THE AGREEMENT, made and entered in this 1st day of August, 2003.

BETWEEN

CONSOLIDATED FASTFRATE INC.

(Hereinafter referred to as the "Company").

AND

TEAMSTERS LOCAL UNION NO. 395

Chartered by the International Brotherhood of Teamsters

(Hereinafter referred to as the "Union").

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ARTICLE ONE - CO-OPERATION

- 1.01 It is recognized by this Agreement to be the duty of the Company, the Union, and the employees to fully co-operate, individually and collectively, for the advancement of conditions.
- 1.02 The Union and its members agree at all times as fully as it may be within their power, to further the interests of the forwarding industry and of the Company.
- 1.03 The Union undertakes that no terms which are more advantageous than those contained herein will be extended to, or agreed with any competitor of the Company, without first notifying the Company of such terms.
- 1.04 It is mutually agreed that there shall be no strike, lockout or slowdown, whether sympathetic or otherwise, during the term that this Agreement shall be in force.
- 1.05 It shall not be considered a violation of his employment that a Company employee shall refuse to cross a legal picket line, recognized by the Union.

<u>ARTICLE TWO – BARGAINING AUTHORITY</u>

- 2.01 This Agreement shall relate only to employees and categories of employees referred to in the Certificate of Bargaining Authority held from the time to time by the Union, save as hereafter expressly provided.
- 2.02 The Company shall not ask any employee to make verbal or written agreements which may in any way conflict with the provisions hereof.

ARTICLE THREE - POSTING OF AGREEMENT

3.01 The Company will provide a bulletin board for the posting of this Agreement, and for such notices as the Union may from time to time wish to post, signed by the posting official.

ARTICLE FOUR – UNION RIGHTAND SECURITY

4.01 UNION SHOP

- a) Every employee of the company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this agreement as a condition of employment with the Company, save as hereinafter expressly provided.
- The Company will, after having been supplied with authorization card, deduct all dues, initiation fees, and/or other assessorial charges as levied against the employee by the Union, and so indicated on the monthly check-off list as supplied to the Company by the Union. The Company shall remit same to the Union along with the names and the amount from whom the money was so deducted.
- In the event that a person not a member of the Union shall be taken into employment by the Company, such person shall join the Union within fourteen (14) days of his hiring, or be replaced.
- d) Each new employee will be informed by the Company that he is to contact the Union office or Shop Steward for the purpose of joining the Union and/or signing an Authorization card.
- e) The Company shall furnish to the union a list of new employees taken into employment by the Company within fourteen (14) days of their being hired.

4.02 UNION SECURITY

- a) All trucks and mobile equipment owned or leased by the Company shall be operated by employees of the Company, members of the Union. This clause shall not prohibit hourly rentals including operator, by the Company to meet peak period of activity.
- b) It is agreed that all road worthy trucks must be in use before additional units can be leased or hired. Leased or rented equipment will not be used when qualified Company employees and equipment are available.
- c) Staff excluded from the Bargaining Unit will not perform any work which falls within the scope of this Agreement.

4.03 SHOP STEWARD

- a) The Union shall elect or appoint shop stewards from among the members in the bargaining unit and shall notify the Company in writing of such appointment or election.
- b) The Company shall recognize shop stewards and not discriminate against them for lawful Union activity.
- An employee who is called into the Company's office for any discussions pertaining to disciplinary, investigative or administrative measures shall be accompanied by **a** Shop Steward. If a Shop Steward is not readily available, the employee may request another Bargaining Unit employee accompany him to such meeting.

4.04 INSPECTION PRIVILEGES

- Authorized agents for the Union shall have access to the Company's establishment during working hours for the purpose of investigating conditions related to this contract provided, however, that there is no interruption of the Company's working schedule, prior permission will be granted.
- 4.05 (a) The Company and the Union agree that harassment will not be tolerated in the workplace. A copy of the current Company Policy on harassment will be prominently posted in the workplace and provided to the Local Union. Violations of said Policy and/or prevailing legislation/regulation may result in discipline and is subject to the Grievance Procedure.

ARTICLE FIVE – MANAGEMENT RIGHTS

- All rights and functions of the Company shall belong to the Company and, without limiting the generality of the foregoing, the Management of the Company and the direction of the working force, including the right to plan direct and control plant operations, to maintain the discipline and efficiency of employees, to require employees to observe Company rules and regulations and to suspend, transfer, promote, reclassify or discharge employees for cause, are to be the sole right and function of the Company. All rights and functions of the Company shall be exercised in a fair and reasonable manner and will be consistent with the terms of the Collective Agreement.
- 5.02 The Company shall always have the right to increase and decrease working forces, to hire and to discipline and to reclassify, and to discharge employees for proper reason.

ARTICLE SIX – EMPLOYEE RIGHTS AND CONDITIONS

6.01 VACATIONS

- a) Vacation year shall be defined as beginning June 1 and ending May 31. An employee who does not qualify for full annual vacation shall be paid an amount equal to four percent (4%) of his total earnings from the date of employment to June 1st of that year. Employees then to work a full vacation year before receiving a full vacation with pay. Time off without pay will be allowed during this year, with such time off being calculated on the basis of holiday pay received.
- b) In order to qualify for an annual vacation an employee must have worked a minimum of 1500 regular hours in the initial vacation year. The employee shall in all cases qualify should the company be unable (through use of payroll records) to demonstrate less than 1500 regular hours worked. This vacation period will be included for future years entitlement.
- c) Should an employee fail to qualify for vacation in the initial year of hire due to not meeting the 1500 hours requirement said employee's vacation entitlement shall begin June 1 in the year following his date of hire.
- d) All employees shall receive two (2) consecutive weeks vacation with pay at the end of each year of continuous service with the Company. Payment for such vacation shall be in the amount equal to four percent (4%) of the gross wages of the employee during the year in which he qualified for such vacation, or forty (40) hours pay at the prevailing hourly rate, whichever is greater. Providing he has worked **fifty** percent (50%) of the vacation year, less than **fifty** percent (50%) he will get four percent (4%).

- e) All employees who have completed five (5) or more years of continuous service with the Company shall receive three (3) weeks vacation with pay. Payment for such vacation shall be in the amount equal to six percent (6%) of the gross wages earned by the employee during the year in which he qualified for such vacation, or forty (40) hours pay, at the prevailing hourly rate, whichever is greater. Providing he has worked fifty percent (50%) (1040 hours) of the vacation year, less that fifty percent (50%) (1040 hours) the appropriate percentage (6%).
- f) All employees who have completed ten (10) or more years of continuous service shall receive four (4) weeks vacation with pay. Payment for such vacation shall be in the amount equal to eight percent (8%) of the gross wages earned by the employees in the year in which he qualified for such vacations, or forty (40) hours at the prevailing hourly rate, whichever is greater. Providing he has worked **fifty** percent (50%) (1040 hours) of the vacation year, less than fifty percent (50%) (1040 hours) the appropriate percentage (8%).
- g) All employees who have completed fifteen (15) or more years of continuous service shall receive five (5) weeks vacation with pay. Payment for such vacation shall be in the amount equal to ten percent (10%) of the gross wages earned by the employees in the year in which he qualified for such vacation, or forty (40) hours pay at the prevailing hourly rate, whichever is greater. Providing he has worked fifty percent (50%) (1040 hours) of the vacation year, less than fifty percent (50%) (1040 hours) the appropriate percentage (10%).
- h) Vacation pay for employees on separation from employment will be calculated at four percent (4%) of total regular wages earned in that year in which employment is terminated, or determined by length of service as above. Respectfully of their earnings since the termination of their last complete vacation.

- i) Pay cheques for vacation shall be issued to the employee on the pay day prior to his vacation covering the vacation period that he will be absent. The pay cheque for the vacation period will be issued as a separate cheque. Such vacation periods shall not be taken in blocks smaller than one (1) week.
- j) The time of vacation shall be fixed by the Company consistent with the efficient operation of the business. Preference of vacation time shall be given to senior employees. A maximum of two (2) employees shall be permitted to take vacations at any one time, more will be allowed consistent with volume being handled and the orderly and efficient operation of business.
- k) Vacation lists shall be posted April 1st of each year and employees shall designate their choice of vacation time before April 30th. If an employee fails to designate his choice of vacation on such listing while posted, vacation time shall be granted at the Company's discretion. The Company shall post the final vacation schedule by May 15th, and shall remain posted for the balance of the year.

6.02 STATUTORY HOLIDAYS

a) All regular employees who have been on the payroll thirty (30) calendar days previous to the holiday shall be entitled to up to ten (10) Statutory Holidays with pay.

All part-time employees who work fifteen days (15) out of the previous thirty (30) calendar days prior to the holiday shall be entitled to the statutory holiday with pay. Part-timers working less than fifteen days (15) shall be entitled one twentieth (1/20th) of his gross earnings of the proceeding thirty (30) calendar days.

b) The said Statuatory Holidays are:

New Year's Day
Good Friday
Victoria Day
Dominion Day
Civic Holiday
Remembrance Day
Christmas Day
Labour Day

Labour Day Boxing Day

On the day before Christmas and the day before New Year's, if the employee is requested to go home after reporting for duty, he will be paid for all hours worked, plus four (4) hours, to a maximum of eight (8) hours.

- c) Regular employees will receive eight (8) hours pay at their regular hourly rate for each Statutory Holiday if eligible.
- In the event a regular employee is requested to work on his Statutory Holiday, he shall receive time and one half (1-1/2) of the rate of pay as prescribed for the Statutory Holiday.
- e) In the event any of the above-mentioned holidays fall during an employee's annual vacation, he may receive an extra day off to be added to his vacation for each holiday.
- f) If a Statutory Holiday falls on an employee's regular day off he shall be entitled to another working day off, either the last working day preceding or the first working day following the Statutory Holiday with pay.
- g) In the event that either a Provincial or Federal Body declares any other day as Statutory Holiday or a General Holiday, then the day shall **be** recognized and paid as in 6.02 (c) of this Agreement.

6.03 MEAL PERIODS

a) The employee shall, except by mutual agreement between the parties hereto, take at least one (1) continuous period of thirty (30) minutes, for meals in any one day. Employees who do not take their lunch break on Company premises, and are requested by the Company (Consolidated Fastfrate Transport Inc.), to remain with their truck will be allowed a twenty (20) minute lunch break without loss of pay.

No employee shall be compelled to take more than one (1) continuous meal period, nor compelled to take any part of such continuous 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.

6.04 REST PERIOD

- a) Each employee shall be entitled one (1) rest period not in excess of fifteen (15) minutes during both the first half and second half of any shift.
- b) A rest period shall be provided if the overtime work is to exceed one (1) hour. The commencement of this break may be postponed or staggered but not beyond one half (1/2) hour. The rest period itself is not to exceed fifteen (15) minutes.

6.05 LEAVE OF ABSENCE

a) If employees request leave of absence for any reason other than ill health, such request shall be made in writing stating reasons, and will be subject to Agreement by both the Company and the Union.

b) When an employee is absent from work because of illness or off the job accident, he shall upon returning to work retain his seniority upon providing bona fide proof of illness or accident.

6.06 FUNERAL LEAVE

a) Regular employees will have Funeral Leave entitlement as follows:

When death occurs to a member of a regular employee's immediate family, the employee will be granted, upon request, bereavement leave of three (3) working days.

In the event the funeral is held on an employee's regular work day other than the three (3) days noted above, the employee will be granted upon request, leave on that day to attend the funeral.

The employee will be compensated at his regular straight time hourly rate for hours lost from his regular schedule for the bereavement leave and funeral leave as noted above.

Members of the employee's immediate family are defined as the employee's spouse, mother, father, son, daughter, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, common law spouse, grandfather, grandmother, spouse's grandfather and grandmother.

When a death occurs to a member of a part-time employee's immediate family the employee will be granted upon request, bereavement leave of three (3) working days with pay at his regular straight time hourly rate.

6.07 JURY DUTY LEAVE

- a) If an employee is call for Jury Duty on his normal working day, or is subpoenaed as a witness on a matter arising directly from his duties or activities as an employee, the Company agrees to pay the equivalent of an eight (8) hour day at straight time less the amount received for jury or witness duty pay, provided such incident has been reported to his supervisor.
- Jury and/or subpoenaed witness duty pay will not be granted if an employee is on leave of absence, or when receiving benefits under the Health and Welfare program, Worker's compensation, or Annual Vacations.

6.08 SAFETY CONDITIONS

- a) No employee shall be compelled to operate any vehicle which is not in safe operating condition and is not equipped with safety appliances required by law.
- b) It shall, however, be the duly of employees to report promptly in writing on the form provided all defects in equipment. It shall then be the responsibility of the Company to have repairs made, as considered necessary for safe operation. In the event the repairs cannot be affected to conform with the safe operation of the vehicle the equipment will be correctly identified and kept out of service until repaired.
- All trucks operated by the Company will have adequate heaters, defrosters, and windshield wipers installed and kept in operating condition.
- d) Drivers will not be held responsible for damage while towing or pushing a vehicle if instructed to do so by the Company.

- e) The Company will endeavour to keep speedometers in proper working order.
- The Company shall provide first aid provisions in accordance with the Worker's Compensation Act.
- g) Cotton gloves will be supplied upon initial request. Replacement gloves will only be given when used gloves are tuned in, or employees will be responsible for the cost of same.
- h) All employees required to handle propane or other hazardous goods shall receive the appropriate training supplied by the Company and shall be certified.
- Upon proof of purchase the Company will pay to each full time employee with more than one (1) year of service, one hundred dollars (\$100.00) for the purchase of CSA approval safety boots. Such payment shall be made once each calendar year prior to October 31st.
- j) No driver shall be permitted to allow anyone except employees of the Company who are on duty or other transport drivers broken down on the road to ride in his truck except by written authorization of the Company.
- Accidents for which the employee is at fault or for which his actions or lack of actions is a contributory factor, may result in disciplinary action which may range from reprimand to dismissal according to the seriousness of the accident, the degree of negligence or carelessness and/or frequency of accidents. However, the driver will be absolved of blame if the accident is proven to be caused by mechanical failure, and the Company will then be responsible for wages and expenses if the driver involved is required to appear in court relating to the accident.

- 1) Any suspension for the investigation of an accident shall not exceed five (5) days (Saturdays, Sundays and general holidays excluded). Employees shall be paid for all lost time during said investigation period should it be found that they were not a fault.
- m) Failure to report all accidents as soon as possible in accordance with Company posted instructions will result in the employee being subject to discipline up to and including dismissal.
- n) The Company may impose discipline up to and including dismissal, dependent upon the number of infractions, for each of (but not limited to) the following:

Driving at speeds in excess of government posted speed limits,

Absent from work without reasonable explanation for ten percent (10%) or more of the workable days in any calendar month

Failure to notify the Company of intent to be absent from work at least one (1) hour before the regular stating time unless there is a reasonable explanation for such failure

Reporting late for work without a reasonable explanation

Mishandling of freight

Miscounting of freight

Each specific category of infraction will be treated as separate and distinct and will not be used to compound discipline in a different category.

- o) For disciplinary measures, all disciplinary notices shall be removed from the employee's record after one (1) year.
- p) All penalties and reprimands must be issued to the employee within seventy-two (72) hours (Saturdays, Sundays and General Holidays excluded) from the time the infractions became known with a copy to the Local Union, otherwise the penalty or reprimand will be considered null and void.
- q) Suspended employees shall be allowed to remain on the job without loss of pay unless and until the suspension is sustained under the Grievance Procedure. The Union agrees it will not unreasonable delay the processing of such cases. The foregoing does not apply to cases of dismissal.

6.09 PROVISION OF EMPLOYEE BENEFITS

- a) When an employee goes off ill or on compensation, or grievance is invoked on his discharge, the Company shall continue to pay his Welfare Fees and Union Dues for a maximum of three (3) months, so that at all times the employee shall be protected to the utmost. At the end of three (3) months, the affected employee must clear up his deficit, upon so doing he will be eligible for a further three (3) months protection. When an employee returns to work, the Company shall deduct from his earnings any monies the employee would normally have paid. In the event an 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 normally paid by the employee, the Union shall then reimburse the Company for said amount.
- The employee shall be notified when he is three (3) months in arrears and the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two parties.

6.10 WORKING CONDITIONS – TERMINAL

- a) The Company agrees to maintain clean sanitary washrooms, having hot and cold running water, with toilet facilities at its terminal.
- b) The Company shall provide a clean and adequate lunchroom for its employees at the terminal.

6.11 PAY PERIOD AND CONDITIONS

- a) All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Pay time shall be computed from the time the employee is ordered to report for duty and registers in, whichever is the later, until he is effectively released from duty.
- b) The rates of remuneration as listed in this Agreement are considered as the minimum rates and shall not preclude payment of premium rates at the discretion of the Company.
- c) The Company shall endeavour to pay all regular employees covered by this Agreement not less frequently than every Thursday morning all wages earned by such employees to a day not more than seven (7) days prior to the date of payment. The pay period shall commence each Sunday at 12:01 a.m. The Company shall provide every employee covered by this Agreement with a separate or detachable itemized statement in respect of all wage payments made to such employee. Such statements shall set forth the total hours worked, the total overtime hours worked, and all deductions made from the gross amount of wages. If, as and when an error occurs in an employees pay cheque, and the amount is the equivalent of one (1) day's pay or more, a cheque or cash will be issued in favour

- of such employee within one (1) business day of the error, upon written request to the Company.
- d) Upon discharge, the Company shall pay as soon as possible all money due to the Employee. Upon quitting the Company shall pay all money due to the employee on or before the pay day in the week following such quitting.

6.12 LEAD HAND

- a) A lead hand shall be defined as an employee who performs the same work or similar work to that performed by the employees he leads.
- A lead hand shall not have the authority to dismiss or discipline other employees, however, he may recommend such action to the lead hand's supervisor. A lead hand shall be a Union member and be entitled to all benefits of this Agreement. His rate of pay shall be one dollar (\$1.00) per hour in excess of his regular rate of pay as contained in this Agreement.
- c) The appointment of a lead hand and the continuity of the position shall be determined by the Company, subject to the Company accepting the principle of posting vacancies.
- The Company may start a Lead Hand up to a maximum of one half (1/2) hour prior to the start of a posted shift in order to prepare for the upcoming shift.

6.13 LICENCE RENEWAL OR UPGRADING

a) If the Company requests the driver to upgrade his licence, the appropriate equipment will be provided for test purposes and the driver will receive his regular rate of pay during the test period.

6.14 MEDICAL

- a) Any Company-requested physical or medical examination after the date of employment shall be promptly complied with by all employees, provided however, that the Company shall pay for all such physical or medical examination and for any time lost as a result thereof during his normal working hours.
- b) Drivers that have completed one (1) or more years of employment with the Company and who are required to take a regular Government physical or medical examinations for the purpose of their Vehicle Operator's Licence, will upon receipt of the Doctor's report, make it available to the Company for copying. The Company will then reimburse the driver the full cost of such physical examination upon presentation, of a receipt showing the driver has paid for such examination.

ARTICLE SEVEN - SENIORITY

- 7.01 It is hereby agreed that Seniority shall be based on one separate and distinct list for Saskatoon and one separate and distinct list for Regina, according to the following classifications:
 - 1. Warehousemen and Drivers.
 - The seniority lists shall be posted in each Terminal every January and July, setting out the name and starting date of each employee. A copy of each list shall be provided to the Union.

b) Seniority shall prevail within each list in the filling of vacancies, in shift:preferential, and in new jobs provided the employee involved is competent and qualified.

The Company shall allow a minimum of two (2) employees, in seniority order, to bump into an early dock shift on any given day, provided that the employee notifies the Company of his intent to bump into the next days early shift prior to 15:00 hours or the end of his shift whichever is the earlier. An employee bumping in, shall complete the work as assigned on the early shift and shall not have the opportunity to bump employees who started on a later shift but may be assigned other duties by the Company.

- c) Seniority shall be maintained within each list in the reduction or restoration of the work force, provided the employee to be retained or rehired is competent and qualified to perform his assigned job.
- d) In the event of a temporary lay-off, the last employee hired within his list shall be the first to be released, subject to the provisions of Section 7.01 (c) of this Article.
- e) The rehiring of the laid-off employees shall be done in the inverse order of the lay-off within their list, subject to the provisions of Section 7.01 (c) of this Article.
- f) Disputes regarding seniority must be lodged within thirty (30) calendar days after the seniority list is posted.

7.02 PROBATIONARY EMPLOYEES

- a) All newly hired employees shall be probationary employee for the first (30) working days of employment but this period may be a extended by ten (10) working days by written mutual agreement between the Company and the Union.
- There shall be no responsibility on the part of the Company respecting employment of probationary employees should they be laid off for lack of work or discharged during the probationary period.
- d) Upon completion of thirty (30) working days of probationary employment, employees shall be entitled to all rights, privileges and responsibilities provided in this Agreement, and seniority shall then be calculated from the first day of hire.

7.03 LOSS OF SENIORITY

- a) An employee shall lose all seniority rights and he will no longer be an employee of the Company in the event of the following:
 - 1. If he voluntarily quits.
 - 2. If he is discharged and not reinstated under provisions of this Agreement.
 - 3. If he is laid off and fails to return to work after he has been notified to do so by the Company.
 - 4. If he is absent without leave of absence.
 - 5. If he is laid off for one hundred and eighty (180) calendar days.

6. If he loses his drivers licence and does not notify the Company and apply for a leave of absence (in writing). If he applies for a leave of absence, the Company will grant him up to six (6) months (in writing) without benefits. An employee will only be granted this leave of absence once during his employment with the Company.

<u>ARTICLE EIGHT – REGULAR AND PART-TIME EMPLOYEES</u>

8.01 REGULAR EMPLOYEES

A regular employee shall be considered as such an employee of the Company when:

- a) He has completed his probationary period.
- b) He makes himself available to the Company for full time employment.
- c) He recognizes the Company as his sole employer.
- He **has** no other outside employment which will in any manner interfere or reflect upon his employment with the Company.
- e) He is fully qualified in regards to any Company required physical examinations or other normal Company requirements.

8.02 PART-TIME EMPLOYEES

a) All persons employed to supplement the regular hourly work force to provide additional help on an incidental basis to cover peak periods, shall be classified as Part-Time Employees.

b) A Part-Time Employee shall:

- 1. Be carried on a Part-Time Roster and where practicable, shall be called into work according to their position on the roster.
- 2. Be given first opportunity to qualify as Regular Employees as openings become available and will then be placed at the bottom of the Regular Employees Seniority List providing they meet all Company qualifications and requirements.
- 3. After all full-time employees have been offered the work, part-time employees may be used to operate trucks or other mobile equipment.
- 4. Not be called into work outside an established shift if Regular Employees are available and willing to accept that work.
- 5. Where a Part-Time Employee has outside gainful employment he shall not be carried on the Part-time Roster ahead of a Part-Time Employee who has no outside gainful employment.
- Where the total hours worked by all Part-Time Employees
 Justifies the addition of a Regular Employee, the Company shall
 hire an employee for regular employment in accordance with
 Article 7.02 of the Agreement.

The minimum justification for the addition of a Regular Employee shall be the fact that out of all the hours worked by Part-Time Employees in and thirty (30) calendar days there are at least one hundred and twenty-eight (128) hours which could have been worked by one (1) additional Regular Employee.

- d) A Part-Time Employee may be used to replace a Full Time Employee who is on vacation, compensation, off sick or requested leave of absence. Hours worked during this time will not be credited towards the one hundred and twenty-eight (128) hours necessary to qualify for Regular Employment as listed in Article 8.02 (c).
- e) Part-Time Employees shall not work overtime if Regular Employees are available and willing to accept the overtime work.
- f) Not be covered under provisions of the Health and Welfare Plan until such time as he is transferred to the Regular Seniority List.
- g) When all regularly scheduled drivers are required for driving Duties on that day, the Company may call part-time employees in ahead of said drivers (subject to Article 7.01 b) to perform stripping of units and loading of trucks providing that no driver shall receive lesser hours than guaranteed in Article 10.01 (f) and that the practice as described in Article 10.02 (e) continue.

<u>ARTICLE NINE – GRIEVANCE PROCEDURE</u>

Whenever any dispute arises between the Company and the Union, or between the Company and one or more employees, the men shall continue to work and the dispute shall be adjusted in accordance with the following procedures.

A grievor shall be paid any wages and benefits lost due to the grieved offense, regardless of seniority, except for when a senior employee would grieve for the same offense within the time limits as prescribed here-in, in this case the senior employee would be paid.

Any grievance of an employee shall first be taken up between such employee and the Company Supervisor. However, such employees will be entitled to representation by a Shop Steward or a Union representative if the employee requests.

Time limit to institute Grievance: (excluding Satuarday, Sunday and Statutory Holidays)

- a. Termination or lay-off: five (5) days.
- b. All other: ten (10) days.
- Failing settlement under Step 1, such grievance shall be taken up between a representative of the Local Union or Shop Steward and the Company Supervisor.
- Failing settlement under Step 2, such grievance and any question, dispute, or controversy that is not of a kind that is subject to Steps 1 and 2, shall be reduced to writing by the grieving party and it will be referred to and taken up between the bargaining representative of the Union and the authorized representative of the Company. Such written notice must be made within the Time limitations as indicated under Step 1.
- Failing settlement under Step 3, the matter will be taken up in presentation to a Board consisting of two (2)
 Union Representatives selected by the Union and two (2) Company Representatives appointed by the Company's authorized representative.

Failing settlement under Step 4, the matter will be referred to an agreed upon neutral arbitrator who will meet with the Board to hear both sides of the case. Failing to agree upon a neutral arbitrator, the Department of Labour will be requested to appoint a neutral arbitrator. The Arbitrator's decision will be final and binding and shall be applied forthwith. The cost of the Arbitrator will be borne equally by the Union and by the Company. The Arbitrator shall not have any authority to alter or amend any provisions of this Agreement.

ARTICLE TEN-HOURS OF WORKAND CONDITIONS

10.01 WORK DAY AND WORK WEEK

- a) The recognized work day shall consist of eight (8) consecutive hours of work not including the meal period.
- b) The recognized work week shall consist of five (5) consecutive shifts.
- c) The hours of work shall be reduced by eight (8) hours in any week in which a Statutory Holiday falls.
- d) There shall be no split shifts and employees will be notified of any changes of shift starting time prior to the end of their shift.
- e) Regular hourly paid employees shall be notified before quitting time if they are not required to work their next regular shift.

- Mhen an employee is called and reports for duty on his regular scheduled work day, he shall be guaranteed a minimum of four (4) hours work and/or pay, from his regular scheduled starting time, except of an unavoidable delay of shipments en route. After four (4) hours the employee will receive eight (8) hours work and/or pay.
- g) Regular employees reporting for duty on a call-back basis inconsistent with their regular scheduled work day or shift shall be guaranteed a minimum of four (4) hours work, at one and one half (1-1/2) times the regular rate of pay.
- h) When an employee meets with an accidental injury while on duty which prevents him from completing his shift, the employee will be compensated for the full shift on that day.
- i) The Company shall supply transportation or make sure transportation is found for employees in case of injury.

10.02 OVERRTIME

- a) For the first three (3) hours work after the completion of the first eight (8) hours work at straight time the overtime rate shall be one and one-half (1-1/2) times the regular rate of pay.
- b) For overtime in excess of three (3) hours work, the overtime rate shall be two (2) times the regular rate of pay.
- All time worked on an employee's designated day of rest shall be deemed overtime and paid for at a rate of one and one half (1-1/2) times the regular rate of pay.

- d) Overtime work on a daily basis shall be allocated wherever possible on the basis of seniority on a voluntary manner, provided the man is capable of doing the job. However, upon reaching the bottom of the list with respect to seniority the employee shall be required to work overtime. The Company shall notify employees that overtime will be required at least two (2)hours prior to an employee's regular quitting time, where practicable.
- e) Regular employees who, due to shortage of work, are short on Hours in their work week, shall be given first opportunity to work on the sixth (6th) or seven (7th) shift in their work week at the straight time rate, on the basis of seniority and classification, subject to Article 10, Section 10.01 (f). When all employees have forty (40) hours in a given week, they shall be called in by seniority and classification.
- All shifts shall be posted for bid once per year (April 1'') and be filled as spelled out in Article 7.01 (b) of the Collective Agreement.

10.03 SHIFT DIFFERENTIALS

For all shifts commencing between 1759 hours and 0359 hours, a night time differential of ten cents (\$.10) per hour over and above the job classification will be paid for all hours worked to those regular and part-time employees who work such shifts.

ARTICLE ELEVEN- WAGESCHEDULE

CLASSIFICATIONS	08/01/2003	08/01/2004	08/01/2005
Warehouse &	\$13.66	\$13.93	\$14.21
Drivers			

All employees will start at twelve dollars (\$12.00) per hour for a three (3) month probationary period at which time they will receive the above-mentioned wages.

Upon ratification all employees that are presently at twelve dollars (\$12.00) per hour and have completed the three (3) month probationary period will receive the above-mentioned wage.

Any employee currently paid above the wage schedule will be red-circled until such time as their current wage becomes less than the above-mentioned schedule. Red-circled employees will receive forty dollars (\$40.00) on each month-end pay cheque to compensate for union dues.

ARTICLE TWELVE - HEALTHAND WELFARE

- 12.01 The employer shall provide the "Prairie Teamsters Health and Welfare Plan" to all employees or members of the Union and eligible dependents coming under the jurisdiction of this Agreement.
 - a) Any member of the Union who is in the employ of the Company on a regular full time basis on the effective date of the Health and Welfare Plan shall join the Plan immediately.

- Any regular employee or member of the Union who is hired by the Company after the effective date of the Health and Welfare Plan shalljoin the Plan on the first day of the month, immediately following completion of probationary period.
- c) It will be the responsibility of the employer to ensure that all employees are enrolled in the Health and Welfare Plan and for making premium remittance on their behalf. Failure of the employer to enroll employees, forward completed forms and/or remit premiums on the due date, being the tenth (10th) day of each month, to the Trustees will cause the employer to be liable for any claims arising thereof.
- The cost of the Plan shall be one hundred percent (100%) employer funded. The Company agrees to pay any increase based on cost experience necessary to maintain the current level of Benefits. Present cost is one hundred & eight-nine dollars and thirty-seven cents (\$189.37).
- e) The employer shall remit the premiums to the administrator as designated by the Trustees of the Health and Welfare Plan. It shall be the Trustees responsibility after receipt of the premiums to distribute same to applicable carriers.
- Medical, surgical and obstetrical coverage in accordance with the standard plan of service provided by Medicare in the Province in which the employee is domiciled.
 - The cost of such Medicare shall be the same as stipulated in Section 12.01 (d).
- An employee requiring Weekly Indemnity may be at his option take vacation in increments of five (5) days, or where five (5) days are not available those remaining in that vacation year, prior to commencing Weekly Indemnity.

ARTICLE THIRTEEN – PRIVILEGES

This Agreement shall not take from the employee any privileges they enjoyed at the signing of this contract except such as were specifically dealt with in negotiating this Agreement.

ARTICLE FOURTEEN- TERMINATION AND AMENDMENTS

The Agreement shall remain in full force and effect from the 1st day of August, 2003 until the 31st of July, 2006 and from year to year thereafter, unless written notice to terminate or amend the Agreement and to commence Collective Bargaining has been given by any one party to the other at least 120 days prior to the 31st day of July, 2003.

SIGNED THIS 5 DAY	OF <u>Ocember</u> , 2003.
TEAMSTERS LOCAL UNION NO. 395	CONSOLIDATED FASTFRATE INC.
Knohy lawes	

LETTER OF UNDERSTANDING

RE: Home Depot

This letter will confirm the understanding between the parties that Article 10 section 10.01 d) (regarding split shifts only) and 10.01 h) will not apply to the drivers designated to do the Home Depot account deliveries. It is further agreed that the current practice of offering the Home Depot work by seniority and paying three (3) hours at the applicable rates of pay will remain for the life of the collective agreement.

DATED THIS 5 DAY OF December , 2003.

FOR THE UNION

FOR THE COMPANY