

COLLECTIVE AGREEMENT

Between



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

AND



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

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COLLECTIVE AGREEMENT

BETWEEN

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

AND

DIRECT GENERAL PARTNER CORPORATION on behalf of DIRECT LIMITED
PARTNERSHIP
O/A CANADA CARTAGE SYSTEM (PRINCE GEORGE

ARTICLE 1 - SCOPE OF THIS AGREEMENT

This Collective Agreement shall cover all employees of Direct General Partner Corporation On Behalf Of Direct Limited Partnership dba Canada Cartage System performing work at and from Prince George, British Columbia excluding salespersons, supervisors, managers, those above the rank of manager, and those excluded by the Code.

1.01 - 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.

1.02 - 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.

1.03 - New classifications

New classifications and wage scales may be added to the bargaining unit from time to time, by mutual consent of the Company and the Union.

1.04 - Gender Reference

In this Collective Agreement, unless otherwise required by the context, words of masculine gender shall include the feminine.

1.05 - Marginal Notations

The marginal section and article heading shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 2 - UNION SECURITY

2.01 - 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.

2.02 Where operationally feasible every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendix "A", whether by the Company or leased by the Company, shall be operated by a member of the Union.

2.03 All storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, categories of which are set out in Appendix "A", where such work is under the control of the Company.

2.04 The Company agrees not to contract out any regularly scheduled work normally performed by employees covered by this Agreement if any employee is on lay-off for lack of work at the time such contracting out is introduced or if the contracting out would cause the lay-off of any employee.

2.05 Provided capable employees are available, all suitable equipment must be in use before additional equipment can be leased or hired.

2.06 Where physically possible and where such work is under the control and direction of the Company, the stripping and loading of trailers shall be done by members of the Union, except where otherwise mutually agreed.

2.07 - Increases, Decreases in Services

In the application of this Section the branch shall be defined as Prince George Division.

2.08 - 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.

2.09 - Posting of Agreement

The Company will provide a bulletin board in areas that they operate a facility 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.

2.10 - 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.

2.11 - 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.

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

2.13 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.

2.14 - Hired Cartage

The Company and the Union agree the Company may use hired cartage on a required basis subject to the following conditions:

(a) The company shall not engage the services of hired cartage which has the effect of displacing any employee or dependent contractor provided capable employees are available and all suitable equipment must be in use before additional equipment can be leased or hired.

(b) 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.

2.15 - 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.

2.16 Prior to any changes in the working rules the Company shall inform the Union and all active members seven (7) days in advance.

2.17 - Protection of Conditions

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

2.18 The Union shall notify the Company and employees in writing of any changes in the amount of initiation fees, monthly dues and assessments at least one (1) month in advance of the end of the pay period in which the deductions are to be made, provided that such changes shall not occur more than twice in any calendar year.

ARTICLE 3- MANAGEMENT'S RIGHTS

3.01 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 hire, promote, discipline or 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) make, enforce, and alter, from time to time, rules and regulations and/or policies to be observed by the employees. Such rules, regulations or policies shall not be inconsistent with the terms of this Agreement.

3.02 All disciplinary records will be removed from an employee's personnel file after fifteen months (15) months effectively worked from the date in which they were issued.

3.03 The Company agrees these rights will be exercised in a manner consistent with the provisions of this Collective Agreement.

3.04 Management shall not perform duties that are normally performed by the employees they supervise except where the work is:

- (a) For the purpose of instruction or coping with an emergency.
 - (b) To overcome difficulties caused by the unforeseen absence of an employee(s).
- 3.05 Employees are required to take direction from the Company Manager, their immediate supervisor, dispatcher, or the person designated by the Company Manager.

ARTICLE 4 - EMPLOYEE CATEGORIES

4.01 - 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) he posts into a position no less than 24 hours per week

4.02 - Part-time Employees

Part - Time Employee shall:

- (a) be hired to supplement the regular work force;
- (b) be carried on a regular part-time employee's seniority list;
- (c) shall not be covered under the provisions of the Health and Welfare Plan or Pension Plan.
- (d) 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.

ARTICLE 5 - SENIORITY

5.01 - 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.

5.02 - Job Vacancies/Posting

All new jobs and vacancies are subject to seniority and shall be emailed to Company cell phone, stating job description and location for a period of 5 days. 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:

- (a) Employee will be responsible to advise supervisor of intent to bid and supervisor must bid on his behalf.
- (b) Employee must be capable and available to perform the duties of the job within 7 working days of the time the posting comes into effect.

5.03 The successful employee must demonstrate the ability to perform the work in a satisfactory manner within a trial period of fifteen (15) working days.

5.04 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. In all areas seniority shall prevail.

5.05 - Probation Period

- (a) All newly hired employees shall be considered as probationary employees for the first sixty (60) working days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid-off for lack of work or 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.

5.06 - Seniority Lists

The Company will email to company cell phone 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.

5.07 - Termination of Seniority

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.

- 5.08 When the Company tries to contact any regular employee who is either on lay-off in excess of two weeks or has failed to report for duty, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company or provide sufficient justification to support the unauthorized leave within four (4) business days of the registered letter being sent will result in termination, with cause.
- 5.09 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:
- (a) If the employee quits;
 - (b) If the employee is discharged and not reinstated through the grievance or arbitration procedure;
 - (c) If the employee retires;
 - (d) If the employee fails to return to work at the expiration of an authorized leave;
 - (e) If the employee fails to respond to a recall notice within twenty-four (24) hours of receipt of the notice.
- 5.10 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.
- 5.11 - **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. The Company will not be responsible for the cost of benefits while on layoff.

ARTICLE 6 – HOURS OF WORK

6.01 - Regular Work Day/Week

The workweek shall be sixty (60) hours for highway drivers; forty-five (45) hours for city drivers, Sunday to Saturday inclusive.

- 6.02 When an employee is scheduled and reports to work he shall be paid a minimum of four (4) hours.
- 6.03 The Company does not provide any daily or weekly guarantee of hours.
- 6.04 The Company and the Union agree that modified work schedules may be implemented.

6.05 - Overtime Provisions

- (a) Where hourly paid, time worked in excess of nine (9) hours per day or forty five (45) hours per week for city 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. Such drivers of work are not eligible for overtime.

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

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

6.08 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.

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

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

ARTICLE 7 - REST PERIODS

7.01 - Rest Period

The employee shall, except by mutual agreement between the parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes. No employee shall be compelled to take his meal period before he has been on duty three and one-half ($3\frac{1}{2}$) 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.

7.02 On any day that an hourly paid employee takes less than the required one-half ($\frac{1}{2}$) hour meal period:

- (a) Drivers in contract positions will obtain written authorization from their

appointed customer dispatcher/supervisor, the Branch/Operations Manager or the on-duty dispatcher;

- (b) 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.

7.03 - 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 8 - PAY PERIOD

- 8.01 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 13 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.

8.02 - 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.

8.03 - 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.

- 8.04 The Company shall on Friday of every second week pay to each employee covered by this Collective Agreement, all wages, overtime and other entitlement earned by the employee up to and including the previous Sunday.

- 8.05 All wages, overtime and other entitlement owing to an employee may be paid to an employee by Company pay cheque or direct deposit to an account of the employee's choice in a Bank, Treasury Branch, Credit Union, Trust Company or other corporation insured under the *Canada Deposit Insurance Corporation Act (Canada)*.

- 8.06 When the payday falls on a holiday, wages, overtime and other entitlement will be paid on the last working day prior to the holiday.
- 8.07 Employees who are laid off or terminated shall receive wages, holiday pay, vacation pay, and other entitlement due; a statement of earnings and deductions; and a record of employment as per the regular pay period as per Article 8.

ARTICLE 9 - LEAVE OF ABSENCE

- 9.01 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
- 9.02 Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
- 9.03 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.
- 9.04 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.
- 9.05 It is understood and agreed that employees 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 no less than six (6) hours prior to the employee's scheduled work time.
- 9.06 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.
- 9.07 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, 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.

- 9.08 If a regular employee for certified health reasons is unable to perform the work in his regular job, the company will follow the provisions of the Canadian Human Rights Act as it pertains to a duty to accommodate.
- 9.09 **Notice of Leave**
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.
- 9.10 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.
- 9.11 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.
- 9.12 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 unless mutually agree upon between the parties. Agreement will not be unreasonably denied.

ARTICLE 10 - BEREAVEMENT LEAVE

- 10.01 Regular employees will have bereavement leave entitlement as follows:
- 10.02 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.
- 10.03 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.
- 10.04 The employee will be compensated at his regular straight time rate for hours (highway at 10 hours per day; city at 8 hours per day) lost from his regular schedule for the bereavement leave in the three (3) working days immediately following the day of death.

- 10.05 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, sister-in-law, brother-in-law, step-sons and step-daughters.
- 10.06 Step-father and step-mother or legal guardian will be recognized provided such step-father or step-mother had the status of the employee's father or mother.
- 10.07 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.
- 10.08 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

- 11.01 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.
- 11.02 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 - GENERAL HOLIDAYS

- 12.01 The Company recognizes the following general holidays with payment and entitlement provisions as set out below:
- 12.02 The recognized holidays shall be: New Year's Day, Family Day , Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and in the event a general holiday is proclaimed by the Federal 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.

- 12.03 Employees entitled to those paid holidays shall have been on the payroll thirty (30) calendar days previous to the holiday.
- 12.04 Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to general holiday pay.
- 12.05 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.
- 12.06 Statutory Pay will be calculated as per Canada Labour Code.
- 12.07 Hourly rated drivers required to work on any one of the holidays listed in Article 12.02 shall, in addition to the holiday pay in 12.06 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.
- 12.08 Employees on vacation during a period in which one of the above holiday(s) is observed shall receive an additional day(s) vacation.
- 12.09 The work week shall be reduced by the appropriate number of hours each general holiday(s), as outlined in Federal Labour Standards.

ARTICLE 13 – VACATION

- 13.01 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. Lists based on seniority shall be prepared, completed and will be emailed to Company phone no later than January 31st of each year.
- 13.02 It is understood and agreed that the number of employees 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.
- 13.03 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.

- 13.04 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.
- 13.05 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 emailed to the Company phone on April 1st, with a copy sent to the Union office. No changes in the schedule will be permitted without agreement by the Company.
- 13.06 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 13 in respect of which no vacation pay has been given.
- 13.07 New employees with less than 1 year of service will qualify for ten (10) working days' vacation effective January 1st of the following year with pay upon completion of twelve (12) months continuous service, unless mutually agreed to by the Company and the Union.
- 13.08 The Company will give to each employee an annual vacation of fifteen (15) working days, accrued at 6% of annual gross earnings, with pay after five (5) years of continuous employment, as at the 1st day of January the following year.
- 13.09 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 out his earned vacation bucket. 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%);
- 13.10 In assignment of vacations, senior employees will be given preference of assignment.
- 13.11 After vacation dates have been selected and the list prepared as herein provided, no change in dates shall be allowed unless mutually approved by the Union and a proper officer of the Company.

13.12 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.

ARTICLE 14 - GRIEVANCE PROCEDURE

14.01 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. A Grievance shall indicate the clause that was violated. A grievance shall not be dismissed due to an error in presentation. 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.

Time limit to institute Grievance:

Ten (10) calendar days from knowledge of event/Infraction.

Step 2: Failing settlement under Step 1, such grievance shall be taken up between the Company Manager 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.

14.02 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.

ARTICLE 15 - UNION ACTIVITY

15.01- Picket Line

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.

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

15.03 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.

15.04 - 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.

15.05 - Shop Stewards

- (a) The Union shall elect 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. The Company will recognize shop stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to dismissal of a shop steward when reasonably possible.
- (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 at the applicable hourly rate 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.
- (d) Where an employee is required to meet with a Company representative for the purpose of applying discipline to said employee, the employee shall, be informed of his right to be represented by a steward or the local

business agent. If a representative is unavailable to attend in person, a conference call will be arranged.

ARTICLE 16 - SAFETY

16.01 - 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 16.01 above where required.

16.02 - First Aid Supplies

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

16.03 - 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.

16.04 - Protective Clothing

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 one hundred and fifty dollars (\$150.00) for clothing, provided such clothing is ordered with the Company or one of its designated suppliers.

Failure to comply with Clause 12.1 may result in disciplinary action up to and including termination with cause.

- 16.05 All employees are required to wear safety boots, as defined by the Company standards. The Company will contribute one hundred (\$150) dollars once every twelve (12) months, upon satisfactory proof of purchase. Boots must be purchased through the Company's designated supplier. If no Company supplier is available, boots must meet the standards set by the Company. No safety boot

contribution shall be made until the employee has cleared the probationary period.

- 16.06 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.
- 16.07 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.
- 16.08 Company to provide all drivers, from Company order form, with coveralls and rain gear once a year.
- 16.09 The Company will allow shorts under the following conditions:
- (a) The Customer must approve.
 - (b) Allowed during the months of May – September.
 - (c) In accordance with Company issued uniform.

16.10 - 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 17 - MEDICAL EXAMINATION

- 17.01 Any Company 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.
- 17.02 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.

ARTICLE 18 – COMPENSATION SICKNESS COVERAGE

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

18.02 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.

18.03 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 19 – MAINTENANCE OF EQUIPMENT AND SAFETY

19.01 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.

19.02 Employees must immediately report all defects of equipment to their Dispatcher or Operations Manager and complete all company delegated forms or electronic logs, as required.

19.03 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.

19.04 In the event of schedule 1 defects 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.

19.05 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.

19.06 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.

- 19.07 All new and replacement vehicles shall have side mounted backup lights.
- 19.08 The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.
- 19.09 Employees shall not be ordered by the Company to take out on the streets or highways, any Company vehicle which does not meet the requirements of Article 19.01.
- 19.10 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.
- 19.11 Employees failing to report immediately any accidents or claims to the Company may be subject to disciplinary action and/or dismissal with the exception of the employee suffering an injury. Employees must complete an accident report before going off service from the shift when involved in a workplace injury or motor vehicle collision.
- 19.12 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.
- 19.13 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.
- 19.14 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.
- 19.15 No modifications or additions to Company equipment shall occur without Company written approval. Any such approval additions will be performed by the Company or designated vendor. Any additional equipment not approved, will be removed at the employee's expense and will be subject to disciplinary action.
- 19.16 No unauthorized living being 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, with cause.
- 19.17 The Company must be made aware of any suspension, moving violation or other restriction imposed on an employee's driver's license within 24 hours of suspension, moving violation or other restriction. Failure to disclose a

suspension, violation or restriction on the employee's driver's license will result in immediate termination, with cause.

19.18 Drivers shall be responsible to pay all fines for moving violations.

19.19 In the event that a customer request an employee be removed form an account with reasonable cause, the employee will be removed from that account.

19.20 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. The Company will be responsible for all administration costs.

ARTICLE 20 - TECHNOLOGICAL AND MECHANICAL CHANGES

20.01- 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.

20.02- 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.

20.03- 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.

20.04- 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 5, seniority as contained herein.

20.05- 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 21 – CLASSIFICATION AND WAGE RATES

21.01 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.

21.02 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.

21.03 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 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 22 – LEADHAND DEFINED

22.01 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 23 - SAVINGS CLAUSE

23.01 - 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.

23.02 - 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 14.

ARTICLE 24 – LINEHAUL OPERATIONS

24.01 Mileage Condition

- (a) Except as otherwise mutually agreed between the Parties, all employees engaged in Line Operations shall be subject shall be subject to all terms and conditions provided by this Agreement save as hereafter expressly provided. This Article shall cover all employees of the Company engaged in hauling commodities over one hundred (100) miles from base of operations.
- (b) City driver(s) are not subject to the terms and conditions of this Article.
- (c) All mileage rates are paid PC Miler
- (d) A stop shall refer to any stop wherein merchandise is loaded or unloaded.
- (e) Where both loading and unloading occur at the same location, it shall be considered one. Stop
- (f) A trailer switch where no loading or unloading takes place shall not constitute a stop.
- (g) Highway mileage rates include the following:
 - i) Vehicle pre-trip and post-trip inspections
 - ii) Initial pick up of trailer/load from customer location (1 hour maximum).

- iii) Travel time to and from the Canada Cartage yard to the customer facility (if applicable).
- iv) Chaining and unchaining
- v) Fueling at Company pumps and key pumps.
- vi) Hooking/unhooking and switching of trailers.
- vii) Completing Company required reporting.

24.02 Reporting Notice

Where practical employees shall be given at least two (2) hours' notice when ordered to report for duty at the home terminal.

24.03 Mileage Guide

The PC Miler will be used as the guide to determine the number of miles driven.

24.04 Guarantee

- (a) An employee who has an established reporting time and is unable to report for duty for any reason will advise the company at least (6) six hours prior to such reporting time.
- (b) The company will endeavor to keep each driver fully engaged, the practice of dispatching extra work will continue and where operationally feasible seniority will prevail.

24.05 Worktime

- (a) Drivers will be paid up to a maximum of (1.5) one and a half hours when required to wash trucks.
- (b) Drivers will receive \$17.00 per drop for the first hour of each delivery in lieu of the hourly rate.

24.06 Travel Time

- (a) All hours traveling on public transportation from the point deadhead commenced to the destination point designated by the Company shall be paid for at his regular straight time hourly rate and the cost of such transportation.
- (b) Deadhead
Each employee who is covered by this Agreement, and who is required by the Company to ride Company equipment in deadhead manner will be paid the

regular straight time hourly rated or all hours spent in riding such equipment.

24.07 Wait Time

- (a) 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.
- i) Any breakdown of Company equipment outside of the drivers control on the basis of eight (8) hours paid, eight (8) hours unpaid and so on.
 - ii) Stops and drops, loading and unloading, coupling and uncoupling, switches. (all time paid after one (1) hour per occurrence).
 - iii) Justifiable delay not attributable to the driver (time paid after one (1) hour unless delay extends over an hour.) on the basis of eight (8) hours paid, eight (8) hours unpaid, eight (8) hours paid , eight (8) hours unpaid and so on.
 - iv) Wait time is clarified as follows: wait time is not cumulative and shall not be subject to overtime. For the purpose of determining wait time pay each stop shall be considered a separate waiting period.
 - v) All time lost due to delays outside of the drivers control as a result of overloads or certifications violations involving federal, state, provincial, or city regulations shall be paid for at regular applicable wait time rates in this agreement.

24.08 Layover

Layovers outside the guidelines of HOS regulations will be paid at the applicable wait time rates.

24.09 Bobtail

Driving of tractor without trailer shall be paid for on the same basis as driving tractor-trailers.

ARTICLE 25 - TERM OF AGREEMENT

25.01 This Agreement shall be for the period from and including January 1, 2017 to and including December 31, 2020. Either Party to this Agreement may, within four months immediately preceding December 31, 2020 give to the other Party written notice to commence collective bargaining.

25.02 After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under Part 1 of the Canada Labour Code, including the right to strike or lockout, the terms and conditions of employment as set out in this Agreement, will be observed and not varied, except by the Parties mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

DATED AT _____, British Columbia, this _____ day of _____, 2017

ON BEHALF OF THE COMPANY

Rhonda Leow

A. M. [Signature]

ON BEHALF OF THE UNION

Stan Plenners

Anthony

APPENDIX "A"

WAGE RATES

	Current	Ratification	Jan. 1/18	Jan. 1/19	Jan. 1/20
		1.5%	1.75%	1.0%	1.25%
Class 1	\$22.44	\$22.78	\$23.18	\$23.41	\$23.70
Class 3	\$20.62	\$20.93	\$21.30	\$21.51	\$21.78
Class 5	\$20.02	\$20.32	\$20.68	\$20.88	\$21.14

MILEAGE						
	Current	Ratification	Jan. 1/18	Jan. 1/19	Jan. 1/20	Drop Rate
300-400 Miles return	\$0.496	\$0.503	\$0.512	\$0.517	\$0.524	\$17.00 per stop
Over 400 miles return	\$0.478	\$0.485	\$0.494	\$0.499	\$0.505	\$17.00 per stop

Signing Bonus: **\$700.00 to be paid to employees on the second pay statement after Ratification.**

APPENDIX "B"

HEALTH AND WELFARE

The Company will provide to the membership a Health & Welfare Plan that will match the *Teamsters National Benefit Plan* as per the program plan provided by the plan administrators on the date of ratification with implementation occurring within ninety (90) days of that date.

This benefit program will be reviewed annually on January 1st for the remainder of the term of the Collective Bargaining Agreement (CBA). Revisions will be compared to the Teamsters National Plan as published on the Teamsters website. The Union agrees to provide details of the changes, if required, by the Company.

Changes to the Company's benefit plan will be adjusted within 90 days of being informed of any required changes to the Teamsters National Benefit Plan.

Benefits to be paid 100% by the Employer.

The only exclusion to this plan will be the Major Restorative covered for dependents under the age of 19 (80% coverage vs. 100%).

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.

Benefits Coverage

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) Short Term Disability
- (d) Long Term Disability
- (e) Dental
- (f) Extended Health
- (g) MSP premiums

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.

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
January 1, 2017	\$0.45
January 1, 2018	\$0.45
January 1, 2019	\$0.50
January 1, 2020	\$0.50

- (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 – this can be changed to “all hours worked”
 - 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 8, hereunder.

- (d) In no case shall the employer 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 or Disability 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 Industry Advancement Fund will be used for the enhancement of all persons dependent upon any industry represented by the Teamsters Local Union 31.

The Company will make contributions of \$0.05 per hour for which wages are payable hereunder for each employee covered by the collective agreement.

Payment of said funds will be made to the respective Union's Industry Advancement Fund by the 15th day of the month following that to which they refer.

This payment will be independent and separate from any other payment made to the Teamsters Union, and will not be used to the detriment of Canada Cartage.

Employees applying for grants from the Industry Advancement Fund will not be unreasonably refused, and the Teamsters Union will provide assistance to all applicant employees.

LETTER OF UNDERSTANDING #1

BETWEEN

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

AND

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

Re: COREMARK WORK

Employees performing "Coremark" work.

All employees who perform "Coremark" work as part of their regular duties will receive an additional three dollars and fifty cents (\$3.50) per hour on their hourly rate. This will form part of the employee's regular rate of pay for purposes of overtime, vacations, holidays and other premium pay.

Those employees performing "Coremark" work on an incidental basis for:

- (a) One hour and up to two hours, shall receive an additional three dollars and fifty cents (\$3.50) for the period worked and;
- (b) For two or more hours, shall be paid an additional three dollars and fifty cents (\$3.50) per hour for the entire day.

DATED AT _____, British Columbia, this day of 2017

ON BEHALF OF THE COMPANY

ON BEHALF OF THE UNION

Rhonda Larson

Stan Glenness

G. Palmer

Anthony