Use of Charron Transport Retirees as Part-Time help

This Letter of Understanding will become part of the Collective Agreement and any violation of this Agreement will be subject to the grievance procedure.

The terms of the agreement are as follows:

- a) It is agreed between the parties that the Company may use Charron Transport Retirees as Part-Time employees subject to the terms of the Collective Agreement and specifically Article 22.5 c).
- b) The only exception to the conditions of Article 22.5 c) will be the hours of work which will be extended to twenty (20) hours or less per week for the above mentioned employees only.

Signed this	38+	day of .	May	೨ <i>೦</i> ೦೪ ., 2007 .	
_		•			/-

FOR THE COMPANY:

Charron Transport Ltd.

FOR THE UNION:

Teamsters, Chauffeurs, Warehousemen and Helpers Union

Local No. 880

LETTER OF UNDERSTANDING

OWNER/OPERATORS

In the event the Company decides during the term of the Collective Agreement, to hire owner/operators, the parties agree to negotiate the attached contractual language for inclusion in the Collective Agreement.

	Owner/Operator Division will be removed
from the Collective Agreement.	
	de

Dated this 38 day of May, 2007.

FOR THE COMPANY: Charron Transport Ltd.

Je Co

FOR THE UNION:

Teamsters, Chauffeurs, Warehousemen and Helpers Union Local No. 880

LETTER OF UNDERSTANDING

Between

CHARRON TRANSPORT LIMITED (CHATHAM)

(herein referred to as the "Company")

-And-

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS UNION LOCAL 880

(herein referred to as the "Union")

The Company and the Union agree that all positions for drivers hauling containers or container trains, shall be posted in March of each contract year and the senior qualified employees, bidding on this job, will be awarded the positions in the first week of April each year.

It is further agreed, that once the driver has committed to hauling the containers or container trains, for a one for a period, his work preference on the regular seniority list will not apply unless the situation should arise that there is no container work, at which time he will maintain his regular seniority.

Senior drivers will not be allowed to bump bid drivers unless they have been off work for a period of forty-eight (48) hours.

FOR THE COMPANY:

Charron Transport Ltd.

FOR THE UNION:

Teamsters, Chauffeurs, Warehousemen and Helpers Union Local No. 880

IMPORTANT NOTE:

If you leave the employ of the Company, contact your Local Union wither in person, or by mail, for a WITHDRAWAL CARD. OBTAINING A WITHDRAWAL CARD IS THE SOLE RESPONSIBILITY OF THE MEMBER.

WITHDRAWAL CARDS can only be issued to a member whose dues are paid to and including the month in which the withdrawal card is requested.

IF YOUARE NOT WORKING DUE TO SICKNESS, LAY-OFF, W.S.I.B., ETC., NOTIFY THE UNION OFFICE AND OBTAINA WITHDRAWAL.

WITHDRAWAL CARDS ARE VALID ONLY WHEN A MEMBER IS NOT WORKING AT THE CRAFT.

KNOW YOURAGREEMENT:.... MAKE SURE YOUKEEPIT FOR YOUR FUTURE REFERENCE. IF THERE IS ANYTHING ABOUT WHICH YOUMAY BE IN DOUBT, ASK YOUR STEWARD TO ADVISE YOU, OR CONTACT YOUR LOCAL UNION OFFICE.

ALWAYS

- 1. ATTEND YOUR UNION MEETINGS.
- 2. Help new employees become acquainted with the agreement.
- If you leave the employ of the Company, contact your Local 3. Union office for a withdrawal card.

"BE A GOOD UNION MEMBER"