

COLLECTIVE AGREEMENT

between



**DIRECT GENERAL PARTNER CORPORATION on behalf of
DIRECT LIMITED PARTNERSHIP
O/A CANADA CARTAGE SYSTEM**

and



**TEAMSTERS LOCAL UNION NO. 31, Chartered by the
International Brotherhood of Teamsters**

Effective: October 7, 2013 to December 31, 2018

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THIS AGREEMENT MADE AND ENTERED INTO THIS DAY OF _____, 2014

BETWEEN: DIRECT GENERAL PARTNER CORPORATION ON BEHALF OF
DIRECT LIMITED PARTNERSHIP O/A CANADA CARTAGE
SYSTEM

(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 - SCOPE OF THIS AGREEMENT

1.1 - 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.

1.2 - 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 - UNION SECURITY

2.1 - Certificate of Bargaining Authority

The Company agrees to recognize the Union as the sole collective bargaining agent for all employees and categories of employees referred to in the Certificate of Bargaining Authority issued by the Canada Labour Relations Board.

2.2 - Bargaining Authority

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

2.3 - 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.

2.4 - Check-off

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

2.5 - Union Shop

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

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

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 their being hired.

2.6 - Hired Cartage

The Company and the Union agree the Company may use Owner/Operators on a

required basis subject to the following conditions:

- (a) To supplement the regular work force, to provide additional help on a required basis, to cover peak work periods, and such other time as necessary to cover an absent employee.

2.7 - Conflicting Agreements

The Company agrees not to enter into any agreement or contract with employees of the Company, who are 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.

2.8 - New Equipment and Classifications

Prior to any new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Company 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 3 - EMPLOYEE CATEGORIES

3.1 - 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;

3.2 - Casual/Part-time Employees

A Casual / Part - Time Employee shall:

- (a) be hired on an incidental basis to supplement the regular work force, to provide additional help on an incidental basis, to cover peak work periods, and other such times as necessary to cover an absent employee;
- (b) not be covered by the terms and conditions of this Collective Agreement, except as set out in this Article 3.2;
- (c) be carried on a regular casual employee's seniority list, subject to the Company's right to remove the employee from the list at any time in its sole discretion;
- (d) be given first opportunity to qualify as a regular employee as openings become available, providing he meets all Company qualifications and requirements, and subject to the applicable probationary or trial period as set out in Article 4.2(b) or 4.3;
- (e) not be covered under the provisions of the Health and Welfare Plan until such time as he becomes a regular employee; and
- (f) not be employed or scheduled to the extent that their work results in a reduction of full-time employee(s), the displacement of full-time employees, or prevents the hiring of recall of full-time employees.
- (g) not:
 - 1. Be entitled to benefits normally granted to full-time employees.
 - 2. Be guaranteed a minimum number of hours work per week.
- (h) be an employee whose scheduled or unscheduled hours do not exceed twenty (20) hours in a seven (7) day period.

ARTICLE 4 - SENIORITY

4.1 - 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 without additional training.

4.2 - Job Vacancies/Posting

- (a) All new jobs and vacancies are subject to seniority and shall be posted promptly for five (5) 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. Employees absent by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy on the following basis:

- (i) the employee shall inform the Branch Manager or designate prior to his leave of his wish to be informed of any vacancy or posting;
 - (ii) where the Company has been so notified the Company will inform the employee of any posting by
 - a. phone, or
 - b. email to email address supplied by employee
- (b) The successful employee must demonstrate the ability to perform the work in a satisfactory manner within a trial period of fifteen (15) working days. During this time period, with reasonable cause, the employee, at his request, may return, or at the insistence of the Company with reasonable cause (including justifiable written customer complaints) will be returned to his previous position. The employee will not be permitted to apply for another posting with that customer for a period of six (6) months.
- (c) The Company shall have the right to fill any vacant positions for up to fifteen (15) working days without regard to the seniority list, as the situation requires **with notification to the Union**; the fifteen (15) day period may be extended by the Company for bona fide business purposes, in which case the Company shall discuss the matter with the Union and any affected employees.
- (d) Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new jobs or vacancies. 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.

4.3 - Probation Period

- (a) All newly hired employees shall be considered as probationary employees for the first **ninety (90)** calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid-off for lack of work or dismissed for unsuitability or any other reason during the probationary period. However, the Company shall inform the probationary employee as to whether he has been dismissed or laid-off.
- (b) Upon the conclusion of any **ninety (90)** calendar day period the employee's name shall forthwith be placed on the regular employees' seniority list, effective from the first day of employment of the **ninety (90)** calendar day period, and the employee

shall be entitled to all rights and privileges as provided in this Agreement with the exception of those as specified, i.e. Health and Welfare provisions.

4.4 - Casual

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

4.5 - Seniority Lists

The Company will post and maintain seniority listings. Such up-to date listings will be posted **four (4) times a year**. Copies of current lists will be provided to the Union. Such lists to state starting date of employee.

4.6 - Termination of Seniority

- (a) When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will automatically be struck from the seniority list. If an employee on his own volition obtains a withdrawal card from Local 31 he shall be struck from the Company seniority list.
- (b) When a the Company tries to contact any regular employee who is either on lay-off in excess of two weeks or has failed to report for duty within twenty-four (24) hours of contact, and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal.
- (c) An employee shall lose all seniority, shall be removed from the seniority list, and shall cease to be an employee in any of the following circumstances:
 - (i) If the employee quits;
 - (ii) If the employee is discharged and not reinstated through the grievance or arbitration procedure;
 - (iii) If the employee retires;
 - (iv) If the employee:
 - a. Fails to return to work at the expiration of an authorized leave;
 - b. Fails to respond to a recall notice within twenty-four (24) hours of receipt of the notice; or
 - c. Fails to return to work within fifteen (15) calendar days after receipt of the notice without providing an explanation satisfactory to the Company.

An employee desiring to terminate employment shall give notice in writing of the date on which employment is to terminate; the period between the date on which notice to terminate and date of termination shall not be shorter than **ten (10) working days**.

4.7 - Layoff Provisions

Any employee who has been on lack of work lay-off for **twelve (12)** months or more shall be removed from the seniority list and the Company shall be under no further obligation to such employee except when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for **eighteen(18)** months.

ARTICLE 5 - LEAVE OF ABSENCE

5.1

- (a) 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 without pay in writing (with a copy to the Union) for a period up to thirty (30) calendar days.
- (b) 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.
- (c) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
- (d) 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.
- (e) 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.
- (f) It is understood and agreed that employees **whose start time is 0000-0800** will be required to give notice to the Company of any impending absence from duty and whenever possible, such notice shall be given as soon as the employee involved becomes aware of such impending absence from duty and in no event shall such notice be given less than **ninety (90) minutes** prior (**three (3) hours for all other start times**) to the employee's scheduled work time.

- (g) Employees who have pre-arranged doctor's or dentist's appointments will notify the Company at least twenty-four (24) hours in advance of their pending absence from duty.
- (h) If an employee, employed in a classification requiring a driver's license, suffers the revocation of his driver's license, provided the employee has not been discharged, he will be reclassified 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 reclassified, or there is no available work, the Company may, in its sole discretion, grant a leave of absence to such an employee who has suffered a revocation of his driver's 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.
- (i) 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.

5.2

- (a) 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.
- (b) Notice shall be given to the Union in writing prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by the Health and Welfare and the Pension Plan as provided in this Agreement.
- (c) 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. The successful appointee shall not have the right to hire and fire during the ninety (90) day leave of absence.
- (d) Not later than on the ninetieth (90) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

ARTICLE 6 - REST PERIODS

6.1 - Rest Period

- (a) 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. No employee shall be compelled to take his meal period before he has been on duty three and one-half (3 1/2) hours or after he has been on duty five (5) hours. However, any employee directed by the Company to stay with or operate equipment during his meal period will be paid at the regular rate of pay. Employees shall be entitled to one (1) break of fifteen (15) minutes during both the first half and second half of any shift.
- (b) Under no circumstances will an employee be assigned or deducted more than a one-half (1/2) hour meal break.
- (c) On any day that an hourly paid employee takes less than the required one-half (1/2) hour meal period:
 - (i) Drivers in contract positions will obtain written authorization from their appointed customer dispatcher/supervisor, the Branch/Operations Manager or the on-duty dispatcher;
 - (ii) Where the customer representative gives the authorization, the Driver shall also advise with the Company dispatch office. The authorization will be noted in the employee's time card.

6.2 - Overtime Break

When an hourly rated employee is required to work overtime of more than thirty (30) minutes but less than two (2) hours, he shall be entitled to a paid fifteen (15) minute coffee break prior to starting such overtime work. However, if the overtime is to exceed two (2) hours, the employee shall also be entitled to a thirty (30) minute paid meal period.

ARTICLE 7 - SAFETY CONDITIONS

- 7.1 Maintenance of Equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- 7.2 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.

- 7.3 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.
- 7.4 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.
- 7.5 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.
- 7.6 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.
- 7.7 Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- 7.8 **All new and replacement vehicles shall have side mounted backup lights.**
- 7.9 The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.
- 7.10 Employees shall not be ordered by the Company to take out on the streets or highways, any Company vehicle which is considered unsafe by the driver and the employee shall complete the necessary defect forms supplied by the Company regarding the defects.
- 7.11 No unauthorized personnel will be allowed to ride in any Company vehicle. Drivers who violate this policy may be subject to disciplinary action up to and including immediate dismissal.
- 7.12 Effective the date of signing of this Agreement an employee involved in an accident with a Company vehicle shall not be required to pay an assessment or monies to the Company.

- 7.13 Employees failing to report **immediately** any accidents or claims to the Company may be subject to disciplinary action and/or dismissal. **Employees must complete an accident report before going off service from the shift when involved in a workplace injury or motor vehicle collision.**
- 7.14 Effective the date of signing of this Agreement, an employee shall not be required to pay any assessment or monies to the Company for a cargo claim or breakage of goods.
- 7.15 The Company must be made aware of any suspension or other restriction imposed on an employee's driver's license. Failure to disclose a suspension or restriction on the employee's driver's license while continuing to operate a Company vehicle will result in immediate dismissal.
- 7.16 Drivers shall be responsible to pay all fines for moving violations and non-work related parking tickets.
- 7.17 In the event that a customer requests an employee be removed from an account with reasonable cause (including a justifiable written request from the customer), the employee will be placed in the "call cartage" department.
- 7.18 **All new and replacement vehicles will be equipped with air conditioning. The Company will make reasonable effort where practical to maintain operational air conditioning in all vehicles.**
- 7.19 **The Company shall supply material handling equipment as required to make all deliveries safely. Employees must immediately notify Company if such required equipment is not available.**

ARTICLE 8 - PAY PERIOD

8.1 - Pay Period

(a)

- i. 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.

- ii. **All pay stubs and trip sheets to be in a sealed envelope and all employees to have pay stubs on the date of pay for employees at the hub.**
 - a. **For employees who work at a designated location away from the hub (ie. Safeway) will receive paystubs no later than the following Monday.**
 - b. **For employees who work away from a designated location will receive paystubs by mail or email. Employee shall designate one of these two delivery methods and provide Company with proper information with any updates or changes.**

- (b) Provided proper documentation is submitted to the Company not less than two (2) weeks in advance and, 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 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.

8.2 - Errors

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

8.3 - Separation of Employment

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as possible, **but not later than the next regularly scheduled payroll in accordance with the Company's standard payroll practise.**

ARTICLE 9 - PAID FOR TIME

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.

ARTICLE 10 - BEREAVEMENT LEAVE

10.1 Regular employees will have bereavement leave entitlement as follows:

- 10.2 When death occurs to a member of a regular employee's immediate family, the employee will be granted, upon request, bereavement leave on any of his normal working days that occur during the three (3) working days immediately following the day of death.
- 10.3 In the event the funeral is held on an employee's regular work day other than the three (3) days immediately following the day of death, the employee will be granted, upon request, paid leave on that day to attend the funeral.
- 10.4 The employee will be compensated at his regular straight time rate for hours lost from his regular schedule for the bereavement leave in the three (3) working days immediately following the day of death.
- 10.5 Members of the employee's immediate family are defined as the employee's spouse, mother, father, son, daughter, sister, brother, mother-in-law, father-in-law, step-sons and step-daughters.
- 10.6 Step-father and step-mother will be recognized provided such step-father or step-mother had the status of the employee's father or mother.
- 10.7 In the event of the death of the employee's grandfather or grandmother or the employee's spouse's grandfather or grandmother, the conditions of this Article will apply only if the employee attends the funeral.
- 10.8 (NOTE: The "spouse" of the employee shall be defined as the spouse on record with the Company's personnel department).
- 10.9 In addition, if the employee is notified of the death while he is working, he will be excused from and paid for the balance of the working shift, and such time shall not be charged against the three (3) days of leave.

ARTICLE 11 - JURY DUTY

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

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

ARTICLE 12 - MEDICAL EXAMINATION

- 12.1 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.
- 12.2 Any driver with one (1) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's licence shall **have the cost of the examination paid for by the Company up to one hundred dollars (\$100.00)**, provided a receipt is submitted to the Company.
- 12.3 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.
- 12.4 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).
- 12.5 An employee who has been absent from work because of illness or accident and is **fully** cleared to return to work, **with no restrictions, and is supported by a note from their doctor**, 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, **as per his work schedule**, until he returns to work, provided the Company medical examiner certifies the employee fit to resume work.

ARTICLE 13 - COMPENSATION SICKNESS COVERAGE

- 13.1 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.

- 13.2 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.
- 13.3 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.

ARTICLE 14 - LICENCE TESTS

- 14.1 When the Company deems an employee to be suitable for an upgrade, the Company shall pay the following upgrade costs to facilitate a move to a Class 1 / 3 license:
- a) The cost of one (1) Road Test
 - b) "On the job" training by the Company as required, and
 - c) The supply of a suitable vehicle for the Road Test
- 14.2 Employees will be required to supply written authorization to enable the Company to obtain drivers abstracts. The Company will be responsible for the costs incurred for drivers' abstracts. If the Company requires more than one abstract per year, the Company will pay the costs of the additional abstracts. The Company will be responsible for all administration costs. In the event that an employee's driver's license has been called under review and/or suspension, the Company must be notified in writing within forty-eight (48) hours. Results of such review shall be made known to the Company within forty-eight (48) hours.

ARTICLE 15 - MANAGEMENT'S RIGHTS

- 15.1 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:
- a) to maintain order, discipline and efficiency;
 - b) to discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause;
 - c) to increase and decrease working forces;
 - d) to make or alter from time to time rules and regulations to be complied with

by its employees. These rules and regulations are to be filed with the Union; and

15.2 All disciplinary records will be removed from an employee's personnel file after **fifteen (15) months from the date in which they were issued**. Items removed from a file will not be used in subsequent disciplinary proceedings.

ARTICLE 16 - TECHNOLOGICAL AND MECHANICAL CHANGES

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

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

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

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

Dislocated Employees: In the event technological or mechanical changes result in a reduction in the work force or the demotion or promotion of employees, such reductions, demotions or promotions shall be done in accordance with the provisions of article 7, seniority as contained herein.

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

ARTICLE 17 - UNION ACTIVITY

17.1 - Picket Line

- (a) 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.

- (b) 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.

17.2 - Inspection Privileges

Upon reasonable advance notice, 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.

17.3 - 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. Where reasonably possible, 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 Company on Company property or at any other place which is mutually agreed upon by both the Union and the Company.
- (c) If the Company 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 Company on the Company's property or at any other place which is mutually agreed upon by both the Union and the Company.

17.4 - Union Label

Upon written request from any driver, subject to prior approval from the Company, based on it obtaining approval from its applicable customer(s), 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.

ARTICLE 18 - SAFETY

18.1 - 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.

18.2 - First Aid Supplies

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

18.3 - 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 Company 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 Company.

18.4 - Uniforms Supplied

- (a) All employees are required to wear a uniform during the course of employment, and they will wear same, keeping it clean and in good repair. The Company shall provide each employee with a uniform allowance once every twelve (12) months of \$275 for clothing, for clothing ordered with the Company or one of its designated suppliers.

18.5 - Protective Clothing

- (a) All employees are required to wear safety boots, **as defined by the Company standards**. The Company will contribute one hundred **fifty (\$150)** dollars once every twelve (12) months **commencing January 1st each year**, upon satisfactory proof of purchase. No safety boot contribution shall be made until the employee has cleared the probationary period.
- (b) The Company shall provide employees with safety equipment as required by the Company – or its customers – to perform the work. With consultation with the Union, gloves of a reasonable quality will be provided, to a maximum of six (6) pairs per year, at no cost to the employees.
- (c) **Company to provide shunters and highway drivers, from Company order form, with coveralls and rain gear once a year.**
- (d) **The Company will allow shorts under the following conditions:**
 - 1. **The Customer must approve.**
 - 2. **Allowed during the months of May – September.**
 - 3. **In accordance with Company issued uniform.**

18.6 - Pay for Day of Injury

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

ARTICLE 19 - PAY FOR CHANGE IN CLASSIFICATION

- 19.1 When an employee from a higher rated classification is requested to work temporarily or until permanently reclassified at a lower-rated classification, he shall continue to be paid at the rate paid for the higher-rated classification.
- 19.2 Where an employee from a lower-rated classification is requested to work in a higher-rated classification for (a) one hour and up to two hours, he shall be paid for the period worked at the higher rate and (b) for two or more hours, he shall be paid for the entire day at the rate paid for the higher-rated classification.
- 19.3 An employee who is required, as a condition of employment, to be the holder of a valid and subsisting license 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.

ARTICLE 20 – LEADHAND DEFINED

A leadhand, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend, or discipline employees. He shall be a member of the Union and shall receive a premium of one dollar (\$1.00) per hour over the classification rate.

ARTICLE 21 – HEALTH AND WELFARE AND PENSION**21.1 - Health and Welfare**

The Teamsters' National Benefit 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' National Benefit Plan as set out in Appendix "B" hereunder annexed and forming part of this Agreement.

21.2 - Pension

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

21.3 - Payment of Dues and Contributions

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

21.4 - Trust Agreement

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

21.5 - Delinquency

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

ARTICLE 22 – HOURS OF WORK

22.1 - Regular Work Day/Week

- (a) The Company does not provide any daily or weekly guaranty of hours
- (b) It is understood and agreed that the work week is intended to be forty-five (45) hours {forty (40) hours for dock workers} on five (5) consecutive days or on some other modified work schedule as may be agreed upon; the Company does not provide employees with a guarantee of hours, which may fluctuate due to customer demand. **The Canada Bread runs will include modified days off (i.e. split days off). If bids are not filled, the position will be filled through reverse seniority.**
- (c) When an employee is specifically asked to report to work he shall be paid a minimum of four (4) hours.

Overtime Provisions

- 22.2 The work week shall be sixty (60) hours for highway drivers; forty-five (45) hours

for city drivers; and forty (40) hours for cross dock employees, Sunday to Saturday inclusive.

(a) Time worked in excess of sixty (60) hours per week for highway drivers; nine (9) hours per day or forty-five (45) hours per week for city drivers; and eight (8) hours per day or forty (40) hours per week for cross dock employees shall be paid at the rate of time and one-half ($1\frac{1}{2}x$) of the employees regular hourly rate of pay.

(b) A highway driver, for the purposes of this Agreement will be defined as a motor vehicle operator paid by the mile and not by the hour, or whose run for the day involves work outside the Lower Mainland of British Columbia; such drivers and work are not eligible for overtime.

22.3 Regular and overtime hours shall be calculated in fifteen (15) minute intervals to the nearest quarter ($\frac{1}{4}$) hour.

22.4 Overtime shall be authorized in such matter and by such persons as the Company may from time to time designate.

22.5 Employees will not generally be forced to work overtime, but it is understood and agreed that any job commenced prior to the employee's normal quitting time on any working day, will be completed once undertaken; provided the excess shall not be greater than two (2) hours, which can be extended by mutual agreement of the employee and the Company. Employees shall advise dispatch at the time of dispatch, or at any time, if they are unavailable for overtime.

22.6 All overtime shall be offered to employees normally performing the work on the basis of seniority, ability and qualifications being sufficient to handle the work performed, however, operational efficiency will take precedent in determining employee selection.

22.7 Employees will not be required to suspend work during working hours for the purpose of absorbing overtime.

22.8 In the event of mixed employment, Federal Labour Standards will apply for determining daily and weekly hours of work.

22.9 The Company and the Union agree that modified work schedules may be implemented by mutual consent of the Company and the Union.

ARTICLE 23 - GENERAL HOLIDAYS

- 23.1 The Company recognizes the following general holidays with payment and entitlement provisions as set out below:
- 23.2 The recognized holidays shall be: New Year's Day, **Family Day (starting February of 2016)**, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and in the event a general holiday is proclaimed by the Federal 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.
- 23.3 The Company, upon advance written notice to the Union, may choose to substitute another day for any holiday listed in 23.2 above, in which event the substituted holiday shall be deemed to be the general holiday in accordance with this Article 23.
- 23.4 Employees entitled to those paid holidays shall have been on the payroll thirty (30) calendar days previous to the holiday.
- 23.5 Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to general holiday pay.
- 23.6 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.
- 23.7 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.
- 23.8 A full day's holiday, (i.e. **eight (8) hours for dock workers; nine (9) hours for city drivers; ten (10) hours for highway drivers**) at the regularly hourly rate shall be granted to each regular full-time employee for the holidays set out in Article 23.2.
- 23.9 Employees required to work on any one of the holidays listed in Article 23.2 shall, in addition to the holiday pay in 23.8 above, be paid at time and one-half (1½) for all hours worked, with a minimum of four (4) hours. Employees required to work on a holiday will be entitled to another day off in lieu of the holiday at a time to be agreed upon with the Company; provided the employee provides not less than seven (7) days written notice, and subject to reasonable operational requirements, the Company shall not unreasonably deny an employee the

selection of the alternate day off.

23.10 Employees on vacation during a period in which one of the above holiday(s) is observed shall receive an additional day(s) vacation.

23.11 The work week shall be reduced by the appropriate number of hours each general holiday(s), as outlined in Federal Labour Standards

ARTICLE 24 - VACATIONS

24.1

(a) In assignment of vacations, January 1st of each year shall be considered as the qualifying date for annual vacation purposes, after which date annual credits commence for vacation purposes. Separate departmental lists based on seniority shall be prepared, completed and posted by the Company no later than January 31st of each year.

(b) It is understood and agreed that the number of employees from each departmental group on vacation at one time shall be limited to the number which, the proper officers of the Company consider will not adversely affect normal operational requirements.

(c) An employee entitled to annual vacation during the calendar year shall take such vacation as scheduled during that calendar year unless prevented by sickness or bona fide reason.

(d) Vacation requests must be submitted to the Company in writing by March 1 of each year. The Company will inform individual employees in writing by April 1 of the vacation dates allotted to them.

(e) Employees who do not submit a vacation request in advance of the deadline, or are unable to take their vacation as scheduled, shall be granted vacation on a first come basis. A copy of the schedule as approved by the Company will be posted on April 1st, with a copy sent to the Union office. No changes in the schedule will be permitted without agreement by the Company and the Union.

24.2 Where the employment of an employee ceases before the completion of a twelve (12) month period, the Company shall pay the employee an amount equivalent to four percent (4%) of the total wages of the employee, earned in the twelve (12) month period, or part thereof or any other vacation pay due him as outlined in Article --.5 in respect of which no vacation pay has been given.

24.3 New employees will qualify for ten (10) working days vacation with pay upon completion of twelve (12) months continuous service. Vacation time off shall be

at a time convenient to the Company, and not more than ten (10) months from the date of qualification. Subsequent vacations shall be in accordance with Article --.1 above.

- 24.4 The Company will give to each employee an annual vacation of fifteen (15) working days with pay after five (5) years of continuous employment, as at the 1st day of January **the following year.**
- 24.5 The Company will give to each employee an annual vacation of twenty (20) working days with pay after eleven (11) years of continuous employment, as at the 1st day of January the following year.
- 24.6 Any employee dismissed for cause or an employee who leaves the service of the Company at a time when an unused portion of vacation with pay stands to his credit, shall be paid such vacation wages as are due as follows:
- (a) if the employee is entitled to two (2) weeks vacation with pay, he shall receive four percent (4%);
 - (b) if the employee is entitled to receive three (3) weeks vacation with pay, he shall receive six percent (6%);
 - (c) if the employee is entitled to receive four (4) weeks vacation with pay, he shall receive eight percent (8%)**
 - (c) in the event of illness, injury and/or leave of absence in excess of thirty (30) days, the above formulas will be utilized to determine holiday pay.
- 24.7 In assignment of vacations, senior employees in various departmental groups will be given preference of assignment.
- 24.8 After vacation dates have been selected and the list prepared as herein provided, no change in dates shall be allowed unless mutually agreed to by the proper officer of the Company and the employee.
- 24.9 Vacation will be granted in one (1) week blocks (based on employee's standard work week/schedule unless otherwise approved at the discretion of the Company. Employees will be able to break up one (1) week of their vacation entitlement into single days.**

ARTICLE 25 - SAVINGS CLAUSE

25.1 - Savings Clause

If any article or section of this Agreement or any of the riders hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any article or section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any rider thereto or the application of such article or section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be effected thereby.

25.2 - 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 26 - GRIEVANCE PROCEDURE

All questions, disputes and controversies arising under this Agreement or any supplement hereto shall be adjusted and settled within the terms and conditions as set forth in this Agreement in the manner provided by this Article, unless otherwise expressly provided in this Agreement. The procedure for such adjustment and settlement shall be as follows:

Step 1: Any grievance of an employee shall first be taken up between such employee and the Company supervisor. However, such employee will be entitled to be accompanied by a shop steward or Union representative.

Time limit to institute Grievance:

Termination or layoff - Ten (10) days. All others Fifteen (15) days.

Step 2: Failing settlement under Step 1, such grievance shall be taken up between the Company supervisor and a shop steward or local Union representative. Step 2 must be completed within ten (10) calendar days from the completion of Step 1.

Step 3: Failing settlement under Step 2, the grievance shall be taken up in the presentation by the Local Union representative to the Company's Branch Manager or designate.

Except by written mutual agreement between the Union and the Company providing for an extension of time, Step 3 must be completed within ten (10) calendar days from the completion of Step 2.

Step 4: Failing settlement under the above Steps, the matter will be referred to an agreed upon neutral person to act as an arbitrator who will meet with the parties to hear both sides of the case. Failing to agree upon a neutral person, the Department of Labour will be requested to appoint a neutral arbitrator.

The Arbitrator shall be required to hand down his decision within fourteen (14) calendar days following completion of the hearing and his decision shall be final and binding on the two parties to the dispute.

The cost of the Arbitrator will be borne equally by the Union and the Company. All monetary settlements shall be paid through the local Union's office in the employee's name.

ARTICLE 27 - TERM OF AGREEMENT

This Agreement shall be for the period from and including **October 7, 2013 to and including December 31, 2018**. Either Party to this Agreement may, within four months immediately preceding October 6, 2013 give to the other Party written notice to commence collective bargaining.

DATED THIS 20th DAY OF OCTOBER, 2014.

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

SIGNED ON BEHALF OF THE UNION

SIGNED ON BEHALF OF THE COMPANY

Stan Hennessy

[Signature]

Richard Heald

APPENDIX "A" - WAGE SCHEDULE

Hourly Classification	Current	Jan. 1/15	Jan. 1/16	Jan. 1/17	Jan. 1/18
Class 1 - Tractor	\$22.00	\$22.22	\$22.44	\$22.78	\$23.18
Class 3 - Tandem Axle	\$20.22	\$20.42	\$20.62	\$20.93	\$21.30
Class 5 - Straight Truck	\$19.62	\$19.82	\$20.02	\$20.32	\$20.68
Warehouse	\$18.43	\$18.61	\$18.80	\$19.08	\$19.41
Swamper	\$16.00	\$16.16	\$16.32	\$16.56	\$16.85

Mileage Rates	Current	Jan. 1/15	Jan. 1/16	Jan. 1/17	Jan. 1/18	Drop Rates
Category # 1 200-300 Miles Return Trip	\$0.523	\$0.528	\$0.533	\$0.541	\$0.549	\$17.00 per stop
Category # 2 301-400 Miles Return Trip	\$0.486	\$0.491	\$0.496	\$0.503	\$0.512	\$17.00 per stop
Category # 3 401+ Miles Return Trip	\$0.468	\$0.473	\$0.478	\$0.485	\$0.493	\$17.00 per stop

All Highway trips that are less than Category # 1 (200 Miles return) are paid at the applicable hourly rate.

All mileage rates are paid PC Miler City Centre to City Centre "Practical Route"

A stop shall refer to any stop wherein merchandise is loaded or unloaded.

Where both loading and unloading occur at the same location, it shall be considered one stop.

A trailer switch where no loading or unloading takes place shall not constitute a stop.

All Highway mileage rates include the following:

- o Vehicle Pre-trip and post trip inspections
- o Initial pick up of trailer / load from customer location (1 hour max)
- o Travel time to and from the Canada Cartage yard to customer facility (if applicable).

A.1

New Hire Rates

- a) It is understood and agreed that all new employees shall be paid during their first three (3) months, fifty (50¢) cents less than the rate set out in Appendix A. After three (3) months, twenty-five (25¢) cents less than the rate set out in Appendix A. After six (6) months, the full rate set out in

Appendix A.

- b) For flat rate/mileage drivers the new hire rate shall be:
 - i) First two (2) months of employment, three (3%) percent less than the applicable rate in Appendix A including drop rates and premiums.
 - ii) The following two (2) months of employment, two (2%) percent less than the applicable rate in Appendix A including drop rates and premiums.
- c) The Company at its discretion shall have the right to waive the new hire reduction rates and time periods.

A.2: Shunt Premium

All drivers performing shunting services shall be entitled to a premium of \$1.00 per hour for all hours worked in performing shunting services. This premium will not be applied to Statutory Holiday Pay but will be applied to gross pay for vacation purposes. The premium will be paid for overtime hours, but not at an overtime rate.

A.3: Shift differential

Shift Differential premium will be paid as follows:

- (a) Hourly employees commencing work between the hours of 6:00 PM and 4:00 AM will receive a shift differential of fifty cents (\$0.50) per hour for all hours worked, in addition to the applicable hourly rate of pay.
- (b) Flat/mileage rated drivers will receive a shift differential of fifty cents (\$0.50) per hour for all hourly paid work that occurs between the hours of 6:00 PM and 4:00 AM in addition to their flat/mileage rate.

A.4: Delays for Mileage Paid Drivers (Highway)

The following delays will be paid at the hourly rate of pay. All times must be marked on the applicable Company/Customer documentation and must be signed for when possible.

1. International border crossing (all time after one (1) hour per round trip).

2. Breakdown of Company equipment (time paid after one(1) hour on the basis of eight (8) hours paid , eight (8) hours unpaid, eight (8) hours paid , eight (8) hours unpaid and so on, except if away from home terminal – all time paid).
3. Stops and drops, loading and unloading, coupling and uncoupling, switches (all time after one (1) hour per occurrence).
4. Justifiable delay not attributable to the driver (time paid after one (1) hour on the basis of eight (8) hours paid, eight (8) hours unpaid, eight (8) hours paid , eight (8) hours unpaid and so on).

The above premiums will not be applied to Statutory Holiday Pay but will be applied to gross pay for vacation purposes. The premiums will be paid on overtime but not at an overtime rate.

The Premiums will not be retroactive and will be effective on date of ratification.

A.5: Red Circled Employees

Class 5 Driver shall be "red-circled" such they shall receive a \$1.00 premium on top of applicable Class 5 rate for the life of the Agreement, for so long as they remain employed in Class 5 positions.

**APPENDIX B
TEAMSTERS' NATIONAL BENEFIT PLAN**

Plan A

1 - Participation

It is agreed that the Company will participate throughout the life of the Agreement in the Teamsters' National Benefit Plan (the Plan) as amended from time to time.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Trust Agreement.

Section 3 - Trust Agreement

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust (the Trust Agreement), established July 1, 1971 and revised on November 26, 1990.

The Company agrees that it shall be bound by the terms and conditions of the Trust Agreement.

Section 4 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of Trustees provided the Plan is administered in accordance with the Collective Agreement, the Trust Agreement and any applicable government law or regulation. Benefits provided will be determined by the Trustees and 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 5 - Eligibility Conditions

- (a) Any member of the Union who is a regular employee on the date of this Agreement shall join the Plan on the first day of the month following the date of this Agreement.**
- (b) Any member of the Union, employed pursuant to this Agreement, shall join the Plan on the first day of the month coincident with or immediately following the date on which the employee becomes a regular employee. Any employee hired after September 17, 2014 Letter of Understanding No. 3 will**

apply.

- (c) **Notwithstanding subparagraph "(a)" above, any member of the Union, employed pursuant to this Agreement, who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.**
- (d) **If an employee whose coverage has been terminated due to lay-off or any other temporary interruption of work, is recalled and works a minimum of one shift, coverage for the weekly indemnity and long term disability benefits will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.**
- (e) **For the purposes of this Appendix "B", a regular employee or member of the Union hired pursuant to this Agreement, shall include a dependent contractor as defined in the appropriate section(s) of this Agreement.**
- (f) **Notwithstanding the provisions of this section, any employee not covered under the Plan who is absent from work due to layoff, leave of absence, disability or any other temporary interruption of employment on the date coverage would normally take effect shall not be eligible to become covered until the date on which he returns to active employment and works one shift. Coverage for all benefits except weekly indemnity and long term disability will be established as of the first day of the month in which the return to work occurs. Weekly indemnity and long term disability benefits will be established as of the date of return to work.**

Section 6 - 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.

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 7 - 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 BC (administration) (effective October 1., 2014)**

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 Employer will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Employer. 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.

In the event that the Plan's weekly indemnity benefit is maintained at a level that will allow the Company to qualify for premium reduction under the Employment Insurance Act, the employees' share of such reduction (5/12) shall be retained by the Company as payment in kind for benefits provided.

Section 8 – Costs

Effective October 1, 2014, the Company shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees for any month in which any employee is covered by the Plan for one day or more.

Section 9 - Payment of Contributions

- (a) Contributions will be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Plan not later than the twentieth (20th) day of the month for which coverage is being provided.**
- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of the Plan 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.**

- (c) The Company agrees that the Trustees of the Plan 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.**
- (d) The Company agrees that, if contributions are not received by the Plan Administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not within the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at a rate determined by the Trustees but not to exceed 2% per month from the date such contributions were due to the date of receipt by the Union or the Plan Administrator.**
- (e) The Company agrees that, if the Union or the Trustees of the Plan 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.**

Section 10 - Termination of Coverage

Except as provided under Section 5, subparagraph (e), hereunder,

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

Section 11 - Failure to Remit Contributions

It is agreed that, if the Company fails, due to reasons other than clerical error, 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 Benefit Plan but would have received had the Company remitted the required contributions. In the event of clerical error, the Company shall be liable for the payment of any benefits for which the Trustees are unable to obtain insurance due to late application.

Section 12 - General

- (a) It shall be the responsibility of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company and, when necessary, the employee.**
- (b) It shall be the responsibility of the Company to complete an Employer Authorization form enrolling eligible employees on the Plan. The employer shall provide the employees with the Member Data form necessary for dependent coverage and beneficiary appointment. Forms required to make claim under the Plan shall also be made available.**
- (c) It shall be the responsibility of the employee to cause the Member Data form and claim forms to be completed and submitted to the Plan.**

**APPENDIX C
TEAMSTERS' NATIONAL PENSION PLAN**

Section 1 - Participation

It is agreed that the Company will participate throughout the life of the Agreement in the Teamsters' National Pension Plan (the Plan) as amended from time to time.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Trust Agreement.

Section 3 - Trust Agreement

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust (the Trust Agreement), established January 1, 1982 and amended by the Trustees from time to time.

The Company agrees that it shall be bound by the terms and conditions of the Trust Agreement.

Section 4 - Plan Administration

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

Section 5 - Eligibility Conditions

- (a) Any member of the Union, employed pursuant to this Agreement, shall join the Plan on the first day of the month coincident with or immediately following the date on which the employee becomes a regular employee.
- (b) Notwithstanding subparagraph "(a)" above, any member of the Union, employed pursuant to this Agreement, who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.

It is understood that any person who is not subject to the terms of this Agreement, or any person employed on the basis of being a dependent contractor is not eligible to participate in this Plan.

Section 6 - Benefits

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

Section 7 - Contributions

- (a) The cost of contributions to the Plan shall be borne wholly by the Company.
- (b) The Company shall contribute in respect of each employee in accordance with the following:

Effective Date	Amount Per Hour
Date of Ratification	\$0.25
Year 2 (October 7, 2011)	\$0.30
Year 3 (October 7, 2012)	\$0.35
Year 4 (October 7, 2013)	\$0.35
October 1, 2014	\$0.45

- (c) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:

- All straight time hours
- Periods of Paid vacation
- Jury Duty
- Sick Leave (under the Sick Leave Provision of this Agreement)
- Bereavement leave
- Statutory holidays
- Special personal floating holiday
- Accumulated Time Off
- Periods of Banked Overtime
- For Line Drivers - All on duty hours

No contributions are required to be paid for:

- Change in shift penalty
- Call time - where a call involves a four hour minimum embodying call time and hours worked, contributions are only required for hours worked.
- Severance allowance.
- Non-work hours as described in Section 7, hereunder.

- (d) In no case shall the Company remit hours in excess of 40 hours per week or 2080 hours per year.

- (e) (i) Contributions shall be made on a calendar month basis for each eligible employee and the Company shall submit the total contribution to the Trust aforesaid, not later than the 20th day of the following month.
- (ii) The Company agrees to hold in trust, until remitted, all amounts payable in respect of the Plan 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.
- (iii) The Company acknowledges that the Trustees of the Plan 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.
- (iv) The Company agrees that, if contributions are not received by the Plan Administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not within the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at a rate determined by the Trustees but not to exceed 2% per month from the date such contributions were due to the date of receipt by the Plan Administrator.
- (v) The Company agrees that, if the Union or the Trustees of the Plan 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 Trustees for such costs.

Section 8 - Non-Work Hours

In order that the Trustees may properly adjudicate any pension credits that may be due to an employee during periods of absence from work due to disability, the Company agrees to provide, on a monthly basis, a report of all hours of work lost by any employee due to disability for which the employee is receiving temporary time loss benefits from the Workers Compensation Board, Weekly Indemnity or Long Term Disability Benefits under a group insurance plan provided pursuant to this Agreement or Maternity / Parental Benefits under the Employment Insurance Act.

This report shall be provided no later than the 20th day of the month following the month in which the employee suffered loss of hours due to disability or maternity.

APPENDIX "D"

TEAMSTERS LOCAL NO. 31 – UNION / INDUSTRY ADVANCEMENT FUND

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

The Company shall make contributions of two thousand-five hundred (\$2,500) dollars per year, in each year of this Agreement.

Payment of said funds shall be made to the Teamsters Local No. 31 Union/Industry Advancement Fund.

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

LETTER OF UNDERSTANDING NO. 1

BETWEEN: DIRECT LIMITED PARTNERSHIP O/A CANADA CARTAGE SYSTEM ("DLP")

AND: TEAMSTERS LOCAL UNION NO. 31 ("Teamsters")

Re: New Business with Home Depot

DLP will be commencing new business for the Home Depot, (the "HD Business"). As a result, certain employees currently providing service to Home Depot through another employer, Transportation Management Services Ltd. ("TMS") will be taking employment with DLP and performing the HD Business. The Parties agree that effective start of the HD Business, tentatively scheduled for June 7, 2013, the following supplemental terms shall apply to all drivers performing the HD Business who transfer employment from TMS to DLP. These terms shall not apply to any current employees of DLP covered by the Collective Agreement, including any current DLP employees who provide service to the Home Depot:


- TMS employees who become employees of DLP (and members of the Teamsters), will be "red circled" (regardless of what classification they are placed into – Class 1, 3 or 5 – and these drivers will not be subject to bumping rights by other employees under the Collective Agreement while occupying the position (HD Driver). At such time as any of these positions becomes vacant for any reason, the vacancy shall be subject to the posting and seniority provisions of the Collective Agreement.
- Employees shall have a new seniority date as of the date that they commence employment with DLP, and will be placed on the Seniority List in order in which they commenced employment with TMS. Their wage rates will be the same as currently covered in the Collective Bargaining Agreement.
- Drivers who transfer from TMS and continue to provide service for Home Depot are eligible for a daily 8 hour guarantee, excluding any permitted meal period, provided all of the following criteria are met: they are called for work, show up for work and perform work as instructed by management. There is no weekly guarantee of hours.
- Any employee who assumes a vacant or newly-created position for the HD Business after the transition date will be governed by the terms and conditions of the Collective Agreement, and not by the terms of this LOU; such drivers will be slotted into the appropriate classification in the CBA – Class 1, 3 or 5 – that covers the work related to the vacancy/posting. The 8 hour guarantee set out above will not apply.
- This letter of understanding does not apply to the existing DLP employees who provide service to the Home Depot.
- Should any supplemental issues arise, not covered by this letter of

understanding, through the course of the transition of the HD Business, the Company and the Union agree to address those items.


The terms and conditions of this letter shall remain in force for the duration of the term of the Collective Agreement.

SIGNED THIS 20th DAY OF OCTOBER, 2014.

FOR THE COMPANY



FOR THE UNION



LETTER OF UNDERSTANDING NO. 2

BETWEEN: DIRECT LIMITED PARTNERSHIP O/A CANADA CARTAGE SYSTEM ("DLP")

AND: TEAMSTERS LOCAL UNION NO. 31 ("Teamsters")

Re: COMPRESSED GAS – KENT WASHINGTON RUN


The parties agree that effective December 1st, 2011 that the following supplemental terms shall apply to all drivers performing services for the Kent Washington run for compressed gas services:

- A \$4 per hour premium will be applied to the existing Class 1- Tractor classification for all hours spent loading and unloading.
- This premium shall not attract any overtime calculations.
- The Shift Differential outlined in A. 3 does not apply.
- When paid the mileage rate, a \$0.09/mile premium will apply.

The terms and conditions in this letter shall remain in force for the duration of the term of the collective agreement.

SIGNED THIS 20th DAY OF OCTOBER, 2014.

FOR THE COMPANY



FOR THE UNION



LETTER OF UNDERSTANDING NO. 3

BETWEEN: DIRECT LIMITED PARTNERSHIP O/A CANADA CARTAGE SYSTEM ("DLP")

AND: TEAMSTERS LOCAL UNION NO. 31 ("Teamsters")

Any employee hired after the date of ratification will be eligible for benefits and MSP the first of the month following 6 months of employment.

SIGNED THIS *20th* DAY OF *OCTOBER*, 2014.

FOR THE COMPANY

FOR THE UNION





