

BRITISH COLUMBIA

MASTER FREIGHT AND CARTAGE AGREEMENT

MEMORANDUM OF AGREEMENT made this 29 day of December, 2009.

BETWEEN: BRITISH PACIFIC TRANSPORT

(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 - Certificate of Bargaining Authority

The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- (a) dependent contractors referred to in the Certificate of Bargaining Authority held from time to time by the Union, and
- (b) all dependent contractors employed by Companies signatory to this Agreement in the work categories falling within the area of jurisdiction of this Agreement

Section 2 - Bargaining Authority

All members of the Union shall receive a copy of this Agreement which is binding upon the bargaining authority and every dependent contractor 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 distribute such agreements so that each and every dependent contractor of the Company will receive a copy.

ARTICLE 2

Section 1 - Posting of Agreement

The Company will provide a bulletin board in each Company lunchroom or dispatch area for the posting of this Agreement and for such notices as the Union or Company may from time to time wish to post. The said Union notices shall be posted and signed by an elected or appointed officer or other authorized representative of the Union.

Section 2 - Check-off

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

Section 3 - Union Shop

Every dependent contractor 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.

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

The Company shall furnish to the appropriate Union area office designated in writing by the Union a list of new dependent contractors within seven (7) calendar days of their being hired.

Section 4 - Union Security

- (a) Every motor vehicle and every piece of mobile equipment used by the Company or leased by the Company, shall be operated by a member of the Union. In the hiring of equipment on any basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to this Agreement. However, if unable to do so and if equipment is to remain in the hire of the Company in excess of forty-eight (48) hours, it shall be replaced by equal equipment operated by a member of the Union if available in immediate or adjacent area from a company signatory to this Agreement.

The Company agrees that where leased or hired equipment is used, such equipment shall only be used or hired from companies, individuals or firms whose dependent contractors are covered by Collective Agreement with Teamsters Local Union No. 31. If it becomes necessary for the Company to dry lease equipment, said equipment shall be operated by members of Teamsters Local Union No. 31.

- (b) All storing and handling of merchandise or other goods or materials shall be carried on by Company dependent contractors, members of the Union.

- (c) Wherever physically possible and where such work is under the control or direction of the Company, all equipment shall be loaded and unloaded by the shop employees or dependent contractors of the Company, members of the Union. The practice of loading and unloading equipment by other than dependent contractors of the Company where such work is under the control or the direction of the Company shall not be increased and shall wherever possible be discontinued.
- (d) The Company agrees not to contract out any work normally performed by dependent contractors covered by this Agreement if any dependent contractor is on lay-off for lack of work at the time such contracting out is introduced or if the contracting out would cause the lay-off of any dependent contractor.
- (e) Provided capable dependent contractors are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (f) Where physically possible and where such work is under the control and direction of the Company, the stripping and loading of containers shall be done by members of the Union or shop employees, except where otherwise mutually agreed.

ARTICLE 3 DEPENDENT CONTRACTORS

Section 1 - Definition

A dependent contractor 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 "C".

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) A Dependent Contractor's Agreement, as provided in Appendix "C" 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 "C" 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, Section 2 and 3 herein.
- (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 list shall be forwarded to the Union forthwith in accordance with Article 7, Section 7.
- (d) 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 a dependent contractor of 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 demand from the Union the Company must produce proof of ownership or equipment lease agreement by said dependent contractor.

Section 3 - Company Not Lessor

Without prior written approval from the Union, under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to a dependent contractor, nor shall the Company directly or indirectly specify a lessor of equipment to a dependent contractor as a condition of entering into an agreement with a dependent contractor.

Section 4 - Industry Standards

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 5 - 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.

ARTICLE 5

Section 1 - Dependent contractors

A dependent contractor shall be considered as such an dependent contractor of the Company when:

- (a) he has completed his probationary period
- (b) he makes himself available to the Company for full time employment
- (c) he has no other outside employment, except where such employment may be specifically permitted under the provisions of this Agreement
- (d) it shall not be a cause for discipline or discharge for an dependent contractor to seek and/or accept gainful employment while on lay-off, provided the truck is insured under the owner operator's insurance and he complies with sub-section (b) herein
- (e) when a Company tries to contact any dependent contractor who is either on lay-off in excess of two weeks or has failed to report for duty within twenty-four (24) hours of contact, and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal

Section 2

All oversize permits, pilot cars and ferries will be paid by the Company. Load revenues will be based on net gross after permits, pilot cars and ferries are paid.

ARTICLE 6

Section 1 - Conflicting Agreements

- (a) The Company agrees not to enter into any agreement or contract with dependent contractors 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.
- (b) The exception will be specific circumstances the details of which will be subject to mutual agreement between the Union representative and the Company.

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 an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business 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 proceeding, 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 dependent contractor purchase a trailer or other vehicular equipment or that any dependent contractor purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

Section 4 - New Classifications

Prior to any new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Companies 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 the senior dependent contractor or is capable of performing the remaining job or jobs.

Section 2

- (a) Full-time opportunities for operators in:

Mountain Pacific Transport
British Pacific Transport

Pacific Transportation Group

will be posted on the respective bulletin boards for five (5) working days. Senior bargaining unit members possessing the required equipment shall be given priority consideration.

- (b) upon the exercise of this option the parties agree that the seniority held in the existing company is lost and the operator assumes a position at the bottom of the seniority list with the new company. A grace period of ~~three~~ (3) months will be provided during which the operator may return to the position and seniority held with the company prior to the posting. This period may be extended by mutual agreement between the operator and the company.

Section 3

In **all** areas, seniority shall be branch wide and the branch will include all terminals or warehouses in a particular city and there may be one (1) separate group.

When an dependent contractor 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

All newly hired dependent contractors shall be considered as probationary dependent contractors 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 dependent contractors should they be laid-off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary dependent contractor as to whether he has been discharged or laid-off and the reasons therefor with written notification to the Union.

Section 5

If, as and when terminals are closed down or partially closed down or amalgamated or moved to another location, the seniority of such dependent contractors shall immediately become a subject of discussion and failure of the Parties to agree may be submitted to the Grievance Procedure hereinafter provided for a final decision.

Section 6

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

Section 7

When a dependent contractor'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 dependent contractor on his own volition obtains a withdrawal card from Local 31 he shall be struck from the Company seniority list.

Section 8

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

Section 9

Any dependent contractor who has been on lack of work lay-off for six months (6) shall be removed from the seniority list and the Company shall be under no further obligation to such dependent contractor.

Section 10 - Leave of Absence and/or Bereavement Leave

- (a) (i) When the requirements of the Company's services will permit any dependent contractor or 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 dependent contractor and the Company. Under such leaves the dependent contractor will retain and accrue seniority only.
 - (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing, and seniority will accrue during such extensions.
 - (iii) Any dependent contractor 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 dependent contractor of the Company.
 - (iv) Any dependent contractor requesting leave of absence for compassionate or bereavement reasons shall not be unreasonably denied such request.
- (b) When a dependent contractor 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 dependent contractor leaving the bargaining unit for any period of time. During this leave of absence such dependent contractor shall continue to be covered by the Health and Welfare as provided in this Agreement.

Dependent contractors 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 dependent contractor must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights.

Should the dependent contractor return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

ARTICLE 8

Section 1 - Meal Period

The dependent contractor and shall, except by mutual agreement between the parties hereto, take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Wherever reasonably possible, meal periods will be thirty (30) minutes. Further, no dependent contractor shall be required to take more than a thirty (30) minute period, except between the hours of 11:30 a.m. and 1:30 p.m. No dependent contractor shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour, 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 dependent contractor directed by the Company to stay with or operate equipment during his meal period will be paid at the regular rate of pay.

Section 2 Rest Breaks

Any dependent contractor shall be entitled to one (1) break of fifteen (15) minutes during both the first half and second half of any shift and, where practical, during each two (2) hour period of overtime, excepting during that period where a meal period is provided under Section 1 above.

ARTICLE 9

Section 1 - Safety Conditions (Trailers)

- (a) Maintenance of equipment - it is to the mutual advantage of both the Company and the dependent contractor that dependent contractors shall not operate vehicles which are not in safe operating condition. No dependent contractor will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the dependent contractor and 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 or trip.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all dependent contractors 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 dependent contractor or refuses to operate such identified equipment. Identification red tagged equipment will be parked in the service area.
- (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) All tractor pulling, flatdeck trailers on public thoroughfares shall be equipped with bulkheads designed to protect the operator of the vehicle in compliance with legal requirements.
- (g) In 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.
- (h) The Company shall inform, direct and supply to the dependent contractors proper information and handling devices or equipment for handling dangerous cargo.

ARTICLE 10

Section 1 - Pay Period

Dependent contractors shall be notified as soon as possible of any intent by the company to make a deduction from earned revenue in any pay period. Failure to do so will result in the deduction being immediately returned to the dependent contractor and the proper procedure being followed. All deductions are to be itemized on the statement of earnings.

Section 2

If an error occurs in an dependent contractor'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 dependent contractor within two (2) working days.

ARTICLE 11

Section 1 - Paid for Time

All dependent contractors 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 dependent contractor is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.

Section 2 - Compensation Sickness Coverage

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

The dependent contractor/ reimburses the Company for such contributions normally paid by said dependent contractor and is at no time more than five (5) months in arrears, and

When a dependent contractor/ returns to work, the Company shall deduct from his earnings any monies the Company has paid out in respect of his contributions.

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

ARTICLE 12 WORK ASSIGNMENTS

- (a) The Company agrees to respect the jurisdictional rules of the Union and assignments shall not direct or require its dependent contractors or persons, other than the dependent contractors in the bargaining unit here involved to perform work of the dependent contractors in the said unit. This is not to interfere with bona fide contracts with bona fide unions.
- (b) 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 dependent contractors affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 13 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. The Union recognizes that it is the function of the Company:

1. to maintain order, discipline and efficiency
2. to discharge, classify, suspend for proper cause, direct or transfer dependent contractors from one classification to another, move dependent contractors 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 dependent contractors. These rules and regulations are to be filed with the Union
5. the dependent contractor 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 dependent contractor'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 dependent contractor

ARTICLE 14

Section 1 - Protection of Rights

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

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

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the dependent contractors of a Company bound by the terms of this collective agreement handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of Teamsters' Canadian Conference, the Company and the Union shall immediately meet with the objective of arriving at a mutually satisfactory solution.

Section 3

It is agreed in the event of a strike among the dependent contractors or company employees of any other firm with which the Company does business, the Company will not ask its dependent contractors to perform any labour they do not ordinarily perform.

Section 4

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.

ARTICLE 15

Section 1 - Inspection Privileges

Authorized agents of the Union will request and have access to the Company's establishments during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.

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 dependent contractors 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 other 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 16

Section 1 - Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lockers, lunchrooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the dependent contractors to use all facilities carefully, 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 Workers' Compensation Act.

Section 3 – First Aid Attendant

The Company will comply with WCB regulations.

ARTICLE 17

Section 1 - Union Label

It shall not be a violation of this Agreement for an dependent contractor to post the Teamsters' Union Label in a conspicuous place on the glass area of the equipment he is operating. The said label to be a size not in excess of three (3") by four inches (4") and not to be attached to any area which will impair the vision of the driver.

Section 2 - Uniforms Supplied

Where any dependent contractor/ 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 dependent contractor. No dependent contractor shall be disciplined or discharged for refusing to wear a uniform or coveralls that are not clean, or do not fit properly, or that do not bear a Union Label.

Section 3 - Protective Clothing

Any dependent contractor/ 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 18

The regular rates paid shall be those set out in Appendix "A" attached hereto and forming part of this Agreement.

ARTICLE 19

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 "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to enroll all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan as set out in Appendix "B" hereunder annexed and forming part of this Agreement.

Section 2 - Payment of Dues and Contributions

- (a) The Company agrees to make remittances to the Union for union dues, the adminishator of the health and welfare plan on behalf of the dependent contractors and the administrator of any other program to which the Company is required to make contributions under this Agreement in accordance with the appropriate article or appendix to this Agreement.

- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of union dues, the health and welfare plan 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 3 - Trust Agreement

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

Section 4 - Delinquency

- (a) The Company acknowledges that the trustees of the health and welfare 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 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 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 20

Section 1 - Regular Work Day/Week

All dependent contractors shall be bound by the maximum hours of work as prescribed by the National Safety Code and/or U.S. Department of Transport and this Agreement. Upon proof of failure to abide by such hours of work, the parties shall have recourse to the Grievance Procedure contained in this agreement.

ARTICLE 21 - VACATION

Dependent contractors will not be denied leaves of absence for vacation purposes. Leaves for vacation shall be granted in order of seniority. (Dependent on efficient operation of the Company).

ARTICLE 22 – SAVINGS CLAUSE

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 30 following.

ARTICLE 23 MARGINAL NOTATIONS

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

ARTICLE 24 – DISCIPLINE RECORD

When a dependent contractor/ is given a verbal or written warning, a record of that warning shall also be placed in the dependent contractor's personal file. The dependent contractor will be permitted to make a written response to the warning which shall also be placed in the dependent contractor's file. Any incident causing such written reprimand or warning letter over a period of twelve (12) months will be used to compound other disciplinary action against the dependent contractor. The Union will be notified of any verbal or written warning.

ARTICLE 25

Section 1 - Grievance Procedure

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

Time limit to institute this Grievance Procedure:

- (a) Termination or lay-off - ten (10) calendar days;
- (b) all other grievances - thirty (30) calendar days.

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

Step 1: Any grievance of a dependent contractor/ shall first be taken up between such dependent contractor and the company supervisor, however, the dependent contractor will be entitled to be represented by a shop steward or a union representative.

Step 2: Failing settlement under step 1, such grievance shall be taken up between a representative of the Union or a shop steward and the Company supervisor.

Step 3: Failing settlement under step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this grievance procedure shall be referred to one (1) authorized representatives of the Union and one (1) authorized representative of the Company. The representatives of the Union and the Company shall exchange statements in writing setting forth their respective positions relative to the matter(s) in dispute not later than at their initial meeting.

Step 4: Failing settlement under step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2 - Minister of Labour

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) 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 within fourteen (14) days (excluding Saturday, Sunday and General Holidays) 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.

Section 5 - Meeting Chairman and Minutes

Under Step 3, the Company will act as recording secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representative(s). Under Step 3, the meeting chairman will be rotated between the Union and the Company.

ARTICLE 26

Section 1 - Term of Agreement

This Agreement shall be for the period from and including July 1, 2008 to and including June 30, 2011. Either Party to this Agreement may, within four months immediately preceding June 30, 2011 give to the other Party written notice to commence collective bargaining.

Section 2

After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under Part 5 of the Labour Relations Code, including the right to strike or lockout, the terms and conditions of employment as set out in this Agreement, will be observed

and not varied, except by the Parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

Section 3

It is mutually agreed that the operation of Sub-Section 2 of Section 50 of the Labour Relations Code is specifically excluded from operation in this Agreement.

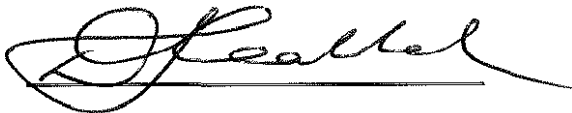
The Labour Relations Code provides **as** follows:

Section 50 (2) - Subject to Sub-Section 3, where a Collective Agreement is for a term of more than one year, and notwithstanding the Agreement, either Party may at any time after the Agreement has been in operation for 8 months apply to the Minister for leave to notify the other party that the Agreement will be terminated on its next anniversary date; and if the Minister consents and the notice to terminate is served on the other party at least 3 months before the date on which the Agreement is to be terminated, the Agreement is terminated on that date.

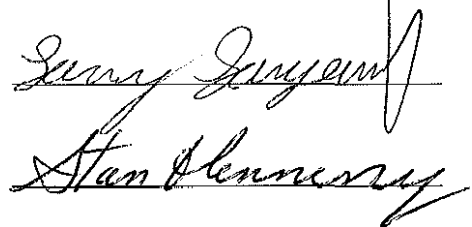
DATED THIS 29 DAY OF DECEMBER, 2009

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

**SIGNED ON BEHALF OF THE
PARTY OF THE FIRST PART**



**SIGNED ON BEHALF OF THE
PARTY OF THE SECOND PART**



APPENDIX "A" - WAGE SCHEDULE

British Pacific

Revenue split – sixty-five/thirty-five percent (65%/35%) in favour of the owner operator.

Work time and standby time are sixty-five percent (**65%**) of the revenue received.

Weekend paydays paid on Friday.

Revenue sharing and mileage rates are subject to mutual agreement between the Union and the Company for contract, specialty and oversize loads. Off-highway revenue will be on an hourly basis.

Upon reaching four thousand dollars (\$4000.00) revenue a one thousand dollar (\$1,000.00) advance will be paid.

APPENDIX "B" - 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 1st July, 1971, and operated under an agreement and Declaration of Trust revised on 26th, November 1990.

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 members provided for in the agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) members appointed by Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the 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 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.

Section 4 - Eligibility Conditions

- (a) For the purposes of this section, a regular dependent contractor or member of the Union hired by the company shall include a dependent contractor as defined under appendix "C" hereunder. A dependent contractor shall be considered a regular dependent contractor after working a minimum of ninety (90) calendar days.
- (b) Any member of the Union who is a regular dependent contractor in the employ of the company on the date of this agreement shall join the Plan on the date of this agreement.
- (c) 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 immediately following the month in which the dependent contractor becomes a regular dependent contractor.
- (d) Notwithstanding sub-paragraph (c) 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 thirty (30) day period immediately prior to the date on which he commences work with the Company and who becomes a regular dependent contractor.
- (e) If an dependent contractor 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 re-instated as of the first day of the month in which return to work occurs.

Section 5 - Rehabilitative Employment

Any dependent contractor who immediately following a period of disability for which benefits were payable under the Plan may, with the approval of the Union, the board of trustees and the company, return to work on a trial basis, either on full or limited duties without right or entitlement to coverage under the Plan, other than would have been provided had such return to work not have occurred. It is agreed that the provisions of article 11, section 5 shall not apply until such period of rehabilitative employment ceases.

During such periods of "rehabilitative employment", it is agreed that the dependent contractor will be paid by the Company at his normal rate of pay for hours worked;

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.

Section 7 - Cost

British Pacific:

Owner operators: 5 year program

Existing Drivers: 50% company paid/50% employee paid

NEW HIRES:

0-1 year service	company pays none
1-2 years service	company pays 10%
2-3 years service	company pays 20%
3-4 years service	company pays 30%
4-5 years service	company pays 40%
over 5 years service	company pays 50% (maximum company pays is 50%)

The company shall remit as per the above rate established by the board of trustees for any month in which a dependent contractor is covered by the Plan for one day or more.

Definition: The company agrees to remit 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 owner operator will be responsible for any monies to keep the plan whole.

Section 8 - Payment of Contributions

Contributions shall be made on a calendar month basis for each eligible dependent contractor 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.

Payment of contributions by the owner operator shall be subject to the conditions and provisions of article 19 of this agreement.

Section 9 - Termination of Coverage

Except as provided under article 11, section 2 hereunder:

- (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, except as provided under article 11, section 2 of this agreement.
- (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 dependent contractor, the company shall be liable for the payment of all benefits the dependent contractor 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 responsibility of the trustees of the Plan to provide all necessary enrollment and administrative forms to the company.
- (b) It shall be the responsibility of the company to provide to the dependent contractor the necessary forms to enroll in and make claim under the Plan.
- (c) It shall be the responsibility of the dependent contractor to cause such forms to be completed.

**APPENDIX "C" - SECTION I
DEPENDENT CONTRACTORS AGREEMENT BETWEEN BRITISH PACIFIC AND
TEAMSTERS LOCAL UNION NO. 31**

BETWEEN:

Company

(Known herein as "Company")

Address

AND: Dependent Contractor

(Known herein as "Dependent Contractor")

Address

1. The Company agrees to retain the services of the vehicle hereafter described with driver:

Make

Serial No.

Type _____ GVW

Flat Deck _____ KG

Van _____ KG

Tractor _____ KG

Pick-up _____ KG

SPECIALIZED EQUIPMENT (as per attached certificate)

Trailer _____ Truck (crane attached)

Power Gates _____ Winches

Other

2. The Company shall be held responsible for the action of the dependent contractor respecting compliance with the Motor Carrier Act and regulations pursuant thereto only while such equipment is being operated as specifically directed or authorized by the Company. The Company shall not direct a dependent contractor to haul without proper permits. Where possible, the Company will use pilot cars operated by drivers who are members of the Teamsters Union.

3. The Company and the dependent contractor shall each maintain adequate insurance coverage appropriate to their areas of responsibility as required by statute and each shall file with the other proof of insurance coverage.
4. The dependent contractor shall display the name of the Company on the vehicle and have it painted as required by the Company, plus whatever is required by the Motor Carrier Commission and/or Motor Vehicle Regulations.
5. The dependent contractor shall be responsible for any expenditures made by the dependent contractor in the name of the Company subject to the dependent contractor having received authorization from the Company prior to the making of such expenditures. Such expenditures, on his own equipment shall be subject to deduction by the Company from the dependent contractor.
6. This Agreement may be cancelled by either the Company or the dependent contractor on giving thirty (30) days prior notice or such longer period as mutually agreeable to the Company and the dependent contractor, excepting that this Agreement may be cancelled immediately by either the Company or the dependent contractor for reasons of default violation of Company policy or violation of this Agreement.
7. Except where otherwise mutually agreed in writing by the Union, the Company shall pay to the dependent contractor for service rendered - not less than every second Friday, the following pay:

All fuel surcharges where applicable
8. In addition to item 7 provided herein, the Company shall assume complete financial responsibility for the following:
 - (a) M.C.C. Operating Authority Plates.
 - (b) Painting or installing of signs.
 - (c) Cargo insurance – 5 year program. Owner operator pays:

0-1 year	2% of truck gross
1-2 years	1.5%
2-3 years	1.25%
3-4 years	1%
4-5 years	.75%
over 5 years	0
9. The dependent contractor shall assume complete financial responsibility for the following:
 - (a) Union dues, initiation fees and assessments.
 - (b) Contributions normally assessed against a dependent contractor for C.P.P.
 - (c) Total cost of the operation of the vehicle.
 - (d) The insurance on the equipment.

- (e) All licenses as required by provincial or municipal statutes, except M.C.C. Operating Authority Plates. However, any rebates on licenses and/or pro-rated plates shall be returned to the dependent contractors.
 - (f) W.C.B. Premiums
10. The dependent contract will receive his advance of one thousand dollars (\$1,000.00) on the first of the month if he has met the four thousand dollar (\$4,000.00) revenue in the previous month. The balance will be paid out on the 22nd of the month.
11. Monetary
- (a) Any alternate method of payment must be negotiated between the Union, the Company and the dependent contractor.
- 12.
- (a) Hourly rate to be deducted from guarantee when unavailable for work
 - (b) Summary of daily, weekly, or monthly totals presented in writing to the dependent contractor.
 - (c) Copies of all charges to dependent contractor account attached with above.
 - (d) Copies of individual billings shall be available for scrutinizing upon request.
13. Within twenty-four (24) hours of employment termination the dependent contractor shall return to the Company the M.C.C. Operating Authority Plates, all licences and insurances, and any other Company owned equipment, and shall remove all Company identification signage, but he will not be required to repaint his vehicle.
14. When the dependent contractor leaves the employ of the Company, he will not solicit Company accounts on his own behalf for a period of ninety (90) days. Such action shall result in the cash performance and/or holdback bond being forfeited.

SIGNED THIS DAY OF _____ 19____, A T _____, B.C.

Witness

Dependent Contractor

Witness

Company

APPENDIX "D"

TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND

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

The Employer shall make contributions of five cents (\$.05) per hour to a maximum of eight (8) hours per day or forty cents (\$.40) for which wages are payable hereunder for each dependent contractor/ and dependent contractor/ covered by this Collective Agreement effective June 1, 1993.

Payment of said funds shall be made to the Teamsters Local 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.