

SOURCE	<i>UNION</i>		
EFF.	<i>97</i>	<i>08</i>	<i>08</i>
TERM.	<i>98</i>	<i>12</i>	<i>31</i>
NO. OF EMPLOYEES	<i>40</i>		
FROM RE-EMPLOYEES	<i>12</i>		

COLLECTIVE AGREEMENT

BETWEEN

**ATOMIC TRANSPORTATION SYSTEM
INC.**

AND

TEAMSTERS LOCAL UNION NO. 31

APRIL 9, 1997 - DECEMBER 31, 1998

RECEIVED
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10039(02)

CANADA

COLLECTIVE AGREEMENT made this 9th day of April, 1997

BETWEEN: **ATOMIC TRANSPORTATION SYSTEM INC.**
(hereinafter called the “Company”)
OF THE FIRST PART

AND: **TEAMSTERS LOCAL UNION NO. 31**
(hereinafter called the “Union”)
OF THE SECOND PART

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CANADA

COLLECTIVE AGREEMENT made this 9th day of April, 1997

BETWEEN: **ATOMIC TRANSPORTATION SYSTEM INC.**
(hereinafter called the "Company")
OF THE FIRST PART

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

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

ARTICLE 1

Section 1 - Recognition**

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

ARTICLE 2

Section 1 - Certificate of Bargaining Authority**

The company agrees to recognize the Union as the sole bargaining agent for employees and categories of employees to in the Certificate of Bargaining Authority held from time to time by the Union.

Section 2 - Collective Agreement Application and Distribution**

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

ARTICLE 3

Section 1 - Bulletin Board**

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. If the Company doesn't agree with the posted notice the Company may remove the notice pending resolution.

Section 2 - Check-off**

Each new employee and owner/operator when hired by the Company will be informed by the Company that his is to sign an authorization card authorizing the Company to deduct from his earnings union initiation fees, union dues and/or other assessorial charges (excluding fines) as levied against all members in accordance with the constitution and by-laws of the Union and as indicated on the monthly 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.

The Union shall indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company complying with the provisions of this Article.

There shall be no financial responsibility on the part of the Company for dues or initiation fees of an employee unless there are sufficient unpaid wages of that employee in the Employer's control.

Section 3 - Union Shop**

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

When casual employees are required for the purpose of performing bargaining unit work, the Company shall give the Union first opportunity to supply suitable members for employment.

In the event that a person is taken into employment by the Company, such person shall join the Union within three (3) days of his hiring and shall be added to the check-off list forthwith. The Company shall furnish to the appropriate Union area office designated in writing by the Union a list of new bargaining unit employees taken into employment by the Company within seven (7) calendar days of their being hired.

Section 4 - Union Security**

- (a) Trucks, either owned or leased, operated by the Company and based at the Vancouver Terminal! where used for Pick Up and Delivery operations or Short Line (Vancouver - Seattle) will only be operated by employees in the bargaining unit except in the case of emergency and no bargaining unit employee is available.
- (b) Clause (a) above does not preclude the Company from using hired cartage for peak periods; unforeseen circumstances; or where work must be performed and no qualified and capable employees and/or appropriate equipment is available.
- (c) Subject to clause (b) above, all storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, where such work is under the control of the Company. This clause does not apply to other Company vehicles who are loading or unloading at locations other than the Vancouver Terminal. However, if a lumper is required to assist a line-haul driver a Company employee or a casual employee will be utilized.
- (d) Provided that employees who are qualified and capable are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (e) The Company agrees not to contract out work normally performed by employees covered by this Agreement.

ARTICLE 4

DEPENDENT CONTRACTORS

Section 1 - Definition**

A dependent contractor (which for the purposes herein, shall include owner/operator) is the owner and/or purchaser and, except as permitted herein the exclusive operator of equipment supplied for the Company's services pursuant to this article and appendix "B".

The title to the equipment shall be in the name of the Company for registration and licensing purposes only, and the Company has no financial interest other than as required by the Motor Carrier Act.

Section 2 - Retaining Services**

The Company may engage the services of dependent contractors provided the following conditions are complied with.

- (a) Dependent Contractor's Agreement, as provided in appendix "B" attached hereto and forming part of this Agreement, is entered into between the Company and the dependent

contractor prior to the dependent contractor performing any services for the Company and, in respect to those dependent contractors now engaged by the Company not later than fifteen (15) days following the signing of this Agreement. Signed copies of appendix "B" shall be forwarded to the Union forthwith.

- (b) The dependent contractor shall become and remain a member of the Union in accordance with article 3, sections 2 and 3 herein. He shall be identified on a check-off list as a dependent contractor, either as a line driver, local cartage or a combination of both.
- (c) A separate seniority list shall be posted at the terminal showing the names and truck numbers of all dependent contractors. A copy of such a list shall be forwarded to the Union forthwith in accordance with article 7, section 5.
- (d) Except where otherwise permitted by an existing agreement, at the signing of the agreement, the dependent contractor shall personally and exclusively operate the equipment supplied pursuant to this agreement with the Company, excepting that such equipment shall be operated by an employee with the Company in instances where the equipment requires more than one operator and upon the request of the dependent contractor in instances where the dependent contractor is absent because of vacations, illness, accident or on leave of absence for reasons acceptable to the Company. On written request from the Union the Company must produce proof of ownership or equipment lease agreement by said dependent contractor.

Section 3 - Company Not Lessor**

The Company will not directly or indirectly be, or specify a lessor, vendor or seller of equipment to a contractor as a condition of entering into an agreement with a that contractor.

Section 4 - No Mandatory Source**

Under no circumstances shall the Company directly or indirectly specify a mandatory source of fuel, tires, maintenance or insurance to be used by a dependent contractor as a condition of entering into a contract with a dependent contractor.

Section 5 - Standards of Agreement**

The dependent contractor and the Company must conform to not less than the minimum standards and practices as established by this Agreement regarding monetary compensation, hours of work and general working conditions.

Section 6 - Application of Agreement**

Only those sections of this Agreement that are marked by two (2) asterisks (**) will apply to dependent contractors.

ARTICLE 5

Section 1 - Regular Full-Time Employee

A regular full-time 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.

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;

Section 2 - Regular Part-Time Employee

A regular part-time 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 regular part-time employment, and is employed for less than thirty (30) hours per week on a continuing basis;
- (c) will be given first opportunity to qualify as a regular full-time employee **as** openings become available.

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;

A regular part-time employee shall not be covered under the provisions of the Company Benefit Plan until such time as he becomes a regular full-time employee and meets the eligibility requirements for the plan as specified elsewhere in this Agreement.

Section 3 - Casual Employee

A casual employee shall:

- (a) be hired on an incidental and temporary basis to provide for additional manpower;
- (b) not be covered under the provisions of the Company Benefit Plan until such time as he becomes a regular full-time employee and meets the eligibility requirements for the plan as specified elsewhere in this Agreement;
- (c) only be hired by the Company, providing a Union member cannot be supplied and such employee must be cleared or replaced by the Union Hall before starting his third shift;
- (d) not be used to deprive any of the regular employees the conditions of this Agreement.

ARTICLE 6

Section 1 - Conflicting Agreements**

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

Section 2 - Transfer of Company Title or Interest**

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

Section 3 - Protection of Conditions**

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

Section 4 - New Equipment and Classifications**

Prior to any new types of equipment and/or new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, 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 7

Section 1 - Seniority**

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

Section 2 - New Vacancies

All new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place at all terminals, stating starting time, job description and location. **All** regular employees shall be entitled to bid on such postings and the Company shall designate, on the original posting, the successful bidder within three (3) working days of the closing date of the posting. Any regular employee absent to a maximum of thirty (30) calendar days by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy within three (3) days of being notified of the posting provided his is qualified and capable.

Provided the employee is qualified and capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new jobs or vacancies, and, except by mutual agreement of the Parties hereto, for the purpose of shift preferential on established shifts for established shifts. 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 they are qualified and capable.

Section 3 - Bumping

In all areas, seniority shall be branch wide and the branch will include all terminals or warehouses in a particular city.

When an employee is laid-off for lack of work, he will then have the right to fill, if qualified and capable in all respects, provided he has been given the opportunity to demonstrate his capability, any position to which his seniority will entitle him.

Section 4 - Probationary Period

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

Upon the conclusion of any ninety (90) calendar day period during which a probationary employee has worked three hundred and sixty (360) hours, the employee's name shall forthwith be placed on the regular full-time employees' seniority list, effective from the first day of employment of the ninety (90) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement with the exception of those as specified, i.e. Health and Welfare provisions.

Section 5 - Seniority Lists**

Company will post and maintain seniority listings. Such up-to date listings will be posted **as** of January and July of each year. Copies of current lists will be provided to the Union. Such lists to state starting date of employee and dependent contractors.

Section 6 - Loss 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.

Section 7 - Company Merger**

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

Section 8 - Recall

Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the seniority list and the Company shall be under no further obligation to such employee except in the case where a lay-off is a direct result of a labour dispute involving another company or when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

ARTICLE 8

LEAVE OF ABSENCE

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

When considered by the Company approval or rejection is to be given in writing with a copy to the Union within thirty (30) calendar days and if approved such approval may not be withdrawn except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.

- (ii)** Such leave may be extended when approved by both the Company and the Union in writing and seniority will accrue during such extensions.

- (iii)** If a regular full-time employee's group insurance or independent operator's group insurance is to be canceled during the leave of absence the employee shall acknowledge same in writing.
 - (iv)** 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.
 - (v) If a regular employee, employed in a classification requiring a driver's license; suffers the revocation of his driver's license, he will be re-classified provided he is capable and work is available and such work will not result in the bumping of regular employees. If such employee cannot be re-classified, the Company may grant a leave of absence without pay or benefits 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. Where the revocation is for a period in excess of twelve (12) months and the employee cannot be re-classified during that period, the employee shall be deemed to be terminated for just cause. The employee may only take advantage of this section once while in the employ of the Company, even where such employment is not continuous.
 - (vi)** Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.
 - (vii) 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. The Company reserves the right to require the employee to see a medical practitioner designated by the Company provided the Company covers all incurred costs and the employee suffers no loss of earnings as designated in Article 12, Section 4 (a-c).
- (b)** When an employee within the bargaining unit covered by this Agreement receives leave of absence in writing with a copy to the Union to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit.

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

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

Not later than on the ninetieth (90) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again. This period may be extended for an additional ninety (90) days only by the mutual agreement between the parties (Union and Company) in writing. Such agreement will not be unreasonably withheld.

- (c)** An employee that goes to work for the local union that represents the employees in his bargaining unit, may apply for a leave of absence from the Company, for a period not to exceed ninety (90) days. Such leave will not be unduly withheld and when granted, the Company will do so in writing with a copy to the Union. The employee will continue to accrue seniority during such leave. At the expiration of the ninety (90) calendar days, the employee must return to his former position or relinquish all seniority rights with the Company. This period may be extended for an additional ninety (90) days only by the mutual agreement between the parties (Union and Company) in writing. Such agreement will not be unreasonably withheld. Only one (1) employee in the bargaining unit may be absent pursuant to this provision at any one time.

ARTICLE 9

Section 1 - Meal 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 in any one day. Further, no employee shall be required to take more than a thirty (30) minute meal period. No employee shall be compelled to take a 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.
- (b) Where an employee is required to work in excess of two (2) hours overtime following the end of his regular shift, he shall be entitled to paid time off for the purpose of eating at the end of that shift, except in a situation where interruption of work is not practical in which event the period may be staggered or postponed. Such meal period shall be thirty (30) minutes and shall be paid at the applicable overtime rate of pay as provided in article 24, sections 1 and 2 of this Agreement.

Section 2 - Rest Breaks**

An employee shall be entitled to one (1) rest break of fifteen (15) minutes during both the first half and second half of any shift. A fifteen (15) minute rest break, where practical, shall apply during each two (2) hour period of overtime. excepting where a meal period is provided under section 1 above, in which case the fifteen (15) minute rest break will not apply during the first two (2) hour period of overtime worked. A rest break shall be provided if the overtime worked is to exceed thirty (30) minutes. The commencement of this break may be staggered, but not beyond one half hour except in a situation where the interruption of work is not practical in which event the breaks referred to above may be postponed beyond the half hour.

ARTICLE 10

Section 1 - Safety Conditions**

- (a) Maintenance of Equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the employee to report in writing on the appropriate forms of the Company, promptly, but not later than the end of the shift, trip, or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service until repaired and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.
- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) An employee will not be required to operate cranemoibles or similar type equipment or 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.

- (g) Bunks in tractors ordered by the Company after signing date of this Agreement and which are intended for use as sleeper cab equipment will be not less than twenty-eight inches (28") wide.
- (h) The Company shall not require employees to multi-deck trailers at night in an area without proper lighting.
- (i) Drivers will be held responsible to ensure that the proper equipment is used when towing another vehicle and the Company shall make available such adequate equipment.
- (j) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (k) Any employee required to physically handle quarters or halves of beef or sows shall be provided with physical assistance.
- (l) The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.
- (m) The Vancouver Terminal warehouse(s) shall be equipped with efficient and safe loading plates properly anchored.
- (n) In isolated areas where the nature of cargo requires additional assistance to handle the cargo, the Company shall endeavour to arrange such assistance as may be required.
- (o) All tractors used during hours of darkness will be equipped with back-up lights.

ARTICLE 11

Section 1 - Pay Period

- (a)** Except as otherwise mutually agreed between the Parties all employees covered by this Agreement shall be paid not less frequently than on every other Friday all wages earned by such employee to a day not more than seven (7) days prior to the day of payment. The pay period shall commence each Sunday at 00:01 hours. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statement shall set forth the dated pay period, the total hours worked, the total miles driven or paid for (where applicable), the total overtime hours worked, either time and one-half or double time, the rate of wages applicable and all deductions made from the gross amount of wages. Pay shall be made available before an employee starts his shift except under circumstances beyond the control of the Company.

- (b) Upon request, which must be given one (1) week prior to the commencement of an employee's vacation, such employee will receive his vacation pay immediately prior to him leaving on annual vacation. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him of the next regular pay day(s).

Section 2 - Pay Cheque Error**

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

Section 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 regular pay day.

ARTICLE 12

Section 1 - Paid for Time

- (a)** All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.
- (b) Employees required to travel on public transportation or Company equipment in a deadhead manner shall be paid in accordance with article 24.

Section 2 - Bereavement Leave

An employee shall be granted a maximum of three (3) regularly scheduled work days leave, without loss of pay or benefits, in the case of death of a parent, spouse, brother, sister, child, parent-in-law, step children and any relative permanently residing in the employee's household or with whom the employee resides.

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

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

A working day lost shall be not more than eight (8) hours for hourly employees who normally work an eight (8) hour day or not more than ten (10) hours for employees who normally work a ten (10) hour day.

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

Section 3 - Jury Duty/Subpoena

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 Company Benefit Plan, annual vacations, workers' compensation or as otherwise covered by this Agreement.

Section 4 - Medical Examination

(a)** Any Company or Government required physical or medical examination shall be promptly complied with by all employees provided, however, the Company shall pay the cost for only the Company required physical or medical examinations and those required by the USDOT (I.C.C. medical). The Company will pay an employee for time lost for both Company or Government required physical or medical examinations taken during his working hours.

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

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

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

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

Section 5 - Compensation Sickness Coverage**

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

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

When an employee returns to work, the Company shall deduct from his earnings any monies the Company has paid out that were payable by the employee.

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

Section 6 - License Tests

- (a) Whenever it becomes necessary for an employee to undertake tests for renewal of licences or tickets, the Company shall upon request provide appropriate equipment for this purpose. Time taken off for such purpose shall be paid for at the employees straight time rate of a maximum of two (2) hours. If the test for renewal of license was caused by the employee's negligence then the employee shall not be paid for any time taken off for this purpose.
- (b) Any driver with one (1) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's licence shall receive a Company contribution to a maximum of forty dollars (\$40.00) to the cost of the examination, provided a receipt is submitted to the Company.

Section 7 - Sick Leave

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

- (a) Following completion of the ninety (90) day probationary period all regular full-time employees will accumulate a maximum of forty-eight (48) hours of sick leave at the rate of one-half (½) day per employed month to a maximum of six (6) days. **An** employee must work a minimum of fifteen (15) days per month (not including annual vacations) to accumulate one-half day per month of sick leave.
- (b) The sick days accumulation is converted to hours for a maximum of forty-eight (48) hours and will be reduced by the actual number of hours the employee is away sick with the exception of the first day of an absence whereby a maximum of four (4) hours will be paid.
- (c) Employees may accumulate forty-eight **(48)** sick leave hours by the end of twelve (12) months. Any such maximum accumulation shall be carried over from year to year based on the employee's anniversary date until such time **as** an employee uses all or part of such sick leave. When accumulated sick leave falls below forty-eight (48) hours then it may subsequently be re-accumulated at the rate of one-half (½) day for each month worked thereafter until it reached forty-eight (48) hours of accumulated sick leave.
- (d) Sick Leave:
 - (i) A doctor's certificate, acceptable to the Company, is required when an employee is away due to illness for more than three (3) days. The first day of absence will be paid to a maximum of four **(4)**hours only.
 - (ii) A doctor's certificate is required when an employee is away due to illness the work day before or after a general holiday, otherwise the employee will not be eligible for the applicable sick leave benefit.
- (e) Employees who are away from work because of illness will be eligible to receive only the sick leave benefit which has accumulated to them.
- (f) To receive sick leave benefit the Terminal or Department Manager and the employee is required to complete the Sick Leave Claim Form #TER880.
- (g) An employee will be subject to immediate dismissal if there is a proven false claim against the Sick Leave Benefit Program.
- (h) Exclusions:

The Sick Leave Benefits Program does not cover:

 - (i) An annual medical check-up
 - (ii) A semi-annual or annual dental check-up.

ARTICLE 13** **WORK ASSIGNMENTS**

In the event that members of a union, other than the Union which is signatory to this Agreement, attempt to encroach on the working practices and arrangements as laid down by the Company and

that contravene the Union's jurisdiction pursuant to the certificate of bargaining authority, the Union agrees that it shall inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 14 DISCHARGE OR SUSPENSION - MANAGEMENT'S RIGHTS**

Subject to the terms of this Agreement, all matters concerning the operations of the Company business shall be reserved to the management. Management's rights include but are not limited to:

1. To maintain order, discipline and efficiency;
2. To discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause;
3. To increase and decrease working forces;
4. To make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union; and
5. An employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee.

ARTICLE 15 OTHER UNION CONTROVERSIES

Section 1 - Refusal to Cross Legal Picket Lines**

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

Section 2 - Transport of Goods Across Legal Picket Lines**

It is agreed that in the event of a strike among the employees of any other firm with which the Company does business and the goods have crossed or are destined to cross a legal picket line in the Province of British Columbia, upon notification from a full-time officer of the Union, the Company will not transport said goods. The Company and the Union will cooperate in the effort to clear any such goods that are in the Company's system so far as they fall within the jurisdiction of the Collective Agreement.

Section 3 - Fair Settlement**

The Union agrees that in the event the Company becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement, and the Union will not participate in any sympathetic cessation of work or slowdown program.

Section 4 - No Work Stoppage**

During the life of this Agreement, there shall be no lockout by the Company or any strike, sit-down, slowdown, work stoppage or suspension of work either complete or partial for any reason by the Union.

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 Canada Manpower and through recognized provincial or local adult training programs if necessary to re-train and upgrade regular employees to enable them to become qualified and capable of performing new jobs resulting from or created by the technological mechanical changes.

ARTICLE 17

Section 1 - Inspection Privileges**

Authorized agents of the Union will request and have access to the Vancouver Terminal during working hours for the purpose of conducting legitimate Union business related to the Agreement and shall in no way interrupt the Company's working schedule.

Section 2 - Shop Stewards**

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

ARTICLE 18

Section 1 - Sanitary Condition**

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

Section 2 - First-Aid Supplies**

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

Section 3 - First-Aid Attendant

Any employee holding a first-aid certificate recognized under the Workers' Compensation Board regulations who is required by the Company to carry out duties of a first-aid attendant, 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.

ARTICLE 19

Section 1 - Union Label**

The Company will assign an employee to post the Teamsters Union Label in a conspicuous place designated by the Company on the glass area of the equipment. The said label to be a size not in excess of three inches (3") by four inches (4") and not to be attached to any area which will impair the vision of the driver.

Section 2 - Uniforms

Where a regular full-time employee who is not required to purchase a uniform, chooses to purchase a uniform, the Company will provide financial assistance to the employee in the amount of fifty percent (50%) of the purchase price to a maximum of seventy-five dollars (\$75.00) per employee per calendar year upon provision of an acceptable receipt. This contribution may be applied to safety footwear or Company work wear at the discretion of the employee. Casual and regular part-time employees are not eligible for this assistance.

Where any employee is required to wear any kind of uniform or coveralls as a condition of continued employment, such uniform or coveralls shall be furnished and maintained by the Company at no cost to the employee.

Section 3 - Protective Clothing**

- (a) Any employee physically handling fresh or frozen fish and fish entrails, meats, hides, creosoted items, lamp-black ink, acids and ore concentrates in substantial quantities shall be provided with rubber or leather aprons, coveralls, smocks and gloves as appropriate.
- (b) Any employee who is exposed to a hazard by reason of handling toxic or noxious chemicals shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations and the cost shall be borne by the Company.

ARTICLE 20 **ACCIDENTS AT WORK**

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 21

Section 1 - Pay for Change in Classification

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

Where an employee from a lower-rated classification is requested to work in a higher-rated classification he shall be paid for the period worked at the higher rate.

An employee who is required, as a condition of employment, to be a 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.

Section 2 - Lead Hand Defined

A Lead Hand, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend, or discipline employees. He shall be a member of the Union and shall have seniority in accordance with article 7 herein. Opportunities for lead hands will be posted but selection will be at the sole discretion of the Company.

Section 3 - Temporary Assignment

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

ARTICLE 22** **WAGES**

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

ARTICLE 23 TEAMSTERS BENEFIT PLAN

Section 1 - Health and Welfare

The Teamsters - Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members of the Union as set out in Appendix "E" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all employee members of the bargaining unit in the Health and Welfare Plan and abide by the terms and condition of the Teamsters - Transport Health and Welfare Trust Plan as set out in Appendix "E" hereunder annexed and forming part of this Agreement.

Section 2 - Pension

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

Section 3 - Payment of Dues and Contributions

- (a) The Company agrees to make required 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 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 due and payable in respect of union dues, the health and welfare plan, the pension plan, and any other plan which the Company is obliged to make contributions pursuant to this Agreement and shall be liable, as such, for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the Company.

Section 4 - Trust Agreement

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

Section 5 - Delinquency

- (a) The Company acknowledges that the trustees of the Health and Welfare Plan and the Pension Plan or any other plan or trust to which contributions are payable shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due pursuant to this Agreement.

- (b) The Company agrees to make contributions to the Union for union dues and to the trustees of the Health and Welfare Plan and the trustees of the Pension Plan within the time limits specified in this Agreement and further agrees that, if such contributions are not received by the Union or applicable plan administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not within 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 reasonable 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 24 HOURS OF WORK AND OVERTIME

Section 1

Subject to the provisions of Section 2 below, standard hours of work are up to eight (8) hours per day, and up to forty (40) hours per week. Overtime is paid for hours worked in excess of eight (8) hours per day or forty (40) hours per week at one and one-half times (1 1/2x) the regular rate of wages. Some employees will work according to a modified schedule which coincides with fluctuating work flow. In such cases, overtime will only be paid where an employee works in excess of an average of eight (8) hours per day or forty (40) hours per week within a specified averaging period.

Section 2 - Intercity Overtime

Inter-city (pick-up and delivery) drivers are entitled to be paid overtime after nine (9) hours worked per day and forty-five (45) hours worked per week.

Short-Line Drivers (Vancouver - Seattle) are entitled to be paid overtime after twelve (12) hours of "on-duty" time per trip.

Dependent contractors are not entitled to receive overtime.

Section 3 - Weekly Overtime

An employee who is eligible to receive overtime rates under sections 1 and 2 above and who works on the sixth and seventh day of a work week after having completed five (5) full days (40/50 hours) for work that week, will be paid at one and one-half times (1 1/2x) the regular rate of wages for the first eight (8) hours of work performed on either the sixth or seventh work day (10 hours for Intercity drivers) and two times (2x) the regular rate of pay for any additional hours worked on those sixth and seventh days.

Section 4 - Hours of Work Scheduling Committee

A driver "Hours of Work Scheduling Committee" will be established comprising of:

The Operations Manager, or his designate

One (1) Dispatcher

Three (3) Drivers

The committee will be responsible for setting the work schedule guidelines. The committee will determine how many drivers can be assigned to regular work shifts based on customer service requirements. The remaining drivers will be on irregular or rotating shifts as deemed necessary by the committee.

The committee will meet every three (3) months. Driver members will be elected by the drivers and dependent contractors.

The Company reserves the right to alter shifts as it deems necessary in order to provide the required service for the customers.

The Short-Line (Vancouver - Seattle) will not be subject to the conditions of Section 4 of this article.

Section 5 - Same Start Time

A regular full-time dockworker shall have the same starting time for each day of the week.

Section 6 - Reporting Pay**

Employees called in to work will receive a minimum for four (4) hours pay at the employee's regular wages.

Section 7 - Training Pay

Training time is paid at the employee's regular rate of pay.

Section 8 - Shift Differential

A shift differential of seventy-five (75) cents per hour shall be paid for each hour actually worked on a shift that commences between the hours of 2:00 pm and 5:59 am.

Section 9 - Notice of Lay-Off

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty.

Section 10 - Record of Employment

Any employee on lay-off or absent due to a disability who requests his Record of Employment shall not be considered terminated.

Section 11 - Limiting of Overtime

Nothing contained in this Collective Agreement will preclude the Company from limiting, in any way possible, the amount of overtime worked.

Section 12 - Banked Overtime

- (a) When an employee desires to bank his overtime in lieu of overtime pay for the purpose of extending vacations in non-prime time, and up to a maximum of eighty (80) hours per year, he shall request and complete a form supplied by the Company indicating this at the beginning of each year. Each employee shall be entitled to one change of this option throughout the year subject to efficient operations.
- (b) Overtime that is accumulated ~~as~~ time off shall be credited in terms of hours, and when taken off shall be paid out at the same hourly rate as accumulated. When an employee leaves the Company, all accumulated hours in the employee's bank shall be paid out in total.
- (c) Upon request by the employee and subject to efficient operations, such time will be granted in one week increments, to be attached to either end of the employee's vacation outside of the prime time vacation period.
- (d) The Company will keep a record of all banked overtime which will be available for perusal by the employee.

ARTICLE 25 GENERAL HOLIDAYS & VACATIONS

Section 1 - General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Dominion Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and in the event a general holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a general holiday. The rates of pay for these general holidays will be at the regular applicable work time rate.

If any of the above mentioned holidays fall on a Saturday or Sunday, the preceding Friday or following Monday will be observed as the General Holiday.

Except in the case of an emergency, all employees will be notified twenty-four (24) hours prior to the General Holiday if they are required to work on that day.

Employees who are required to work on a General Holiday will be given a paid day off in lieu of the General Holiday as agreed between the Company and the employee. If the Company is unable to give the employee a day off in lieu of the General Holiday, the employee will be paid his regular rate plus one and one-half times (1 1/2x) his regular rate for the time worked on the General Holiday.

Employees entitled to those paid holidays shall have been on the payroll thirty (30) calendar days previous to the holiday. An employee is not entitled to General Holiday pay if the employee has worked less than fifteen (15) days in the thirty (30) calendar days immediately preceding the General Holiday unless the employee is scheduled to work less than fifteen (15) days per month in which case the employee will receive holiday pay in the amount equal to one-twentieth (1/20th) of his daily earnings for each day worked in the thirty (30) days immediately preceding the General Holiday.

Employees absent by reason of discharge, quit or suspension shall not be entitled to general holiday pay.

Regular full-time employees will receive eight (8) hours pay at their regular hourly rate of pay for the General Holidays as listed above. Pick up and delivery drivers and Short-Line drivers (Vancouver - Seattle) will receive ten (10) hours pay at their regular hourly rate of pay for the General Holidays as listed above. Notwithstanding the previous sentence, a regular employee who is working other than eight (8) hours per day will be paid the number of hours normally scheduled for that day at his regular rate of pay.

An employee shall not be entitled to receive pay for any General Holiday where such holiday falls while the employee is on lay-off or on expressed leave of absence of for any reason whatsoever, including employees absent from work and receiving Workers' Compensation, Weekly Indemnity or Long Term Disability benefits.

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.

Section 2 - Seniority Year

Seniority year for this Article means a twelve (12) month period from the date of, or from the anniversary date of, an employee's commencement of continuous regular employment with the Company.

Section 3 - Vacation Scheduling

All employees will submit their choice for vacation dates by April 1st of each year, The Company will post the allotted vacation dates within one (1) month. Vacation allotments are subject to operating requirements. Seniority will be the governing factor except where duplication of vacations by similar employee categories would affect service. Employees who fail to submit a vacation bid by April 1st, will be allowed to take vacation in the unassigned weeks only, regardless of their seniority. Vacations must be approved by the Operations Manager.

Section 4 - Two Weeks Vacation

For each year of the first five (5) seniority years completed, an employee shall earn annual vacation of two (2) weeks, and shall receive pay for such vacation in an amount equal to four percent (4%) of gross earnings for the year in which vacation entitlement is earned.

Section 5 - Three Weeks Vacation

For each year following the completion of five (5) seniority years, **up** to and including ten (10) seniority years completed, an employee shall earn annual vacation of three (3) weeks, and shall receive pay for such vacation in an amount equal to six point twelve percent (6.12%) of gross earnings for the year in which vacation entitlement is earned.

Section 6 - Four weeks Vacation

For the eleventh (11th) and subsequent seniority years, an employee shall earn annual vacation of four (4) weeks, and shall receive pay for such vacation in an amount equal to eight point three percent (8.33%) of gross earnings for the year in which vacation entitlement is earned.

Section 7 - General Holiday During Vacation

When a General Holiday falls during the period of vacation with pay, the vacation shall be extended one (1) day.

Section 8 - Vacation Entitlement

Employees become entitled to an annual vacation on the conclusion of each seniority year. Employees must take all of their vacation entitlement in the year in which the entitlement applies and such vacation shall commence no later than twelve (12) months after the date on which the employee became entitled to it. The Company will make provision for employees to go on vacation within the time period outlined in the previous sentence.

Section 9 - Vacation Payment

- (a) Vacation pay cheques will be issued to all employees in accordance with the provisions of article 11, section 1(b) of this Agreement.
- (b) At the same time T4 slips are made available. the Company shall type on the amount of Union Dues paid by each Union member in that year.

ARTICLE 26

Section 1 - Savings Clause**

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

Section 2 - Negotiations for Replacement of Articles Held Invalid**

In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either Party for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in article 28 following.

ARTICLE 27 ARTICLE HEADINGS**

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 28

Section 1 - Grievance Procedure**

Whenever any dispute arises between the Company and the Union or between the Company and one or more employees, concerning the interpretation, application, administration or any alleged contravention of this Collective Agreement, the employees shall continue to **work** and the dispute shall be settled in accordance with the following procedures.

Time limit to institute this Grievance Procedure:

- (a) Fourteen (14) calendar days from the events giving rise to the grievance. .

In any dispute over a pay cheque or pay statement or any matter thereon the time limit shall be calculated from the date the employee received the pay cheque or pay statement.

Step 1: Any grievance of an employee(s) shall first be taken up between such employee(s) and the employee's immediate supervisor, however, the employee(s) will be entitled to be represented by a shop steward or Union representative. The supervisor shall reply to the grievance in writing within fourteen (14) calendar days from the date it was first received.

Step 2: Failing settlement under Step 1, and within fourteen (14) calendar days of the Company's reply in Step 1, the Union shall submit the written grievance to the Manager, Pacific Region or his authorized representative. The Manager, Pacific Region, or his authorized representative, accompanied if so desired by other representatives of the Company, shall meet with the Union Representative(s) within fourteen (14) calendar days of the receipt of the written grievance at this step. The Manager, Pacific Region, or his authorized representative, shall reply to the grievance within fourteen (14) calendar days after the meeting has taken place at this Step 2.

Any grievance concerning the suspension or dismissal of an employee shall commence directly at Step 2.

Policy Grievance: Any dispute which arises directly between the parties concerning the interpretation, application, administration or any alleged contravention of this Collective Agreement, including any dispute as to whether a matter is subject to this grievance procedure, may be submitted in writing by either party to the other within fourteen (14) calendar days of the submission of the grievance from one party to the other, authorized representatives of the Company and the Union shall meet with a view to settling the grievance. Failing a settlement at this meeting the party receiving the grievance shall reply to the other party within fourteen (14) calendar days after the parties have met.

Step 3: Failing a settlement under Step 2 or settlement of a Policy Grievance as set out above, either party may refer the matter to arbitration provided written notice of such is given to the other party within thirty (30) calendar days following the Step 2/Policy Grievance reply.

If the grievance is not submitted or advanced within the time limits set out in this Article, the matter shall be deemed to be abandoned and all further references to the grievance procedure shall be at an end. Time limits may be extended by the written mutual agreement of the Parties.

Section 2 - Minister of Labour**

If the Parties fail to agree upon a neutral arbitrator within fourteen (14) **days** after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

Section 3 - Arbitrator's Decision**

The arbitrator shall be required to hand down his decision following completion of the hearing, and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

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

Section 4 - Costs**

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

LETTER OF AGREEMENT

BETWEEN: Atomic Transportation System Inc.

AND: Teamsters Local Union No. 31



ARTICLE 30

Section 1 - Term of Agreement

This agreement shall be in full force and effect from the FIRST day of JANUARY, 1997 until the THIRTY-FIRST day of DECEMBER, 1998 and shall remain in full force and effect from year to year thereafter PROVIDED THAT, either Party may, not less than ninety (90) days immediately preceding the THIRTY-FIRST day of DECEMBER, 1998 or immediately preceding any succeeding THIRTY-FIRST day of DECEMBER thereafter by written notice to the other party:

- a) Require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.
- b) Terminate the Agreement on the next succeeding Anniversary date thereof, and require the other Party to commence collective bargaining with the view aforesaid.
- c) Terminate the Agreement on the next succeeding Anniversary date thereof.

Should either Party give written notice to the other Party pursuant to sub-section A., hereof, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

SIGNED THIS 19th DAY OF June, 1997.

FOR THE COMPANY

FOR THE UNION

APPENDIX ' A '

WAGE SCHEDULE

<u>Classification</u>	<u>Date of Ratification</u>	<u>January 1, 1998</u>
FT DOCK MAXIMUM	\$17.50	\$17.70
FT DRIVER MAXIMUM	18.40	\$18.60
PT DOCK MAXIMUM	16.50	16.70
PT DRIVER MAXIMUM	17.40	17.60

1. Starting rate for full-time employees is \$2.00 below the maximum rate, increased every six months of continuous employment by fifty (50) cents per hour until the maximum is reached.
2. Starting rate for part time employees is \$1.00 below the maximum rate, increased every six (6) months of continuous employment by twenty-five (25) cents per hour until the maximum is reached.
3. Lead Hand Premium = seventy-five (75) cents per hour.

Dependent Contractor Rates

One Ton St. Truck	\$27.00	\$27.40
Five Ton St. Truck	31.00	\$31.40
S/A Tractor	34.00	34.40
T/A Tractor	38.00	38.40

Seattle Short-Line

Payment per trip	\$200.00	\$202.00
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APPENDIX "B"

DEPENDENT CONTRACTOR AGREEMENT

THIS AGREEMENT made the day of , 19

BETWEEN:

ATOMIC TRANSPORTATION SYSTEM INC.
(hereinafter called "THE COMPANY")
OF THE FIRST PART

-AND-

(hereinafter called "THE CONTRACTOR")
OF THE SECOND PART

WHEREAS THE COMPANY is a transportation ~~firm~~ operating certain motor transport franchise rights in Canada, and the United States of America;

AND WHEREAS THE CONTRACTOR is the Owner of one truck with which he shall enter into a contractual agreement with the Company in accordance with the terms hereunder;

NOW THIS AGREEMENT WITNESSETH in consideration of the mutual covenants herein contained, it is agreed between the Parties hereto as follows:

1. AGREEMENT & TERMS

- 1.1 The Company engages the services of the Contractor and the Contractor agrees to provide the cartage service and to make available therefore the tractor, truck, or other vehicle hereinafter called the truck. The Contractor shall at his expense maintain and operate the truck and the transportation service herewith contracted for to provide a cartage service to the Company for the purpose of transporting goods for the Company's customers on behalf of the Company.
- 1.2 THE CONTRACTOR'S truck shall be available to the dispatchers of the Company and, during the term of this Agreement his truck shall not be used for purposes other than the purposes of the Company.
- 1.3 NOTWITHSTANDING anything herein contained the Contractor may terminate this Agreement by giving the other party notice in writing. Provided that in the case of any such notice given by the Contractor the Contractor must satisfy the Company that all accounts incurred by the Contractor in connection with the operation of said truck which might have been charged against the Company have been paid or settled BY THE CONTRACTOR to the satisfaction of the Company. Should there be any unpaid accounts, the Contractor agrees that the Company shall have the right to pay same and charge same to the Contractor's account. Upon the termination of this Agreement the Company reserves the right to withhold the Contractor's Holdback Account pursuant with Section 7.1 of this Agreement for a period of ninety (90) days or until the **truck** is repainted to other than Company colours

and all licenses, registrations, manuals, fuel keys, credit cards and other items of Company property are voluntarily returned to an authorized Company representative.-Failure to return any items of Company property will result in a charge to the Contractor's account in an amount equivalent to the replacement cost of the unreturned property. Should the Contractor's account be deficient of funds to cover the above charges the Contractor agrees to provide satisfactory indemnification to the Company.

1.4 THE COMPANY may terminate this Agreement immediately and without notice if the Contractor is in default under this Agreement or if the Contractor carries on, or permits to be carried on, any illegal operation with respect to said truck.

1.5 THE CONTRACTOR hereby agrees with the terms hereof and shall be responsible for such matters as are herein provided, it is understood that the Company is interested in the safe and efficient carriage of the goods placed with the Contractor and in compliance by the Contractor with all the terms and conditions of the Company's operating authorities and licenses, safety rules and general policy.

1.6 It is expressly understood and agreed that the relationship hereby created between the Company and the Contractor is that of Contractor and not that of employer and employee.

2. PAYMENT

2.1 Provided the Contractor performs all covenants herein contained, the Company agrees to pay to the Contractor the rates set forth on Appendix "A" attached hereto. The rates shown thereon are prior to all deductions as provided herein. Payment of such amounts as may be owing from time to time pursuant hereto shall be made every second Friday together with a statement of receipts and disbursements relative to the said truck. The Contractor shall have forty-five (45) days after the receipt of such statement to bring to the attention of the Company any errors or omissions failing which the Contractor shall be deemed to have accepted the statement as correct.

2.2 Classroom training, quality meeting attendance, and medical examination under Article 12, Section 4 is paid at a rate per hour equivalent to the starting rate for a company tractor driver applicable at their home terminal. When called in for training or a meeting that lasts less than four (4) hours, and there is no other work for that day, ½ hour travel time is paid.

3. MOTOR VEHICLE EQUIPMENT

3.1 The truck engaged herein by the Contractor to the Company must be painted and identified according to Company specification and must be kept clean and in good repair throughout the term of this agreement. The said truck shall travel only upon such route or routes as the Company is authorized to operate and in accordance with the Company's dispatcher's

instructions. It is understood that the Contractor's truck may only be bobtailed to and from the Contractor's place of repair or storage or while picking up or delivering loads or otherwise under Company dispatch.

3.2 THE CONTRACTOR if requested, shall provide the Company with a certificate of mechanical fitness for the truck in form prescribed by any governmental or regulatory authority.

4. SAFETY

4.1 It is understood and agreed that the Company forbids the Contractor to carry passengers and/or any unauthorized personnel in the said truck.

4.2 THE CONTRACTOR may not operate said truck while under the influence of alcohol or drugs.

4.3 THE CONTRACTOR may not operate said truck in excess of the posted speed limit or 100 km/hr. (whichever is lower).

5. FREIGHT HANDLING AND CUSTOMER SERVICE

- 5.1 IT IS UNDERSTOOD that it is the Company's interest and intention to provide a dependable and quality Cartage service to its customers. To this end the Contractor agrees to pick up and deliver all loads according to the time and schedules set out by the Company's dispatchers.

- 5.2 THE COMPANY shall be entitled to set rules and regulations for the Contractor, which the Contractor agrees to adhere to respecting the handling of goods in both the Company's warehouse and on the highway for the purpose of protecting its customer's goods being transported by the Contractor for the Company and for ensuring the safe and efficient loading and unloading thereof.

- 5.3 WHEN THE CONTRACTOR loads a shipment he shall indicate the exact nature of same on a Bill of Lading and at the time of accepting such shipment, if he knows there is a condition existing which might lead to a claim being made by the Consignor of Consignee, he shall make a notation of such condition on the Bill of Lading and have it initialed by the Consignor at the time of accepting such goods for protection in the event of a claim against the Company.

- 5.4 Any cargo claim that is the result of negligence on the part of the Contractor will be subject to the cargo claim deductible as specified in Section 6.3 of this Agreement.

5.5 THE CONTRACTOR agrees to surrender to the Company all signed bills of lading, delivery receipts, customs documents and any other documents required by the Company for loads transported by the Contractor on the Company's behalf immediately upon completion of every trip.

6. LICENCE, INSURANCE AND ACCIDENT REPORTING

6.1 THE CONTRACTOR agrees to provide the commercial registration for the province the truck is to work in.

6.2 THE COMPANY shall further make available to the Contractor such insurance coverage as is deemed necessary and appropriate by the Company under the Company's Fleet and Cargo Policies and in amounts deemed adequate and/or available by the Company for any excess insurance.

6.3 Deductibles for accident claims of the Contractor through that coverage which is provided under the Company's Fleet and Cargo insurance policies are as follows:

Contractor's Tractor	\$500.00 each occurrence
Company or Contractor's Trailer	\$500.00 each occurrence
Cargo	\$500.00 each occurrence
Company Property (other than trailer)	\$500.00 each occurrence

and such deductibles shall be charged to the Contractor's account on any claim.

It is understood and agreed that in the case of an accident involving third party liability wherein the Contractor is held liable for such accident, a deductible of \$500.00 shall be charged to the Contractor's account on such claim in addition to any deductible outlined above.

6.4 When the Contractor's truck is involved in an accident and the investigation of that accident subsequently reveals that at the time of the accident:

- a) the driver of the Contractor's truck was not authorized by the Company to drive said truck;
- b) a passenger, other than one authorized by the Company, was in said truck;
- c) the contractor's truck was bobtailing, except:
 - i) while under Company dispatch,
 - ii) while traveling between a Company terminal and the Contractor's place of truck storage; or between a Company terminal or the Contractor's place of truck storage and place of repair;
- d) that the Contractor's truck was traveling in excess of the posted speed limit, or 100 km/hr., whichever is lower;

The deductible for that insurance coverage which is referred to in Section 6.3 herein and which is payable by the Contractor shall be the total amount of \$7,500.00 for any tractor, trailer, cargo or third party liability claim of damage, unless the Company specifically waives in writing any of the foregoing stipulations.

6.5 When the Contractor's truck is involved in an accident while the Contractor was driving or operating said truck under the influence of intoxicating liquor or drugs the Contractor shall be solely responsible for the entire cost of repair to his truck, if he is charged. The Company reserves the right of subrogation against the Contractor for any damage to cargo or trailer and third party liability in the case of such an accident.

6.6 THE COMPANY is not required to provide any insurance other than the levels of the insurance coverage it can obtain or carries for its own trucks, trailers and cargo. The Contractor agrees that all insurance claims under the insurance so provided, shall be settled by the Company on his behalf and in doing so is acting as his agent.

6.7 Any additional insurance coverage desired by the Contractor shall be his own responsibility in both procurement and expense.

7. **HOLDBACKACCOUNT**

7.1 THE COMPANY shall holdback \$500.00 or a portion thereof if the Contractor's earnings are insufficient to cover the full amount from the first two weeks of earnings. This holdback shall remain for the first four (4) weeks and then a further \$500.00 plus any deficiency from the first holdback deduction shall be held back by the Company from the Contractor's account to increase the holdback to \$1,000.00. It is agreed that a minimum of \$1,000.00 shall be held by the Company in the Contractor's non interest bearing Holdback Account

during the normal operations to maintain a financial responsibility and ensure that funds are available for freight claims, damaged equipment, parts and repairs, fuel and any other charges which may have been charged to the Company but are in reality for the account of the Contractor.

8. MISCELLANEOUS

8.1 THE AUDITOR of the Contractor shall be permitted in normal business hours to examine the books of the Company relating to all transactions between the contractor and the Company with respect to the said truck.

8.2 THE CONTRACTOR agrees to pay for or be charged any and all expenses related to the operation of his truck. Federal, Provincial and State sales tax or any other taxes that are assessed from time to time towards the said truck are also for the account of the Contractor. It is understood and agreed that the Contractor will not make any unauthorized purchase(s) in the name of the Company. Authorization for any purchase(s) must first be obtained from an official of the Company. The cost of the purchase(s) shall be charged against the Contractor's account.

8.3 THE CONTRACTOR covenants to observe and abide by the rules and regulations set forth by the Company.

- 8.4 IT IS ACKNOWLEDGED and understood that the Company is responsible to various Provincial, Federal and State Regulatory authorities for the conduct of its business and operation of vehicles licensed under the operating authorities granted to it. It is therefore understood and agreed that the Contractor shall comply with all current laws applicable to the operation of motor carriers and motor vehicles and the rules and regulations of any lawfully constituted governmental or regulatory authority in respect thereto.
- 8.5 THE COMPANY shall not be required to keep records of the expenses of the Contractor, or of any other information respecting the Contractor.
- 8.6 THIS AGREEMENT is not assignable by either of the Parties but shall be binding upon and inure to the benefit of the Parties hereto, their heirs, executors, administrators and successors.
- 8.7 THE WITHIN AGREEMENT supersedes all contracts between the Company and the Contractor with respect to the operation of the Contractor's truck with the Company and this Agreement shall govern all such continuing relationship between the Parties until superseded by another.
- 8.8 THE COMPANY shall assume complete financial responsibility for the following:
- (a) M.C.C. Operating Authority Plates;
 - (b) Fleet, Cargo and Liability Insurance;

- (c) Workers' Compensation Premiums;
- (d) Installation of Company signage and logos;
- (e) Supply of Company coloured green paint.

8.9 THE CONTRACTOR shall assume complete financial responsibility for the following:

- (a) Union dues, initiation fees and assessments;
- (b) Applicable C.P.P. contributions;
- (c) Total cost of the operation of his truck;
- (d) Painting his truck (except for the cost of green paint supplied by the Company under 8.8(e) above;
- (e) **All** licences as required by provincial or municipal statutes to a maximum cost of \$2,000.00 per year, except M.C.C. Operating Authority Plates. However, any rebates on licences and/or pro-rated plates shall be returned to the Contractor;
- (f) The premiums for any Company Benefit Plan in which the Contractor is entitled to and chooses to participate.

IN WITNESS whereof the party of the first part has caused its Corporate seal to hereto affixed attested by the signatures of its proper officers in that behalf and the party of the second part has hereunto set this hand and seal the day and year written above.

Authorized Signature for the Company

Authorized Signature for the Company

Witness
As to the Party of the Second Part

Contractor

APPENDIX "C"

B.C. MASTER EMPLOYEES PENSION PLAN

Section 1

The Teamster - B.C. Master Employees' Pension Plan is designed to supplement other forms of pension an employee may have.

The Company together with other Companies signing a Collective Agreement that is the same or substantially the same as the B.C. Master Cartage and Warehousing Agreement on the one Part and Teamsters Local Union No. 31 on the other Part, have together established a Pension Plan to be known and described as:

Teamsters - B.C. Master Employees Pension Plan

The Plan will continue throughout the life of the Collective Agreement.

The Plan will operate under the supervision and guidance of 5 Trustees appointed by the Companies and 5 Trustees appointed by the Union.

The Plan and the activities of the Trustees will be governed by a Trust Agreement aforesaid.

The following eligibility conditions shall apply to the Plan:

- (a) Any member of the Union who is a regular full-time employee in the employee of the Companies described as part one above on the effective date of the Plan shall join the Plan from that date.
- (b) Any member of the Union who is hired by the Companies after the effective date shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee.
- (c) Notwithstanding the provisions of sub-section (b) of this section, any member of the Union who is hired by the Company after the effective date of the Plan shall join the Plan as an active participant on the day he is so hired, provided that within the previous thirty (30) day period he was a participant in the Plan.
- (d) Notwithstanding the provisions of sub-section (b) of this section, any member of the Union hired as replacement for regular full-time employees shall join the Plan on the first day of the month in which the employee is hired.

Section 2

The Trustees shall establish benefits from time to time in conformity with the sound financial applications of the negotiated contributions.

The cost of the Plan shall be borne by the Companies.

The Company shall contribute in respect of each employee at a rate of contribution for each hour worked as follows:

- 1) All straight time hours worked by (or paid by) an eligible regular full-time employee, not to exceed 40 hours per week or 168 hours per month, except:
 - a) Any employee working a four day work week shall be entitled to a maximum of 40 hours per week, provided the employee works each day of the stipulated work week.
 - b) In respect of a short-line driver not to exceed 168 hours per month. Hours worked by a short-line driver in any month in excess of 168 hours to be banked and to be carried forward by the Company for payment in any month in which the hours worked are less than 168.
- 2) All hours, but no more than 168 hours per month, for **an** employee within the regular bargaining unit on leave of absence by reason of their being appointed or elected to a part-time or full-time position in the Union. (These contributions shall be paid by the Union.)
- 3) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:
 - a) jury duty
 - b) bereavement leave
 - c) vacation pay
 - d) statutory holiday pay

No contributions are required to be paid for:

- a) change in shift penalty
- b) call time - where a call involves a four hour minimum call time and hours worked, only hours worked are contributed for
- c) severance allowance.

The following rate of contribution shall apply for regular full-time employees:

- 1) January 1, 1997 to December 31, 1997 - \$0.45 (forty-five cents) per hour
- 2) January 1, 1998 to December 31, 1998 - \$0.55 (fifty-five cents) per hour.

Contributions shall be made on a calendar month basis for each regular full-time employee and the Companies shall submit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the following calendar month.

APPENDIX "D"

Teamsters Local Union No. 31 / INDUSTRY ADVANCEMENT FUND

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

The employer shall make contributions of five cents (\$0.05) per hour on straight time hours up to a maximum of \$8.40 per month, for wages which are payable hereunder for each employee covered by this Collective Agreement. Payment for Dependent Contractors will be a flat rate of \$8.40 per month.

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

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

APPENDIX "E"

HEALTH and WELFARE

Section 1 - Participation

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted July 1, 1971, and operated under an Agreement and Declaration of Trust revised on November 26, 1990. A copy of which will be supplied to the Company upon request.

The Company's participation in the Plan will continue throughout the life of this Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include not less than three (3) people appointed by the Teamsters Local Union No. 31.

Section 3 - Plan Administration

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

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust, and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time. A copy of which will be supplied to the Company upon request.

Section 4 - Eligibility Conditions

- (a) Any member of the Union who is a regular full-time employee in the employ of the Company on the date of this Agreement shall join the Plan on the date of this Agreement.
- (b) Any member of the Union who is hired by the Company after the date of this Agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular full-time employee.
- (c) Notwithstanding subparagraph "(b)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular full-time 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 is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits

will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.

- (e) For the purposes of this section a dependent contractor shall be considered a regular full-time employee on his date of hire.

Section 5 - Rehabilitative Employment

Any employee who, immediately following a period of disability for which benefits were payable under the Plan, may, with the approval of the Union, the Board of Trustees and the Company return to work on a trial basis, either on full or limited duties without right or entitlement coverage under the Plan other than would have been provided has 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 6 - Benefits

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

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

The amounts of coverage and details of each benefit are established by the Board of Trustees, and are subject to amendment by them from time to time. A copy of aforesaid amendments will be supplied to the Company upon request.

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

Section 7 - Cost

- (a) 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.
- (b) With exception to Section 7 paragraph (a) above. Dependent Contractors shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees for any month in which they, or their employees are covered by the Plan for one day or more. This amount shall be deducted from their payroll by the Company and remitted in accordance with Section 8 of this article.

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

Section 8 - Payment

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

Section 9 - Termination of Coverage

Except as provided under Article 28 of the Collective Agreement,

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

Section 10 - Failure to Remit Contributions

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

Section 11 - General

- (a) It shall be the responsibilities of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.
- (b) It shall be the responsibility of the Company to provide the employee the necessary forms to enrol and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.
- (d) It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.



Teamsters Local Union No. 31

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS AND THE CANADIAN LABOUR CONGRESS

APPENDIX "F" LETTER OF UNDERSTANDING

BETWEEN: ATOMIC TRANSPORTATION SYSTEMS INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Whereas Mike Hemming and Lakhbir Bagri currently drive trucks owned by Roger Pandher and Rupend Sharma employed by Atomic Transportation;

whereas the Company (Atomic Transportation Systems Inc.) will upon ratification provide Health and Welfare benefits to Mike Hemming and Lakhbir Bagri (cost of said benefits to be deducted from the owner operator's revenue).

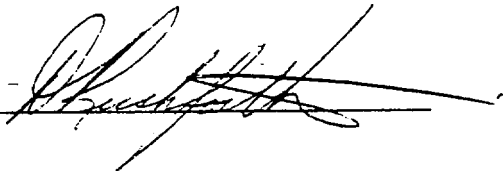
Whereas be it further agreed to that the Company and the Union will recognize Mike Hemming and Lakhbir Bagri's seniority within the bargaining unit (the Company);

Be it further agreed that the cost of licensing Roger Pandher's or Rupend Sharma's equipment (four trucks) for the year 1997 will be paid for by the Employer.

SIGNED THIS 9th DAY OF April, 1997.

FOR THE COMPANY

FOR THE UNION





"ANNEX 1"

MEMORANDUM OF AGREEMENT

BETWEEN: ATOMIC TRANSPORTATION SYSTEM INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Upon ratification, the following items will be implemented.

COMPANY EMPLOYEES

Term of Agreement: January 1, 1997 to December 31, 1998

\$0.05 Industry Advancement Fund (all Teamster members) to a maximum of eight dollars and forty cents (\$8.40) per member per month

Teamsters Health and Welfare Benefit Plan (fully paid by the Company)

Accumulated sick days (six days per year accumulated at ½ day per month)
Current bank of sick days to remain in place.

Teamsters Pension Plan - \$0.45 per hour upon ratification

Shift Differential: \$0.25 increase (after 2:00 p.m. or before 5:59 a.m.)

Short Line: remove from rotating days off

New short line rate: \$200.00 based on ten and one quarter (10 ¼) hours; overtime to commence after 12th hour.

Line Haul Grievances: Gerry Roberge - ten (10) hours pay at current rate
Colin Grabish - forty-five (45) hours pay at current rate

Banked Overtime - It is agreed that employees may bank up to eighty (80) hours of overtime per year to be used in five (5) day increments during non-prime time vacation periods

The following items will be implemented January 1, 1998.

Owner Operators:

The Company agrees to pay the cost of the licensing of the owner operator's equipment.

Wage Increase: \$0.40

Company Employees:

Wage Increase: \$0.20

Short Line **Trip** Rate: \$202.00 based on ten and one quarter hours (10 ¼)


Pension Increase: \$0.10

SIGNED THIS *9th* DAY OF *April*, 1997

FOR THE COMPANY



FOR THE UNION



SOURCE	Union		
EFF.	97	01	01
TERM.	98	12	31
No. OF EMPLOYEES	40		
NOMBRE D'EMPLOYÉS	40		

MEMORANDUM OF AGREEMENT

BETWEEN: ATOMIC TRANSPORTATION SYSTEM INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Upon ratification, the following items will be implemented.

COMPANY EMPLOYEES

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\$0.05 Industry Advancement Fund (all Teamster members) to a maximum of eight dollars and forty cents (\$8.40) per member per month

Teamsters Health and Welfare Benefit Plan (fully paid by the Company)

Accumulated sick days (six days per year accumulated at 1/2 day per month)
Current bank of sick days to remain in place.

Teamsters Pension Plan - \$0.45 per hour upon ratification

Shift Differential: \$0.25 increase (after 2:00 p.m. or before 5:59 a.m.)

Short Line: remove from rotating days off

New short line rate: \$200.00 based on ten and one quarter (10 1/4) hours; overtime to commence after 12th hour.

Linehaul Grievances: Perry Roberge - ten (10) hours pay at current rate
Colin Grabish - forty-five (45) hours pay at current rate

Banked Overtime - It is agreed that employees may bank up to eighty (80) hours of overtime per year to be used in five (5) day increments during non-prime time vacation periods

The following items will be implemented January 1, 1998.

Owner Operators:

The Company agrees to pay the cost of the licensing of the owner operator's equipment.

Wage Increase: \$0.40

Company Employees:

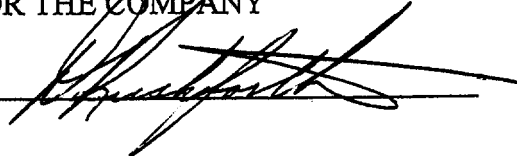
Wage Increase: \$0.20

Short Line **Trip** Rate: \$202.00 based on ten **and** one quarter hours (10 ¼)


Pension-Increase: \$0.10

SIGNED THIS *9th* DAY OF *April*, 1997.

FOR THE COMPANY



FOR THE UNION





Teamsters Local Union No. 31

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS AND THE CANADIAN LABOUR CONGRESS

LETTER OF UNDERSTANDING

BETWEEN: ATOMIC TRANSPORTATION SYSTEMS INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Whereas Mike Hemming and Lakhbir Bagri currently drive trucks owned by Roger Pandher and Rupend Sharma employed by Atomic Transportation;

whereas the Company (Atomic Transportation Systems Inc.) will upon ratification provide Health and Welfare benefits to Mike Hemming and Lakhbir Bagri (cost of said benefits to be deducted from the owner operator's revenue).


Whereas be it further agreed to that the Company and the Union will recognize Mike Hemming and Lakhbir Bagri's seniority within the bargaining unit (the Company);

Be it further agreed that the cost of licensing Roger Pandher's or Rupend Sharma's equipment (four trucks) for the year 1997 will be paid for by the Employer.

SIGNED-THIS 9th DAY OF April, 1997.

FOR THE COMPANY

FOR THE UNION





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