

COLLECTIVE AGREEMENT

and interpretation of Governing Rules,
Working Conditions and Rates of Pay

Between



And



TC LOCAL 1976, UNITED STEELWORKERS

representing

Employees and Owner - Operators of Canpar Express Inc.

November 1, 2020 – October 31, 2025

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ARTICLE 1 EMPLOYEES DEFINED

- 1.1 Canpar Express Inc. ("The Company") recognizes the Transportation Communications National Amalgamated Local 1976, United Steelworkers of America ("The Union") as the sole and exclusive bargaining agent for all employees and Owner-Operators under contract with the Company.
- 1.2 This Collective Agreement will govern rates of pay and working conditions for all employees of the Company. The word "employee" shall mean all positions identified under Article 17 of this Agreement.
- 1.3 This Collective Agreement shall also cover Owner-Operators as provided in Article 20.
- 1.4 It is understood that wherever the words "mutually agreed" appear without any further clarification, and also wherever the words "representative employees" appear, both shall be construed to mean agreement between accredited Union Representatives and Company Officers, Accredited Representative means President and Vice President.
- 1.5 The use of "he", "his" and "him" refers to both the masculine and feminine genders.
- 1.6 Cumulative Compensated Service (C.C.S.) shall consist of:
- 1) All full or partial paid days worked starting from an employee's date of hire will be considered as 1 day of C.C.S.
 - 2) All forms of paid days off recognized in the Collective Agreement will constitute 1 day of C.C.S. (Article 13- vacation entitlement, Article 14 - general holidays, Article 11 - bereavement leave, Article 15.1 - to attend court)
 - 3) Bona fide leaves and absences covered to a maximum of 100 days as referred to in Article 13.9.

ARTICLE 2 DISCRIMINATION AND COMMITTEES

- 2.1 Employees will not be discriminated against for being members of the Union, nor for serving on Committees representing employees.
- 2.2 Leave of absence will be granted to employees serving on committees of their Unit, upon request to the officer in charge, to deal with Unit matters. Whenever possible, seventy-two hours advance written notice will be given.
- If leave of absence is necessary for union business outside the Unit, such a leave of absence will be granted upon written request of not less than seventy-two hours, to the officer designated by the Company, by the President or his accredited representative.
- 2.3 A representative of the Union shall be allowed on the Company premises to deal in the administration of the Agreement provided it does not interfere with the operation of the Company, subject to authority of the Officer in Charge.
- 2.4 Members of the unit Union Protective Committee shall be allowed to deal with matters pertaining to the Union and the collective agreement provided it does not interfere with the operation of the Company as determined by the Company officer in charge and approved in advance.

2.5 If a representative of the Company requests the presence of a Union Representative to travel to a Company location to conduct an interview or other Company related business, the Company will reimburse the Union for wages and reasonable travel expenses. Any request relating to this Article will be made in writing by the Vice President, Operations to the Vice President & Secretary Treasurer, USW.

ARTICLE 3 SICKNESS AND MEDICALS

- 3.1 Permanent employees necessarily off duty indefinitely on account of bona fide illness or disability will retain all seniority rights.
- 3.2 If a permanent employee takes a medical examination at the Company's request during his normal working hours, he shall be paid for the time. Not less than one day's notice will be given.
- 3.3 A permanent employee required to undergo a periodic or special medical examination by a doctor designated by the Company shall comply provided that the Company shall pay for all such examinations and provided that a copy of the report is given to the employee's physician. It is understood that the report shall only be disclosed to Company head office officials and/or the Company's insurance administrators.

ARTICLE 4 SENIORITY

SENIORITY GROUPS

4.1 The following Local, District and Regional Seniority Groups are hereby established:

ONTARIO REGION

Toronto District

- 1. Toronto
- 2. Concord
- 3. Brampton
- 4. Whitby
- 5. Markham

Southwestern District

- 1. Hamilton
- 2. St. Catharines
- 3. Kitchener
- 4. London
- 5. Windsor
- 6. Walkerton
- 7. Brantford

Northern District

- 1. Barrie
- 2. Sudbury
- 3. Bracebridge
- 4. Sault Ste. Marie
- 5. North Bay
- 6. Thunder Bay
- 7. Timmins

Northeastern District

- 1. Ottawa
- 2. Pembroke

QUÉBEC REGION

Montréal District

1. Montréal
2. Boisbriand
3. Boucherville

Québec District

1. Québec City
2. Trois-Rivières
3. Chicoutimi

MARITIME REGION

New Brunswick District

1. Saint John
2. Fredericton

Nova Scotia District

1. Dartmouth
2. Yarmouth
3. Truro

Newfoundland District

1. Corner brook

PRAIRIE REGION

Manitoba District

1. Winnipeg

MOUNTAIN REGION

Alberta District

1. Calgary
2. Edmonton

British Columbia District

1. Vancouver

4.2 Seniority Rules

- 4.2.1 a) A seniority list of all employees who are accumulating seniority, in each local seniority group, showing name and date of last entry into the service in a position covered by this Agreement shall be posted in a place suitable for the employees concerned. The President and the Unit Chair concerned will be supplied with a copy of the seniority lists.

Seniority lists will be revised and posted January 31st of each year, and shall be open for correction for thirty (30) calendar days. For employees on layoff, vacation and employees covered in Article 3.1 and 4.2.4, the thirty (30) calendar days period shall begin on the date of their return to service. Employees who do not avail themselves of the privilege of correction within the time limit specified shall not be entitled to challenge their seniority date until the thirty (30) day period when the next seniority list is posted. A list reflecting any corrections will be posted by March 31st of each year.

No change shall be made in an employee's seniority date which has appeared on two (2) consecutive annual seniority lists, unless the seniority date appearing on such list was protested in writing within the thirty (30) calendar day period allowed for correctional purposes in the two (2) consecutive years.

- b) When it is determined in accordance with Article 4.2.1 (a) that a seniority date is in error, such error will be corrected and, when so corrected, the agreed upon seniority date will be final. No change in the existing seniority date for an employee shall be made unless concurred with by the President and the Vice-President, Operations.
- c) A new employee shall not be regarded as permanently employed until completion of 400 hours of work. In the meantime, unless removed for cause which in the opinion of the Company renders him undesirable for its service, the employee shall accumulate seniority from the date first employed on a position covered by this Agreement.

An employee with more than 400 hours of work shall not be discharged without just cause as provided in Article 6 of this Agreement.

- 4.2.2 Employees promoted to excepted or official positions with the Company shall have their names removed from the seniority list six (6) months after promotion. The Company may elect to revert the employee to the bargaining unit, or the employee may elect to revert to the bargaining unit, in accordance with Article 5.2.9, at any time within the six (6) month period. All time spent in an excepted or official position with the Company including relief/temporary will be cumulative. Employees released from such positions must revert to the seniority list and classification from which promoted, unless such classification is held by a senior employee. In such instance, an employee may exercise his seniority to displace a junior employee on that seniority list.

Employees holding excepted or official positions must exercise seniority as provided in the preceding paragraph before being eligible to apply for a Scheduled position under bulletin 5.2.3. Employees on authorized leave of absence shall retain all their seniority rights and continue to accumulate seniority on their seniority list and their names shall be continued on such list.

- 4.2.3 Persons holding Warehouse A positions will accumulate seniority as of the date they are awarded a bulletin, or the date they advise the Company in writing of their availability for full-time work (copying the accredited Union representative), whichever comes later.

Employees holding Warehouse B positions do not accumulate seniority regardless of availability for full-time work. Warehousepersons B who are awarded Warehouse A positions will have their seniority dated in accordance with paragraph 1 of this clause.

Warehousepersons B will be eligible to benefits after 5 years of service. Only those employees holding Warehouse A positions who have advised the Company of their availability **to full-time work** in writing copying the accredited Union representative will be entitled to benefit coverage in accordance with Article 19.

- 4.2.4 An employee whose leave of absence exceeds 3 months in any one year shall lose his seniority rights unless such leave of absence beyond 3 months is mutually agreed to by the Union and the Company.
- 4.2.5 It is understood that if 2 or more employees advise the Company and the Union of their availability for full time employment on the same date they will have their seniority rights established, for the purposes of increases, reductions in staff and for the bulletining of positions, by using their date of entry into service for the purpose of establishing the senior employee(s).
- 4.2.6 Employees unable to hold part time Warehouse A bulletins will be classified as Warehousepersons B regardless of availability, will not accumulate seniority and will be paid the Warehouseperson B rate of pay except in the case of employees whose part time Warehouseperson A positions have been abolished. In this instance these employees will continue to accumulate seniority and receive benefit coverage, if applicable.

ARTICLE 5 PROMOTIONS, ASSIGNMENTS, DISPLACEMENTS, ETC.

5.1 Promotion and Assignment

- 5.1.1 The promotion and assignment of employees will be governed by seniority and ability, senior qualified applicant to be given preference. The officer of the Company in charge shall be the judge, subject to appeal which must be made in writing within 14 calendar days of the appointment.
- a) Employees senior in the service shall be given all possible opportunities to improve themselves and the efficiency of the service by learning as much as possible about the duties of the position above those they hold.
- 5.1.2 An employee who is assigned to a position by bulletin will receive a full explanation of the duties and reasonable assistance and must demonstrate the ability to perform the work within a reasonable probationary period of up to 30 calendar days, the length of time to be dependent upon the character of the work. Failing to demonstrate the ability to do the work within the probationary period allowed, employee shall be returned to former position without loss of seniority. One trainer position will be designated for each location and shall be awarded at the Company's sole discretion to the most qualified applicant notwithstanding seniority.
- 5.1.3 When a position under bulletin is to be awarded to a junior employee because of ability, the matter will be first discussed between the Company Officer involved and the Unit Chair or his representative.

5.2 **Bulletining of Positions**

5.2.1 New positions and permanent vacancies will be promptly bulletined for a period of 7 calendar days to the regional local seniority group concerned, and will be awarded first by Local, then by District, then by Region in accordance with Article 5.1.1. Temporary vacancies will be promptly bulletined for a period of 7 calendar days to the local seniority group concerned. If a temporary vacancy becomes a permanent vacancy, it will be re-bulletined. Vacancies shall be bulletined at the salary of the position.

5.2.2 Positions not filled by Regional bulletin will be offered to Warehouse A and B prior to being filled by hiring from outside the Company. Unassigned work will be allocated in accordance with Article 8.6.

5.2.3 Employees desiring positions bulletined as required by 5.2.1 and 5.2.2 of this Article shall file their application with the designated officer within the prescribed time and the award shall be made promptly following the close of the bulletin.

Employees returning from vacation or authorized leave of absence as outlined in Articles 3 and 11 will be permitted to apply, upon return or within five (5) calendar days thereafter, for any bulletin which was posted during the employee's absence.

Pending the award, and where practicable, the senior qualified employee at the location affected desiring the vacancy (as bulletined under Article 5.2) shall be allowed the position.

5.2.4 The awarding order of District and Regional Bulletins shall be as follows:

- a) Employees on the District in which the seniority list involved is located;
- b) Employees on the rest of the Region.

5.2.5 When more than one vacancy or new position is bulletined at the same time, employees shall have the right to bid on any or all stating preference.

An employee awarded a bulletined position will be transferred to such assignment without unnecessary delay.

5.2.6 A successful applicant on a District and Regional Bulletin will transfer with full seniority.

5.2.7 Employees with less than 400 working hours cumulative service shall not be awarded positions under Local Bulletin until such positions have been bulletined over the District and Region.

5.2.8 An employee awarded a position by bulletin will not be permitted to revert to his former position. In the event of ill health or other extenuating circumstances, an employee may be permitted to revert, subject to agreement between the Company officer concerned and the Vice-President.

5.2.9 When delivery centres within any local seniority list are increased, the routes to be operated from the new centres will be bulletined as to the terminal location of the route. When a numbered route is moved from one location to another, the driver of that route has the right to follow his route or exercise his seniority under the terms of Article 5.3.1

5.2.10 Bulletins and Awards shall be in the standard form, as illustrated with a copy to the Unit Chair:

5.2.11 Part time driver positions may be posted for less than 40 hours per week. Classifications will be P&D drivers and Tractor driver categories. Shifts could be partial day time/evening shifts and/or weekend shifts. Benefits would be applied in accordance with the CBA.

BULLETIN

Bulletin No _____ Place _____

Date Posted _____ Date Issued _____

Applications will be received by the undersigned up to and including:

(Date) _____

Title of Position _____

Location of Position _____

Rate of Pay _____

Hours of Service _____

Rest Days _____

If temporary, approximate duration _____

Local/District or Regional Bulletin _____

General Description of Duties _____

Signature of Official _____

c.c. Unit Chair

AWARD

Office: _____ Date: _____

The following position, which was advertised under my:

Bulletin No. _____

Dated _____

Location _____

Title of Position _____

Has been awarded to: _____

Location of successful applicant _____

Signature of Official _____

Title _____

c.c. Unit Chair

It is agreed that such bulletins will also show, at offices where more than one location exists, the various locations where the vacancy occurs.

Bulletin No. shall be an actual ascending number, in addition to the employee classification and terminal number.

5.2.12 Hours of a permanent position may only be changed without being re-bulletined for legitimate business reasons. The reason for any such change shall be provided, upon request, in writing to the employee affected and his Unit Chair. When the hours of a permanent position are changed and effect the starting or ending time by more than one hour and/or the assigned rest days are altered, the position will be re-bulletined promptly, but only to the Local Seniority Group concerned.

5.2.13 **Float Driver Positions:**

1. Float driver positions will be bulletined in all terminals with 20 or more routes.
2. A premium of \$1.00 per hour will be paid to any individual awarded a float driver position.
3. In order to qualify for the position, the employee must:
 - a) currently hold a Driver Representative position;
 - b) pass a defensive driving test;
 - c) demonstrate reasonable knowledge of at least 15 different routes to maintain acceptable service levels;
 - d) pass a probationary period as per Article 5.1.2.
4. In the event of a shortage of employees, the Company will use all float and unassigned drivers before removing an assigned driver from their route.

5.2.14 **Number Routes**

Regular numbered routes will be established.

Each regular numbered route will be assigned to a Driver Representative, on a continuing basis.

This does not preclude the Company from making adjustments to routes due to fluctuations of traffic.

An employee removed from his regular route will be returned immediately upon re-establishment of said route.

Drivers will be assigned the route they hold on the date of ratification.

The above would not be construed as limiting the ability of an employee to bid on a Driver Representative bulletin.

These bulletins will not be identified by numbered run.

5.2.15 Where it is necessary to establish a position not now provided for in this Agreement, the Company shall notify the Union's President in writing, and the Union will meet to attempt to agree on an appropriate hourly rate. Failing agreement, the Company will implement an hourly rate subject to the Union's right to process the matter to arbitration.

In arbitration, the arbitrator will be required to select either the hourly rate implemented by the Company or the Union's proposed hourly rate, whichever rate he determines to be the most consistent with all other hourly rates in the Collective Agreement.

5.3 **Reduction in Staff**

- 5.3.1 An employee whose position is abolished or who is displaced from his position must displace, within two (2) working days, any full-time junior employee in his local seniority group or, within five (5) working days, any full-time junior employee in his district or region for which he is qualified. An employee who fails to comply with said time limit shall not have the right to return to service by displacing a junior employee.
- 5.3.2 Except as otherwise provided in Article 5.3.1, a permanent employee who is unable to hold a position in his local seniority group may displace a junior employee in any of the local seniority groups on his seniority District, if qualified.
- 5.3.3 Except as otherwise provided in Article 5.3.1, a permanent employee who is unable to hold a position by exercising seniority as provided in Article 5.3.1 and 5.3.2 may displace a junior employee in any of the local seniority groups on his seniority Region, if qualified.
- 5.3.4 Whenever there is a permanent abolishment of an employee's route, the following procedure shall apply:
- a) the employee on the route shall be entitled to select any route of his choice provided that the route is being done by a junior employee;
 - b) the new route becomes the senior employee's regular Numbered route to which he is assigned under 5.2.14;
 - c) this process shall be repeated for the junior employee who has lost his route until all routes in the terminal are assigned;
 - d) if an employee displaces another junior employee in another terminal under Article 5.3.2 or 5.3.3, then the procedure set out in paragraphs (a) to (c) shall be followed in that terminal as well.

Permanent abolishment shall include a suspension or elimination of a route for any period exceeding two months but does not include the addition or deletion of stops on a route.

- 5.3.5 An employee exercising rights under Articles 5.3.2 and 5.3.3 will transfer with full seniority and will continue to accumulate seniority in his former group. He may, however, return to his former group to any permanent vacancy for which he is qualified and senior, providing such vacancy occurs within one year from date of transfer.
- 5.3.6 An employee transferred as provided by this Article and who is not returned to his seniority group within one year as provided in Article 5.3.5 will be permitted to return to the seniority group from which transferred to the first regular position for which he is senior and qualified. Failing to return he will forfeit all seniority rights in this group from which he transferred and his name will be removed from such list.
- 5.3.7 Permanent employees shall be given 24 hours' advance written notice of layoff and unassigned employees as much notice as possible.
- 5.3.8 A laid off employee must register his name, address and telephone number in writing at time of layoff, with his immediate Supervisory Officer and his Unit Chair. He must also advise, in writing, the proper Officer of the Company and the Unit Chair of any change of address.
- 5.3.9 Laid off employees will be recalled in seniority order. A recalled employee shall be notified by the Company by telephone, registered letter or by hand when required (copy to Unit Chair and Vice-

President). An employee who fails to report for duty or give satisfactory reason within 3 calendar days from date of notification shall forfeit his seniority and his name shall be removed from the seniority list.

5.3.10 Subject to Article 3.1, any employee whose position is abolished shall forfeit his seniority and his name shall be removed from the seniority list in the event:

- a) the employee fails to exercise his seniority under Articles 5.3.1, 5.3.2 or 5.3.3 to displace a junior employee; and
- b) the employee has not been recalled or has not otherwise returned to a vacant position within 12 months of his position being abolished.

5.3.11 In the event of a shortage of work on any workday, the Company may request volunteers to take the day off according to seniority standing. Compensation for lost wages will be available under the terms of Article 8.9.5

5.4 **Protection of Bargaining Unit Work**

Work presently and normally performed by employees who are subject to the provisions of this collective agreement will not be outsourced except:

- a) when technical or managerial skills are not available from within Canpar or
- b) where sufficient employees, qualified to perform the work, are not available from the active or laid off employees or
- c) when essential equipment or facilities are not available and cannot be made available at the time and place required or
- d) where the nature or volume of work is such that it does not justify the capital or operating expenditure involved or
- e) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property or
- f) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

The conditions set forth above will not apply in emergencies.

The Company will advise the President in writing, as far in advance as is practicable, of its intention to outsource work which would have a material and adverse effect on employees. Except in case of emergency, such notice will be not less than 30 days.

At a mutually convenient time representatives of the Union will meet with the designated officers to discuss the Company's plans with respect to outsourcing of work. In the event Union representatives are unavailable for such meetings, such unavailability will not delay implementation of Company plans with respect to the outsourcing of work.

5.5 **Terminal Closure and Significant Change**

In the event the company closes a terminal facility or implements significant operational or technological change which has an adverse effect on 25% or more of the employees at a work location, the company will advise the union not less than 30 calendar days' prior to the change. If requested, the company will meet with the union to discuss the change and investigate measures to minimize the adverse effects. These measures will include discussions on ways to assist employees to transfer to other locations and assistance to find alternate employment.

Employees with one or more completed years of service, laid off as a result of a terminal closure or the implementation of a company initiated significant change, will receive one (1) weeks' severance at their regular rate of pay for each completed year of service, based on the average number of regular hours paid in the 12 weeks prior to the change. Eligible employees will receive a minimum of two (2) weeks' severance.

ARTICLE 6 DISMISSALS AND DISCIPLINE

6.1 An employee may only be disciplined or dismissed for just cause after an interview has been held in accordance with Article 6.3. It is understood that the Company has met its obligation to hold an interview by providing 24 hours' notice of the interview to the employee or making reasonable effort to notify the employee. In the event the employee does not appear for the interview without a reasonable excuse, the Company shall be entitled to proceed with disciplinary action without an interview. In cases where the employee provides a reasonable excuse for his inability to attend the interview, the interview shall be rescheduled to be held on his return to work and time limits under Article 6.3 shall be waived.

6.2 **ADMISSION OF RESPONSIBILITY**

6.2.1 Where an individual admits responsibility for an incident where the penalty to be assessed is 10 demerit marks or less, and the individual chooses to waive the right to a formal interview provided for in the Collective Agreement, discipline may be assessed without the need for such interview.

6.2.2 The notice of interview will provide space for the employee to instruct the Company if he wishes to waive his right to a formal interview. The employee will have 24 hours, following the receipt of the notice, to notify the Company that he waive his rights to the formal interview.

6.2.3 Should the employee waive that right, an informal fact-finding interview will be held within 24 hours of the notice being given to review the incident involved. The employee can be accompanied by an accredited Union representative. Discipline will be issued within 14 calendar days, following the informal interview.

6.2.4 No written record of the proceedings will be kept except for the discipline itself and the individual's written concurrence that he/she wishes to forego the formal interview and admit responsibility.

6.2.5 By accepting the procedure provided for in this Memorandum of Agreement, the employee waives the right to grieve the discipline assessed under the provisions of Article 9.1 of the Collective Agreement.

- 6.2.6 This agreement will remain in force for the duration of the Collective Agreement, subject to be renewed or cancelled during the next round of negotiation.
- 6.3 Whenever an employee is to be interviewed by the Company with respect to his work or his conduct in accordance with Article 6.1, an accredited Union representative, selected by the employee, must be in attendance. In the event the accredited Union representative selected by the employee is not available another accredited representative selected by the employee will be substituted. Such interview and any subsequent interviews dealing with the incident must be held within 14 calendar days from the date the incident became known to the Company, unless mutually agreed. Such agreement will not be unreasonably withheld. The employee to be interviewed shall be notified in writing, no less than 24 hours prior to the scheduled interview time, with a copy to the Local Chairperson. This notice shall include the reason the interview is being held, including the subject matter with applicable details, to be investigated. Whenever a written statement by a person employed by the Company is entered at the interview, the employee will have the right to request the presence of that person at the interview. The employee and his Union representative may ask appropriate questions to all parties at the interview.
- 6.4 Failure to comply with Article 6.3 shall render any conclusion null and void and any statements at such interview inadmissible at any subsequent proceedings.
- 6.5 An employee may be held out of service for a period of not more than four (4) working days for infractions of a serious nature. This practice is only to be utilized in cases of alleged infractions of a serious nature where it is in the best interest of the public, the Company, or fellow employees. This provision is not to be used as a form of discipline. In the event an employee is held out of service, the interview is to be held as soon as possible. Where no discipline has been awarded after the interview has taken place, all lost wages as a result of the employee being held out of service will be paid via a separate pay code or payroll deposit.
- 6.6 Any discipline or dismissal of an employee must be communicated in writing within 14 calendar days of the interview. A full and detailed explanation of any discipline given will be provided to both the Unit Chair and the employee. The time limits herein may be extended by mutual agreement.
- 6.7 During the interview the employee or his accredited representative shall have the right to read, review and ask questions concerning any documents, tapes or videos as they are presented by the Company and copies will be presented at that time. Copies of the interview notes will be provided to the employee and the Unit Chairperson within 4 working days of the interview. Copies of the interview notes must be provided to the employee and the Unit Chairperson within 4 working days of the interview.
- 6.8 If, in the final decision, the charges against an employee are not sustained, his record shall be cleared of the charges. If suspended, or dismissed, he shall be returned to his former position and reimbursed for wages lost, less any earnings derived from outside employment during the period so compensated. If the interview was away from home, he shall be reimbursed for reasonable travel expenses upon presenting receipts.

ARTICLE 7 SANITATION AND ACCOMMODATION

- 7.1 Offices shall be clean, well ventilated, properly lighted, heated and furnished in the best interest of the employees and to the best of the Company's ability. All other premises will be clean and properly lighted in the best interest of the employees and to the best of the Company's ability.

- 7.2 The Company shall continue its current practice of providing uniforms to drivers. Uniforms that are supplied shall be kept in clean condition and repair.
- 7.3 Commercial vehicles will have equipment necessary to comply with regulations prescribed by law.
- 7.4 Under no circumstance will employees be required to engage in activity involving dangerous conditions at work or danger to a person or property in violation of an applicable statute or government regulation relating to safety of persons or equipment. The Company shall not require any employee to operate any equipment that has not been addressed.
- 7.5 The Company will establish Health and Safety committees in accordance with the requirements of Part 2 of the Canada Labour Code.
- 7.6 The Company and the Union have established a Health and Safety Policy Committee.

The terms of reference for this committee are listed below.

1. Mission Statement: The Policy Health & Safety Committee will serve its purpose best by determining the safety needs of the company and making or recommending appropriate changes to policies and procedures.
2. Size of the Committee (as applicable): A Committee will be in place as long as Canpar employs three hundred or more employees at any time. The membership will consist of two management employees and two persons appointed by the union. Each person selected must act on behalf of Canpar or its employees on a national level.
3. Selection of Committee Members: Members of the Policy Health and Safety Committee will be selected on a voluntary basis by Canpar executive and the Union executive.
4. Scope of Operation: The Committee will act on behalf of all Canpar employees to ensure a safe workplace.
5. Member Term of Service: All appointed members / representatives must serve on the Committee for at least two years from the date of the appointment to their position on the Committee.

If a member is unable or unwilling to participate in the activities of the Committee, and wishes to step down, a replacement must be appointed within thirty days.

To maintain continuity, appointment and release of members should be staggered as much as possible. i.e., If half the members wish to step down in one calendar year, the other half cannot step down for at least twelve months from that time.

6. Structure of the Committee: The members on the Committee shall represent all Canpar employees across Canada. The four members shall assume the positions on the Committee as mutually agreed and outlined below:

Co-Chair(s) - alternatively facilitate the meeting process, keeping it on track
- encouraging open dialogue and participation

A Canpar employee will be invited in to the meeting strictly for the purpose of keeping minutes and distributing information.

The members of the Committee can alternate their position at each meeting, as mutually agreed.

7. Meetings: The Policy Health and Safety Committee shall hold quarterly meetings and copies of the minutes shall be submitted to the CEO, Human Resources and all H&S Committees and representatives in the field, no later than the 10th of the following month.
8. Role of the Committee:
 - a) shall participate in the development of health & safety policies and programs;
 - b) shall consider and quickly dispose of matters concerning health and safety raised by Policy Committee members, terminal Health & Safety Committee or terminal Health and Safety Representatives;
 - c) shall participate in the development and monitoring of programs for the prevention of hazards in the workplace, that also provides for the education of employees in health and safety matters;
 - d) shall participate to the extent that it considers necessary in inquiries, investigations, studies and inspections pertaining to occupational health and safety;
 - e) shall participate in the development and monitoring of a program for the provision of personal protective equipment, clothing, devices or materials;
 - f) shall co-operate with health and safety officers;
 - g) shall monitor data on work accidents, injuries and health hazards; and
 - h) shall participate in the planning of the implementation and in the actual implementation of changes that may affect occupational health and safety, including work processes and procedures.
9. Provisions for Training: All existing and new members shall review and be familiar with the Policy Health & Safety Committee Terms of Reference.
10. Amendments: These terms of Reference may be amended by a majority vote of committee members.

ARTICLE 8 WORKING HOURS AND OVERTIME

- 8.1 The normal working day shall be 8 consecutive hours exclusive of meal period. The normal work week shall be 40 hours.
- 8.1.1 The Company may, where required, institute 10-hour (exclusive of meal period)/4 day per week driver positions in accordance with Article 5.2.

- 8.2 Warehousepersons B shall be paid a minimum of 3 hours' pay at the straight time rate, and if required to perform work beyond 3 hours shall be paid on the minute basis for work in excess of 3 hours. Such work will be offered in order of length of Company service.
- 8.3 The normal work week shall be Monday to Friday with rest days Sunday and Saturday; however, due to the operational requirements of the Company, a departure to rest days of Sunday and Monday or two consecutive days during the week may, to meet operational necessity, be instituted. Possible use of rest days other than Saturday, Sunday or Monday, where these may be required under this Agreement, to be explored by the parties.
- 8.4 All hours worked in excess of 8 hours in any one day, or 40 hours in any one week, shall be paid at one and one-half times the hourly rate of pay. This does not apply to positions as outlined in Article 8.1.1.
- 8.4.1 All hours worked in excess of 10 hours in any one day, or 40 hours in any one week, as specified in Article 8.1.1 shall be paid at one and one-half times the hourly rate of pay.
- 8.5 Employees, if required to work on regularly assigned rest days, shall be paid at the rate of time and one-half time on the actual minute basis with a minimum payment of 4 hours at the pro rata hourly rate.
- 8.6 Where work is required by the Company to be performed on a day which is not part of any assignment, it may be performed by an available extra or unassigned employee who will otherwise not have 40 hours of work that week. Overtime shall be allocated on the basis of seniority wherever possible, in a voluntary manner, within the work classification and shifts, provided the employee is capable of performing the duties; however, upon reaching the bottom of the seniority list in that classification and shift, the junior employee(s) will be required, in reverse order, to work the overtime.
- 8.7 Excluding Linehaul operations, employees shall not be required to take more than 60 minutes for a meal period and, if practical, 30-minute meal period will be utilized. Lunch hour for employees holding City Tractor or Driver Representative positions will commence between the end of the third hour of the shift and the end of the sixth hour of the shift. This clause only applies to employees holding bulletin positions.
- 8.8 All employees working in excess of three (3) hours will receive a fifteen (15) minute paid coffee break. A fifteen (15) minute coffee break without loss of pay will commence after approximately two hours of work, or at or about the mid-point of the first half after an employee reports for duty. A second fifteen (15) minute paid coffee break shall be after six hours of work where the tour of duty is in excess of six hours. There will be a third paid 15 minute break if 3 hours of overtime are completed. This break is to be taken after the second hour of overtime has been completed. These breaks shall not be cumulative.
- 8.9 Employees shall be allowed to elect to bank overtime in lieu of pay to maximum of 40 hours at the rate of one and one-half hours banked for every one hour worked.

Overtime worked will automatically be used to replenish the bank to the maximum of 40 hours during the course of the year.

Any balance of banked overtime unused will be carried over to the next year unless the employee gives notice to withdraw from the program or requests to be paid out any unused portion as indicated in 8.9.1.

8.9.1 A request to bank overtime must be made in writing and received by the Company by March 7th of the year. Banked overtime will continue unless the Company is notified by the employee he wishes to opt out of the program. Upon written request to the Company by March 7th of each year an employee shall be entitled to be paid for all unused banked hours accumulated for the previous year. The Company will issue payment by March 31st.

Banked overtime accumulation will be discontinued effective the first pay period in November until the last pay period in December inclusive each year. During this period employees will be able to withdraw banked overtime already accumulated, however all overtime worked in this period will be paid as part of the regular pay process.

Banked overtime shall be secondary to annual vacations. The Company officer in charge or their designate must approve all requests, in writing, for leave to be drawn on banked time. An employee will make their request in writing 7 working days prior to the requested time off. Laid off employees will be allowed to withdraw banked time on days when no work is made available to them.

8.9.2 An employee off duty due to bona fide illness who is not claiming Short Term Disability Benefits payments will be permitted to use accumulated Banked Overtime as of the second day of their absence.

8.9.3 An employee off duty due to bone fide illness who is eligible to receive Short Term Disability benefit payments will be permitted to use accumulated Banked Overtime to offset the three-day waiting period required by the STD plan.

8.9.4 When a request to use Banked Overtime is granted, it will not be withdrawn after approval unless otherwise agreed by the employee and the supervisor.

8.9.5 Banked Overtime may be used in the event of a shortage of work occurs and the Company asks for volunteers to take a day off. Should the employee wish to use an annual vacation day or Banked Overtime Day to compensate for the days lost earnings, their request will not be denied.

ARTICLE 9 GRIEVANCE PROCEDURE

9.1 Union policy grievances shall commence at Step 2 of the grievance procedure.

Disputes in respect to the meaning, interpretation of alleged violations of the terms of this Agreement, or when an employee claims that he has been unjustly dealt with in respect thereof and he is unable to obtain satisfactory explanation directly from his immediate supervisor, may be dealt with in the following manner:

STEP 1 The aggrieved employee or the Unit Chair shall present the grievance, for any non-disciplinary matter, in writing to the employee's local manager within 14 calendar days following the cause of the grievance. The grievance must include all of the details of the cause of the grievance. Such local manager will render a decision in writing, outlining the reasons for the decision, within 14 calendar days following receipt of the written grievance.

STEP 2 If the non-disciplinary grievance is not settled at Step 1, the Union Vice-President or the Union designate may appeal the decision in writing, giving his reasons for the appeal, to the Regional Manager, within 14 calendar days following receipt of the

decision rendered in Step 1. Such Company officer will render a decision in writing, giving his reasons for the decision within 14 calendar days following receipt of the appeal.

STEP 3 If the non-disciplinary grievance is not settled at Step 2, the Union Vice-President or the Union designate may appeal the decision in writing, giving his reasons for the appeal, to the Company Vice President, within 28 calendar days following receipt of the decision rendered in Step 2. Such Company officer will render a decision in writing, giving his reasons for the decision within 28 calendar days following receipt of the appeal.

A grievance with respect to discipline shall commence at Step 2 of the grievance procedure within 28 calendar days of the notice of discipline. A grievance with respect to dismissal shall commence at Step 2 of the grievance procedure within 42 calendar days of the dismissal. Union policy grievances shall commence at Step 3 of the grievance procedure.

STEP 4 If the grievance is not settled at Step 3, it may then be referred by either party to the Canadian Railway Office of Arbitration for final and binding settlement without stoppage of work in accordance with the rules and procedures of that Office. The party requesting arbitration must notify the other party in writing within 28 calendar days following receipt of the decision in Step 3, or the due date of such decision if not received.

9.2 Upon mutual agreement the parties agree to consider using Labour Canada Mediation services as an option to arbitration.

9.3 The arbitrator's decision shall be final and bind the Company, the Union, and the employee(s) concerned. The arbitrator shall not be authorized to alter, modify or amend any part of this Agreement, nor to render any decision incompatible with the provisions of this Agreement, nor to consider any matter not pertaining to the present Agreement.

9.4 When a grievance is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision within the prescribed time limits, the grievance may be progressed to the next step within the prescribed time limits based on the last date such a decision was due, except as otherwise provided in Clause 9.4.

In the event the Company fails to respond to a grievance within the prescribed time limits, the Union may process the grievance from that point onward in accordance with the procedures herein except that the time limits in respect of that grievance from that point onward shall be directory.

9.5 When a grievance based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

9.6 The time limits specified herein may be extended by mutual agreement.

- 9.7 Settlement of a grievance shall not involve retroactive pay beyond 60 calendar days prior to the date that such grievance was first submitted in writing.
- 9.8 Prior to adjudication or final disposition of a grievance there shall be neither a shutdown by the Company nor a work stoppage by employees.
- 9.9 All time limit restrictions in Article 6 and Article 9 will be automatically extended between the period of December 22 and January 5 inclusive each year.

ARTICLE 10 EMPLOYEE RECORDS

- 10.1 Employees are required to provide the Company with their current mailing address and telephone number. The Company will have no financial obligation to any employee for missed work opportunities if accurate information is not on file.

ARTICLE 11 LEAVE OF ABSENCE

- 11.1 Any employee with 5 or more years' service shall, on reasonable grounds and when requirements of the service permit, be granted up to three (3) months' leave of absence and shall retain seniority.
- 11.2 Applications for leave of absence beyond 3 months will be referred to the Vice-President for negotiations with the Vice-President of the Union.
- 11.3 Employees are entitled to and shall be granted Personal Leave of no more than five days per calendar year to heal from an injury or illness, take care of health obligations for any member of their family or care for them, take care of obligations related to the education of any family member under age 18, manage any urgent situation that concerns them or a family member, attend their citizenship ceremony under the *Citizenship Act*, or manage any other situation prescribed by regulation. Leaves will be administered in accordance with the applicable provisions of the Canada Labour Code. If employees have completed three consecutive months of continuous employment with the employer, the employee is entitled to the first three (3) days of the leave with pay at their regular rate of wages for their normal hours of work, and such pay shall for all purposes be considered to be wages. Leave must be a minimum of a full-shift in duration, and will be paid at the employee's regular wages and schedule. The Company may request that the employee provide documentation to support the reasons for the leave prior to granting the leave, or remitting any payment.
- 11.4 In the case of serious illness, or other unusual events in their families, employees will be granted reasonable leave of absence by making application to the Local Terminal Manager or other official in charge.
- 11.4.1 Upon the death of an employee's spouse (including common-law), child, parent, sister or brother the employee shall be entitled to 5 days bereavement leave without loss of pay provided he has not less than 6 months cumulative compensated service. Upon the death of an employee's step-parent, father-in-law or mother-in-law, grandchild or grandparent, the employee shall be entitled to 3 days bereavement leave without loss of pay provided he has not less than 6 months cumulative compensated service.

It is the intent of this Article to provide for the granting of leave from work on the occasion of a death as aforesaid and for the payment of his regular wages for that period to the employee to whom leave is granted. Upon request, the Company will grant two additional days without pay to the employee.

NOTE: The term "common-law spouse" will be interpreted to mean an individual who has maintained proven co-habitation for a period of 12 or more consecutive months.

11.4.2 Upon the death of a member of an employee's immediate family, employees who have completed more than 3 months but less than 6 months of cumulated compensated service shall be entitled to bereavement leave without loss of pay on any of the employee's working days that occur during the 3 days immediately following the day of the death. Employees with more than 6 months cumulative compensated service who are not entitled to bereavement leave in Article 11.4.1 will be entitled to leave in accordance with this section, if qualified.

Immediate Family is defined as:

- a) the employee's spouse or common-law partner;
- b) the employee's father and mother and the spouse or common-law partner of the father or mother;
- c) the employee's children and the children of the employee's spouse or common-law partner;
- d) the employee's grandchildren;
- e) the employee's brothers and sisters;
- f) the grandfather and grandmother of the employee;
- g) the father and mother of the spouse or common-law partner of the employee and the spouse or common-law partner of the father and mother; and
- h) any relative of the employee who resides permanently with the employee or with whom the employee permanently resides

NOTE: In this section, "common-law partner" means a person who has been cohabitating with an individual in a conjugal relationship for at least one year, or who had been so cohabiting with the individual for at least one year immediately before the individual's death.

11.5 Employees absent from duty must report such absence at least one hour before their normal starting time to the proper officer of the Company, the Leadhand or in the designated manner.

11.6 Employees absent on account of sickness or authorized leave of absence who have complied with the provisions and have been granted the privileges as enumerated in Articles 3.1 or 11.3 and who return to their positions shall not be considered as having vacated their position.

ARTICLE 12 SALARY AND PAY PERIODS

- 12.1 Pay date will be every second Thursday. Any pay shortages over \$25.00 will be paid within three working days of the employee reporting the shortage to his/her immediate supervisor.
- The penalty for failing to pay the employee the shortage over \$25.00 within three working days will be \$10.00 per working day thereafter, until such shortage is paid.
- 12.2 For payroll deduction purposes the pay period containing the tenth day of the calendar month will be designated as the first pay period and the pay period containing the twenty-fourth day of the calendar month will be designated as the second pay period.
- 12.3 Each employee will be paid the salary for the position at which actually employed, and will be held responsible for same.
- 12.4 Employees relieving on other than their own positions shall receive the rate of the position relieved. No reduction in rate will be made if relieving in a lower rated position.
- 12.5 Overtime earned shall be shown as a separate item on the statement of earnings of employees.

ARTICLE 13 ANNUAL VACATION

- 13.1 Vacations will as far as practicable be granted at the times most desired by the employees. For an employee to qualify for consideration of his request for vacation, in accordance with his seniority standing, he must notify the Company of his preferred vacation before November 30th of any current year. The Company shall post vacation schedules by January 31st of each following year and thereafter such schedules shall not be changed unless mutually agreed. Employees wishing to split vacation periods can only exercise their seniority for one period. For the purpose of this article, use of the term "continuous employment relationship" used for annual vacation calculations are based on a calendar year as outlined in the Canada Labour Code Standards Regulations.
- 13.2 An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause 13.3 hereof, shall be allowed one working days' vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days, or 4% of the previous year's gross annual earnings, whichever is greater, until qualifying for further vacation under Clause 13.3 of this Article.
- 13.3 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 4 years and has completed at least 1,000 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working days' vacation with pay for each 16 2/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days, or 6% of the previous year's gross annual earnings, whichever is the greater; in subsequent years he will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause 13.4.
- 13.4 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 10 years and has completed at least 2,500 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working

days' vacation with pay for each 12 1/2 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days, or 8% of the previous year's gross annual earnings, whichever is greater.

13.5 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 20 years and has completed at least 5,000 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working days' vacation with pay for each 10 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 25 working days, or 10% of previous year's gross annual earnings, whichever is greater.

13.6 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 30 years and has completed at least 7,500 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working days' vacation with pay for each 8 1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days, or 12% of the previous year's gross annual earnings, whichever is greater.

Effective January 01, 2008: An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 27 years and has completed at least 6,750 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working days' vacation with pay for each 8 1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days, or 12% of the previous year's gross annual earnings, whichever is greater.

In the application of Article 13.6, the Employee will have the option of;

- a) Scheduling five weeks' vacation with the employee being paid for the sixth week at pro rata rates; or
- b) Splitting the vacation with a maximum of five consecutive weeks.

13.7 The question of the number of "annual Vacation Lists," and the number of and class of employees for which each list shall cover, shall be subject to agreement between local officers of the Company and the Union.

13.8 A year's service is defined as 250 days of cumulative compensated service.

13.9 Time off-duty on account of bona fide illness, injury, parental leave, maternity leave, authorized union leave to attend committee meetings, called to court as a witness, or for compensated jury duty, not exceeding a total of 100 days in any calendar year, shall be included in the computation of service for vacation purposes as long as the employee has worked a minimum of one (1) day in the calendar year.

Authorized union leave constitutes any leave requested by the President or their accredited representative to perform day to day business of the Local or to fulfill the Local's constitutional requirements to the USW to send delegates to any or all committee meetings, conventions and contract negotiations with the Company.

13.10 An employee who is laid off shall be paid for any vacation due him at the beginning of the current calendar year and not previously taken, and, if not subsequently recalled to service during such

year shall upon application be allowed pay in lieu of any vacation due him at the beginning of the following calendar year.

13.11 Employees desiring an advance vacation payment must make application for same not later than 5 weeks prior to commencing their vacation. The advance vacation payment will be as outlined in Articles 13.2 and 13.3, less an appropriate amount (approximately 30%) to cover standard deductions.

13.12 Employees who leave the service will be paid for annual vacation for which they qualify under Articles 13.2, 13.3, 13.4, 13.5 and 13.6.

13.13 An employee who, while on annual vacation becomes ill or injured, shall have the right to terminate (temporarily) his vacation and be placed on weekly indemnity. An employee who is again fit for duty shall immediately so inform the Company officer in charge and will continue his vacation if within his scheduled dates. If the remaining vacation falls outside the employee's scheduled dates such vacation will be rescheduled, as may be mutually agreed between the proper officer of the Company and the authorized Local Union Representative.

An employee who, due to sickness or injury, is unable to take or complete his annual vacation in that year, shall by mutual consent have the right to have such vacation carried to the following year.

13.14 Unless mutually agreed, an employee on vacation must not be recalled to duty. However, if mutually agreed, he shall be paid at the rate of time and one-half for all hours worked and he will be allowed remainder allotted vacation dates to be taken at a mutually agreed date(s).

ARTICLE 14 GENERAL HOLIDAYS

14.1 An employee who qualifies in accordance with 14.4 of this Article shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

New Year's Day	Civic Holiday (except Quebec)
Heritage Day (Float)	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day (except Ontario & Québec)
Christmas Day	St. Jean Baptiste Day (Québec only)
Canada Day	Boxing Day
Employee's Birthday (Ontario & Québec only)	

14.2 In the event that the Government of Canada designates "Heritage Day" as a general holiday, the day so designated by the Government of Canada will be substituted for this "Float Day". In the event that the Government of Canada institutes a new statutory holiday, it will be recognized as "Heritage Day". The "Employee's Birthday" holiday for Ontario and Quebec employees is in lieu of "Remembrance Day".

14.3 When any of the above holidays falls on Sunday or Saturday, the day observed by the Federal Government in respect of its employees as the holiday shall be recognized, unless otherwise mutually agreed to between the Company and the Union.

14.4 In order to qualify for pay for any of the holidays specified in 14.1 of this Article, an employee:

- a) must have been in the service of the Company and available for duty for at least 30 calendar days. This clause (a) does not apply to an employee who is required to work on the holiday.
- b) must be available for duty on such holiday if it occurs on one of his work days excluding vacation days except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday. A regularly assigned employee who is required to work on such general holiday shall be given an advance notice of 4 calendar days, except for unforeseen exigencies of the service, in which case he will be notified not later than the completion of his shift or tour of duty immediately preceding such holiday that his service will be required.
- c) Provided the employee meets the requirements of paragraphs (a) and (b) he will be paid holiday pay equal to one twentieth (1/20) of the wages, excluding overtime, that he earned in the four (4) week period immediately preceding the week in which the general holiday occurs. This clause (c) does not apply to an employee who is required to work on the holiday.

NOTE: Provided that an employee is available for work on the General Holiday, absences from scheduled shifts or tours of duty because of bona fide illness, injury or hospitalization for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the wages referred to in Clause (c).

14.5 A qualified employee whose vacation period coincides with any general holidays specified in 14.1 of this Article shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

14.6 An assigned employee qualified under 14.4 of this Article and who is not required to work on a general holiday shall be paid 8 hours' pay at the straight time rate of his regular assignment.

14.7 Warehousepersons A and B qualified under 14.4 of this Article and who are not required to work on a general holiday shall be paid holiday pay equal to one twentieth (1/20) of the wages, excluding overtime, earned in the four (4) week period immediately preceding the week in which the general holiday occurred.

14.8 An employee required to work on a general holiday will be paid at the rate of time and one-half, with a minimum of 4 hours, in addition to the pay for the general holiday.

ARTICLE 15 ATTENDING COURT AND JURY DUTY

15.1 Employees who are subpoenaed to attend a Company-related court hearing or Coroner's inquest will receive their stated rate of salary. In such cases, all witness fees will be deducted from the employee's wages prior to payment.

Employees called upon to attend court or investigations, at the request of the proper officials of Canpar, will receive pay at their stated rate of salary, and if away from home will be allowed transportation and reasonable actual hotel and living expenses when supported by proper vouchers. In such cases all witness fees and mileage fees allowed to such employees will be paid over to the Company.

15.2 It is understood that if attendance in court or at investigations, at the request of the proper officials of Canpar, results in reduction of time between shifts, employees shall be compensated.

15.3 An employee who is summoned for jury duty and is required to lose time from his assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight time rate of his position for each day lost, less the amount allowed him for jury duty for each such day excluding allowances paid by the court for meals, lodging or transportation, subject to the following requirements and limitations:

- a) An employee must furnish the Company with a statement from the court of jury allowance paid and the days on which jury duty was performed.
- b) The number of working days for which jury duty pay shall be paid is for the duration required said duty.
- c) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee who has been allotted his vacation dates will not be required to change his vacation because he is called for jury duty.

ARTICLE 16 INTERPRETATION OF AGREEMENT

16.1 Any question of interpretation of this Agreement, which may arise, and cannot be adjusted at a lower level, will be adjusted by the Vice-President and the Vice-President, Operations. In the event the dispute has not been resolved, the conditions as outlined under Article 9 will be followed.

16.2 The parties agree that the official text of this Collective Agreement is English and in the event of a conflict between this version and the French translation, the English text will prevail.

ARTICLE 17 RATES OF PAY

Rates of Pay (Atlantic Canada)						
		Efective	Efective	Efective	Efective	Efective
		01-Nov-20	01-Nov-21	01-Nov-22	01-Nov-23	01-Nov-24
Driver Representative	<i>Start</i>	\$21.986	\$22.425	\$22.874	\$23.331	\$23.973
	<i>After 1040 hrs</i>	\$22.646	\$23.099	\$23.561	\$24.032	\$24.693
	<i>After 2080 hrs</i>	\$23.305	\$23.771	\$24.246	\$24.731	\$25.411
Dockperson	<i>Start</i>	\$19.367	\$19.754	\$20.149	\$20.552	\$21.117
	<i>After 1040 hrs</i>	\$20.114	\$20.516	\$20.926	\$21.345	\$21.932
	<i>After 2080 hrs</i>	\$21.668	\$22.101	\$22.543	\$22.994	\$23.626
Warehouse A&B	<i>Start</i>	\$15.100	\$15.401	\$15.709	\$16.023	\$16.464
	<i>After 1040 hrs</i>	\$16.260	\$16.585	\$16.917	\$17.255	\$17.730
	<i>After 2080 hrs</i>	\$17.669	\$18.022	\$18.382	\$18.750	\$19.266
	<i>After 3120 hrs</i>	\$18.921	\$19.300	\$19.686	\$20.080	\$20.632
LineHaul Driver Representative, Tractor Trailer & City Tractor	<i>Start</i>	\$23.079	\$23.540	\$24.011	\$24.491	\$25.165
	<i>After 1040 hrs</i>	\$23.740	\$24.215	\$24.699	\$25.193	\$25.886
	<i>After 2080 hrs</i>	\$24.397	\$24.884	\$25.382	\$25.890	\$26.602
Delivery Person	<i>Start</i>	\$20.678	\$21.091	\$21.513	\$21.943	\$22.546
	<i>After 1040 hrs</i>	\$21.030	\$21.451	\$21.880	\$22.318	\$22.932
	<i>After 2080 hrs</i>	\$21.382	\$21.809	\$22.245	\$22.690	\$23.314
Straight Truck Driver Representative	<i>Start</i>	\$21.781	\$22.216	\$22.660	\$23.113	\$23.749
	<i>After 1040 hrs</i>	\$22.421	\$22.869	\$23.326	\$23.793	\$24.447
	<i>After 2080 hrs</i>	\$23.061	\$23.523	\$23.993	\$24.473	\$25.146

Rates of Pay (Northern Ontario - excluding Barrie & Thunder Bay)						
		Efective	Efective	Efective	Efective	Efective
		01-Nov-20	01-Nov-21	01-Nov-22	01-Nov-23	01-Nov-24
Driver Representative	<i>Start</i>	\$18.383	\$18.750	\$19.125	\$19.508	\$20.044
	<i>After 1040 hrs</i>	\$19.159	\$19.542	\$19.933	\$20.332	\$20.891
	<i>After 2600 hrs</i>	\$20.195	\$20.598	\$21.010	\$21.430	\$22.019
	<i>After 3120 hrs</i>	\$22.902	\$23.360	\$23.827	\$24.304	\$24.972
Dockperson	<i>Start</i>	\$16.558	\$16.889	\$17.227	\$17.572	\$18.055
	<i>After 1040 hrs</i>	\$17.593	\$17.945	\$18.304	\$18.670	\$19.183
	<i>After 2600 hrs</i>	\$18.628	\$19.001	\$19.381	\$19.769	\$20.313
	<i>After 3120 hrs</i>	\$19.779	\$20.175	\$20.579	\$20.991	\$21.568
Warehouse A&B	<i>Start</i>	\$15.781	\$16.097	\$16.419	\$16.747	\$17.208
	<i>After 1040 hrs</i>	\$16.040	\$16.361	\$16.688	\$17.022	\$17.490
	<i>After 2600 hrs</i>	\$16.299	\$16.625	\$16.958	\$17.297	\$17.773
	<i>After 3120 hrs</i>	\$16.430	\$16.759	\$17.094	\$17.436	\$17.915
LineHaul Driver Representative, Tractor Trailer & City Tractor	<i>Start</i>	\$19.471	\$19.860	\$20.257	\$20.662	\$21.230
	<i>After 1040 hrs</i>	\$20.294	\$20.700	\$21.114	\$21.536	\$22.128
	<i>After 2600 hrs</i>	\$21.391	\$21.819	\$22.255	\$22.700	\$23.324
	<i>After 3120 hrs</i>	\$24.261	\$24.746	\$25.241	\$25.746	\$26.454
Straight Truck Driver Representative	<i>Start</i>	\$18.651	\$19.024	\$19.404	\$19.792	\$20.336
	<i>After 1040 hrs</i>	\$19.456	\$19.846	\$20.243	\$20.648	\$21.216
	<i>After 2600 hrs</i>	\$20.491	\$20.900	\$21.318	\$21.744	\$22.342
	<i>After 3120 hrs</i>	\$23.251	\$23.716	\$24.190	\$24.674	\$25.353

Rates of Pay (Excluding Atlantic & Northern Ontario)						
		Efective	Efective	Efective	Efective	Efective
		01-Nov-20	01-Nov-21	01-Nov-22	01-Nov-23	01-Nov-24
Driver Representative	<i>Start</i>	\$20.610	\$21.022	\$21.442	\$21.871	\$22.472
	<i>After 1040 hrs</i>	\$22.662	\$23.116	\$23.578	\$24.050	\$24.711
	<i>After 2600 hrs</i>	\$24.459	\$24.948	\$25.447	\$25.956	\$26.670
	<i>After 3120 hrs</i>	\$28.312	\$28.879	\$29.457	\$30.046	\$30.872
Dockperson	<i>Start</i>	\$17.085	\$17.427	\$17.776	\$18.132	\$18.631
	<i>After 1040 hrs</i>	\$19.036	\$19.417	\$19.805	\$20.201	\$20.757
	<i>After 2600 hrs</i>	\$20.750	\$21.165	\$21.588	\$22.020	\$22.626
	<i>After 3120 hrs</i>	\$24.409	\$24.897	\$25.395	\$25.903	\$26.615
Warehouse A&B	<i>Start</i>	\$15.100	\$15.401	\$15.709	\$16.023	\$16.464
	<i>After 1040 hrs</i>	\$16.260	\$16.585	\$16.917	\$17.255	\$17.730
	<i>After 2600 hrs</i>	\$17.669	\$18.022	\$18.382	\$18.750	\$19.266
	<i>After 3120 hrs</i>	\$18.921	\$19.300	\$19.686	\$20.080	\$20.632
LineHaul Driver Representative, Tractor Trailer & City Tractor	<i>Start</i>	\$21.700	\$22.134	\$22.577	\$23.029	\$23.662
	<i>After 1040 hrs</i>	\$23.753	\$24.228	\$24.713	\$25.207	\$25.900
	<i>After 2600 hrs</i>	\$25.554	\$26.065	\$26.586	\$27.118	\$27.864
	<i>After 3120 hrs</i>	\$29.401	\$29.989	\$30.589	\$31.201	\$32.059
Delivery Person	<i>Start</i>	\$18.848	\$19.225	\$19.610	\$20.002	\$20.552
	<i>After 1040 hrs</i>	\$20.851	\$21.268	\$21.693	\$22.127	\$22.735
	<i>After 2600 hrs</i>	\$22.603	\$23.055	\$23.516	\$23.986	\$24.646
	<i>After 3120 hrs</i>	\$26.358	\$26.885	\$27.423	\$27.971	\$28.740
Straight Truck Driver Representative	<i>Start</i>	\$21.046	\$21.467	\$21.896	\$22.334	\$22.948
	<i>After 1040 hrs</i>	\$23.098	\$23.560	\$24.031	\$24.512	\$25.186
	<i>After 2600 hrs</i>	\$24.897	\$25.394	\$25.902	\$26.420	\$27.147
	<i>After 3120 hrs</i>	\$28.749	\$29.324	\$29.910	\$30.508	\$31.347

17.1.1 Where the term “Atlantic Canada” is used, it means the Provinces of New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

17.2 It is understood that an employee filling the position of Leadhand shall receive not less than 25 cents per hour in excess of any employee he is required to lead at the terminal where he is employed regardless of his service.

17.3 **Shift Differential**

Employees accumulating seniority under the terms of this Agreement, whose regularly assigned shifts commence between 1400 and 0559 hours shall receive a shift differential of 50 cents per hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be

paid for absence from duty such as vacation, general holidays, etc. Warehouse A and B positions will not be paid the Shift Differential.

17.4 It is understood and agreed that increases granted or allowances made to individual employees because of exceptional conditions shall not be considered as having increased the salary of the position as fixed by this Agreement or as agreed to in joint conference between officers of the Union and the Company.

17.5 **Float Driver**

It is understood that employees filling the position of Float Driver as per Article 5.2.13 shall receive a premium of \$1.00 per hour. Overtime shall not be calculated on the premium nor shall the premium be paid for absence from duty such as vacation, general holidays, etc.

17.6 **Qualified Forklift Driver**

Employees holding a Forklift Operator bulletin will be paid a premium of 15 cents per hour for all hours worked.

17.7 **Tag Trailer Driver**

Employees holding a bulletin requiring the operation of Tag Trailer units (14 Foot Trailer pulled by Curbside delivery truck) will be paid a premium of 15 cents per hour in accordance with the following:

- a) When the unit is required to be operated for the entire shift, the premium will be paid for all hours worked.
- b) When the unit is required to be operated for 1 to 4 hours, the premium will be paid for 4 hours.
- c) When the unit is required to be operated for more than 4 hours but less than 8 hours, the premium will be paid for 8 hours.

NOTE: Shunt positions do not receive the premium.

ARTICLE 18 DEDUCTION OF UNION DUES

18.1 The Company shall deduct Union dues including, where applicable, special assessments, on the second payroll of each month, from the total earnings of each employee covered by this agreement. The amount of the dues deducted shall be calculated in accordance with the Union's Constitution.

18.2 All dues and assessments shall be remitted to the Union forthwith and in any event no later than 40 days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the USW TC Local 1976 in such format as shall be directed by the Union to the Company along with a completed Dues Remittance Form.

18.3 The remittance and the completed Dues Remittance Form shall be accompanied by a statement containing the following information:

- a) A list of the names and addresses of all employees from whom dues were deducted and the amount of the dues deducted along with their hours worked and the amount of the dues deducted.

- 18.4 The Company, when preparing T-4 slips for the employees, will enter the amount of the Union dues paid by the employee during the previous year.
- 18.5 Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants. Membership shall not be denied for reason of race, national origin, colour or religion.
- 18.6 Union dues deductions for new employees shall commence on the payroll for the second pay period of the month in which the employee performs compensated service.
- 18.7 If the employee's wages, payable on the second payroll of a month, are insufficient to permit the deduction of the full amount of the dues, no such deduction shall be made from the wages of such employee by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.
- 18.8 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.
- 18.9 The Company shall not be responsible financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances.

However, in any instance in which an error occurs in the amount of any deductions of dues from an employee's wages, the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated officer of the Union.

- 18.10 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.
- 18.11 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payroll made or to be made by the Company pursuant to this Article, both parties shall co-operate fully in the defense of such action. Each party shall bear its own cost of such defense except that, if at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless the Company from any losses, damages, cost, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payroll.

ARTICLE 19 EMPLOYEE BENEFIT PLAN

It is understood and agreed that this Article applies only to participating employees whose names appear on the Official Seniority List and who have completed their probationary period under the terms of the Agreement.

The Company commits to meeting with the Union twice annually to discuss the benefits package and the number of claims and claims costs for each benefit type.

- 19.1 The Company shall provide an Employee Benefit Plan consisting of Life Insurance, Dental, Extended Health Care and Vision Plan and a Short-Term Disability Benefit Plan in accordance with the current Group Insurance Plan in effect for employees who have completed their probationary period.

Dental Plan

The payment of dental expenses will be based on the applicable provincial dental fee guide in effect on the date treatment is rendered.

Effective January 1, 2018, the annual dental plan reimbursement level will be increased to \$2,500 per calendar year.

The Dental Plan will provide orthodontic coverage with fifty (50) percent reimbursement to a lifetime maximum of \$2,000 for eligible dependent children (under the age of 18) of employees covered by the plan. Effective January 1, 2021, this amount will be increased to \$2,500.

Vision Care

Effective November 1, 2013, the Vision Care Plan maximum benefit payable will be increased to \$350. This amount may be used to offset the cost of Corrective eye surgery.

Healthcare Lifetime Maximum

Effective November 1, 2009, the healthcare lifetime maximum is amended to be “unlimited”.

Paramedical Services

The Extended Health Care Plan will provide massage therapy and chiropractic services to an annual maximum of \$500 per practitioner per year. A referral by a licensed physician will be required to be eligible for reimbursement. A Pay-Direct Drug Card will be implemented effective January 1, 2021.

Hearing Aids

The Extended Health Care Plan will provide reimbursement for the cost of prescription hearing aids to a maximum cost of \$500 every five years.

SHORT-TERM DISABILITY PLAN

Sickness benefit payment for claims are as follows:

7. a) Bereavement Leave

Subject to the waiting period rules, an employee who becomes disabled while on bereavement leave may qualify for Sickness Benefits when such leave terminates.

b) Company-Compensated Jury Duty

Subject to the waiting period rules, an employee who becomes disabled while on Company-compensated jury duty may qualify for Sickness Benefits when such leave terminates.

c) Temporary Leave for Union Business

A Union officer on temporary leave of absence to perform Union duties and for whom a premium has been paid due to compensated service in the current or previous month, may be eligible for Sickness Benefits under the plan, if disabled while on such leave of absence, on the same basis as if he had been in the service on the date of disability, and subject to the waiting period rules.

8. 5/12 of the Premium reduction as referred to in Section 64(4) of the Employment Insurance Act will be applied by the Company towards the cost of providing the improved Sickness Benefits contained in the Benefit Plan.

19.2 Life Insurance

- a) Effective January 1, 2021, the Group Life Insurance coverage will be \$55,000 for employees who have compensated service with the Company on or subsequent to November 1, 2004, if otherwise qualified under the provisions of the Benefit Plan. A double indemnity provision on a "24-hour basis" for accidental death, in the amount of \$40,000, will be in effect.

In addition, each employee will be entitled to purchase an additional \$20,000 of life insurance at his or her expense.

- b) Continuation of life insurance for an employee who becomes totally disabled provides that such an employee will receive life insurance coverage equal to the amount of paid up retirement insurance in effect at that time.

19.3 Provincial and Territorial Public Drug Benefit Programs

Each provincial and territorial government offers a drug benefit plan for eligible groups. Some are income-based universal programs. Most have specific programs for population groups that may require more enhanced coverage for high drug costs. These groups include seniors, recipients of social assistance, and individuals with diseases or conditions that are associated with high drug costs. The Company agrees to provide assistance to employees who inquire about such programs.

19.4 Pension Plan

1. On May 01, 1993 the Union has established a trustee Registered Money Purchase Pension Plan (the Plan") exclusively for employees who meet the eligibility requirements of the Collective Agreement

2. The trustee Plan is established in the following manner:
 - a) The trustee Plan is established in accordance with the laws of Canada and specifically in accordance with the Pension Benefits Standards Act, 1985.
 - b) The trustee Plan is registered with the Office of the Superintendent of Financial Institutions of Canada and with Revenue Canada.
 - c) The trustee Plan is established and maintained to receive the contributions specified under paragraphs 5 & 6 and investment earnings thereon. The trustee Plan is also maintained to pay the benefits specified under paragraph 3.
 - d) The trustee Plan is managed and administered by a Board of Trustees comprised of 4 representatives selected by the Union, in accordance with the Pension Benefits Standards Act, 1985. The Union is responsible for the manner of choosing its representatives.
 - e) The beneficiaries of the trustee Plan shall be all those eligible employees covered by the Collective Agreement on the date of ratification hereof and all eligible employees who become members of the bargaining unit thereafter.
3. Pension benefits arising out of employment on and after May 1, 1993 shall be provided under this trustee Plan.
4. Pension benefits provided under this trustee Plan shall be determined on a money purchase basis.
5. The Company agrees to contribute to the trustee Plan as follows:

Member's Years of Company Service*	Company Contributions
Completion of Probationary	
Period – 1 year	1% (all employees who have elected to join)
1 – 5 years	1% (all employees)
6 – 9 years	2% (all employees)
10-14 years	4% (all employees)
15 years or more	5% (all employees)

*Members' years of Company Service and the level of Company contributions will be based on the combined service including years of service with the previous owner (Canadian Pacific Express & Transport Ltd.).
6. The pension plan shall be amended to reflect the changes set out above and to allow the Union to make contributions to the pension plan for Union officials on a Union leave of absence under the Collective Agreement in the same amount as the Company would otherwise have contributed but for the fact that the employee is on a Union leave of absence. Company contributions are based on gross wages of trustee Plan members, and the Company will remit said contributions in accordance with the Pension Benefits Standards Act, 1985.
7. Plan members covered by the Collective Agreement shall contribute 4% of gross wages. The Company will deduct and remit these contributions in accordance with the Pension

Benefits Standards Act, 1985. Effective January 1, 1998 the Company will remit Company contributions on a monthly basis.

8. New employees are not required to join the pension plan until completion of twelve months' service. However, new employees may participate on a voluntary basis upon completion of their probationary period.
9. The Company agrees to provide information regarding the members and the contributions as required for the proper administration of the trustee Plan.
10. When a member of the Plan becomes ill or injured and wishes to continue payment into the Plan while off work due to said injury or illness the following must be adhered to:

For Employer contributions to be required, the Employee must make all required Employee contributions. The Employee must commence making these contributions within ninety (90) days following the original date of the commencement of the absence and all contributions must be made in a period of time that is no longer than the total length of the absence.

For example, an Employee off work for a period of three (3) months must start making Pension arrears contributions within 90 days of the date of leave and all Pension arrears must be made within 3 months of the date the Pension arrear contributions commenced.

Pension contributions for the above stated periods of absence are calculated on the constructed earnings the Employee would have made if working, a normal workweek consisting of forty (40) hours.

Constructed earnings are calculated by multiplying the Employee's basic rate of pay by the normal hours of work he/she would have worked in each day/week of absence. No overtime or shift premium factors are used when calculating constructed earnings.

In the event an Employee does not hold a full-time position, the normal hours worked by the Employee next junior in that classification and shift will be used to determine the constructed earnings, i.e. a Warehouse "A". Employee off work will have his/her hours constructed using the hours worked by the next junior "Warehouse "A" Employee working the same shift at the terminal location.

It is the Employee's responsibility to notify the Pension Trust Fund Administrator, Manion Wilkins & Associates, if they wish to make Pension Fund arrears contributions providing the Administrator with the necessary information to enable the Administrator to calculate the arrears.

In the event of a Part-Time Employee, the Administrator may contact Canpar to obtain the hours worked by the next junior employee; however, in all other cases, Canpar will have no obligation to provide information or calculations regarding payment of an Employees' Pension arrears.

In accordance with the terms of the CLC and Provincial WCB legislation, Canpar Express Inc. will make Employer contributions for Employees who have made contributions in accordance with the terms set out above.

For greater clarity, it is understood and agreed that Canpar Express Inc. will only be required to make Employer contributions for the periods of time as outlined and for no other period of time following the time frames specified in the following

The Provincial Workers Compensations Acts stipulate that employees off due to a work-related injury or illness, and in receipt of Workers' Compensation wage loss replacement benefits, are entitled to have the employer continue to make employer contributions to the pension plan for a period of one (1) year from the original date of the injury. In the case of Quebec employees, the period of contributions is two (2) years.

The Canada Labour Code stipulates that employees off work due to a bona-fide non-work-related illness or injury are entitled to have the employer continue to make employer contributions to the pension plan for the period of absence for which they receive Short Term Disability benefits from the insurance plan provided in accordance with the terms of the Collective Agreement.

Upon receipt of written advice from the Administrator that an Employee has made the necessary Pension Trust Fund arrears contributions, the Company will calculate the Employer portion payable as per Article 19.5 of the Collective Agreement and will forward that payment within ninety (90) days following receipt of the written notification.

19.5 Benefit Plan for Warehouse "B" Employees

The Company shall provide a Benefit Plan for Warehouse "B" Employees; consisting of Healthcare and Dentalcare, Life Insurance and Continuation of Benefit for employees who have completed their probationary period.

Healthcare and Dentalcare

Effective November 1, 2012 Warehouse "B" employees who have completed 5 full years of service and have averaged at least 20 hours of work per week in the previous year will be eligible for Healthcare and Dentalcare coverage in accordance with the benefit plan currently in effect for eligible employees covered by the Collective Agreement.

Effective the first of the month following completion of 5 years of service, a Warehouse "B" employee who has averaged at least 20 hours of work per week in the previous year will be eligible for Healthcare and Dentalcare coverage in accordance with the benefit plan currently in effect for eligible employees covered by the Collective Agreement.

Life Insurance

Effective November 1, 2012 Warehouse "B" employees who have completed 5 full years of service and have averaged at least 20 hours of work per week in the previous year will be eligible for Basic Life and Accidental Death & Dismemberment Insurance coverage in the amount of \$25,000. Coverage will be in accordance with the provisions currently in effect for eligible employees covered by the Collective Agreement.

Effective the first of the month following completion of 5 years of service, a Warehouse "B" employee who has averaged at least 20 hours of work per week in the previous year will be eligible for Basic Life and Accidental Death & Dismemberment Insurance in the amount of

\$25,000. Coverage will be in accordance with the provisions currently in effect for eligible employees covered by the Collective Agreement.

Continuation of Benefit Coverage

In order to maintain eligibility for the coverage under the Healthcare, Dentalcare and Life Insurance provisions of the benefit plan, Warehouse "B" employees must continue to work at least 20 hours per week. In the event an employee does not maintain a 20 hours per week average in a calendar year, coverage will terminate and the employee will be required to work an average of 20 hours per week in a subsequent calendar year to again become eligible for coverage.

- 19.6 The Company will maintain a winter footwear reimbursement policy for drivers. This is in addition to its current footwear re-imbusement policy. The Company will reimburse drivers every second year for winter footwear, in the same method and amount as the current policy.

ARTICLE 20 OWNER OPERATORS

Article 20.1 Recognition

20.1.1 Canpar Express Inc. ("The Company") recognizes the Transportation Communications National Amalgamated Local 1976, United Steelworkers of America ("The Union") as the sole and exclusive bargaining agent for all Owner Operators under contract with the Company.

20.1.2 Based on the current number of full-time hourly drivers across the system, the Company may only increase the number of Owner Operator routes by 12 routes per year across the country, over the term of the Agreement. The Company can only increase the current level of Owner Operator as a result of:

- A. Attrition of hourly drivers: If an hourly driver quits, is terminated for just cause, or retires.
- B. New work entering the system from sources other than current volume.
- C. In-sourcing: Bringing work back to Canpar from a 3rd party provider.

There shall be no more than 60 additional Owner Operator routes (over current levels) by October 31, 2025, and no conversion of active hourly drivers will occur. Scenarios A through C above are the only avenues by which the Company may add the additional routes throughout the term of the Agreement.

20.2 Discrimination and Committees

20.2.1 Owner Operators will not be discriminated against for being members of the Union, nor for serving on Committees representing Owner Operators.

20.2.2 Leaves of absence will be granted to Owner Operators serving on committees of their Unit, upon request to the officer in charge, to deal with Unit matters. Whenever possible seventy-two hours advance written notice will be given.

If a leave of absence is necessary for union business outside the Unit, such a leave of absence will be granted upon written request of not less than seventy-two hours, to the officer designated by the Company, by the President or his accredited representative.

- 20.2.3 A representative of the Union shall be allowed on the Company premises to deal in the administration of the Agreement provided it does not interfere with the operation of the Company, subject to authority of the Officer in Charge.
- 20.2.4 Members of the unit Union Protective Committee shall be allowed to deal with matters pertaining to the Union and the collective agreement provided it does not interfere with the operation of the Company as determined by the Company officer in charge and approved in advance.
- 20.2.5 The parties will establish a senior Labour/Management Advisory Committee to discuss national scope issues.
- 20.2.6 If a representative of the Company requests the presence of a Union Representative to travel to a Company location to conduct an interview or other Company related business, the Company will reimburse the Union for lost revenue and reasonable travel expenses. Any request relating to this Article will be made in writing by the Vice President, Operations to the Vice President & Secretary Treasurer, USW.

20.3 Sickness and Medicals

- 20.3.1 Permanent Owner Operators necessarily off duty indefinitely on account of bona fide illness or disability will retain all seniority rights.
- 20.3.2 If a permanent Owner Operator takes a medical examination at the Company's request during his normal working hours, he shall be paid for the time. Not less than one day's notice will be given.
- 20.3.3 A permanent Owner Operator required to undergo a periodic or special medical examination by a doctor designated by the Company shall comply provided that the Company shall pay for all such examinations and provided that a copy of the report is given to the Owner Operator's physician. It is understood that the report shall only be disclosed to Company head office officials and/or the Company's insurance administrators.

20.4 Seniority

- 20.4.1 The following Local, District and Regional Seniority Groups are hereby established:

ONTARIO REGION

Toronto District

- 1. Toronto
- 2. Brampton
- 3. Concord
- 4. Whitby
- 5. Markham

Southwestern District

- 1. Hamilton
- 2. St. Catharines
- 3. Kitchener
- 4. London
- 5. Windsor
- 6. Walkerton
- 7. Brantford

Northern District

1. Barrie
2. Bracebridge
3. North Bay
4. Timmins
5. Sudbury
6. Sault Ste. Marie
7. Thunder Bay

Northeastern District

1. Ottawa
2. Pembroke

QUEBEC REGION**Montreal District**

1. Montreal
2. Boucherville
3. Boisbriand

Québec District

1. Québec City
2. Chicoutimi
3. Trois-Rivières
4. Sherbrooke

MARITIME REGION**New Brunswick District**

1. Saint John
2. Fredericton

Nova Scotia District

1. Dartmouth
2. Truro
3. Yarmouth

Newfoundland District

1. Corner Brook

PRAIRIE REGION**Manitoba District**

1. Winnipeg

MOUNTAIN REGION**Alberta District**

1. Calgary
2. Edmonton

British Columbia District

1. Vancouver

20.4.2 Seniority Rules

- a) A seniority list of all Owner Operators who are accumulating seniority, in each local seniority group, showing name and date of last entry into the service in a position covered by this Agreement shall be posted in a place suitable for the Owner Operators concerned. The President and the Unit Chair concerned will be supplied with a copy of the seniority lists.

Seniority lists will be revised and posted January 31st of each year, and shall be open for correction for thirty (30) calendar days. For Owner Operators on layoff, personal leave, and Owner Operators covered in Article 3.1 or on authorized leave of absence shall retain all their seniority rights and continue to accumulate seniority on their seniority list and their names shall be continued on such list, the thirty (30) calendar days period shall begin on the date of their return to service. Owner Operators who do not avail themselves of the privilege of correction within the time limit specified shall not be entitled to challenge their seniority date until the thirty (30) day period when the next seniority list is posted. A list reflecting any corrections will be posted by March 31st of each year.

No change shall be made in an Owner Operator's seniority date which has appeared on two (2) consecutive annual seniority lists, unless the seniority date appearing on such list was protested in writing within the thirty (30) calendar day period allowed for correctional purposes in the two (2) consecutive years.

- b) When it is determined in accordance with Article 4.2.1 (a) that a seniority date is in error, such error will be corrected and, when so corrected, the agreed upon seniority date will be final. No change in the existing seniority date for an Owner Operator shall be made unless concurred with by the President and the Vice-President, Operations.
- c) A new Owner Operator shall not be regarded as permanently contracted until completion of 400 hours of work. In the meantime, unless removed for cause which in the opinion of the Company renders him undesirable for its service, the Owner Operator shall accumulate seniority from the date first contracted on a position covered by this Agreement.

An Owner Operator with more than 400 hours of work shall not be discharged without just cause as provided in Article 6 of this Agreement.

Owner Operators on authorized leave of absence shall retain all their seniority rights and continue to accumulate seniority on their seniority list and their names shall be continued on such list.

An Owner Operator whose leave of absence exceeds 3 months in any one year shall lose his seniority rights unless such leave of absence beyond 3 months is mutually agreed to by the Union and the Company

- d) Owner-Operator(s) on layoff will be recalled in seniority order on new or re-established positions.

- e) An Owner-Operator whose position is abolished must displace, within 3 working days, the junior Owner-Operator within his seniority group for which the Owner-Operator is qualified and possess the necessary license and equipment.
- f) Employees who convert to Owner Operators will have their names removed from the employee seniority list three (3) months following the date of conversion. The individual may revert back to employee status at any time within this period without loss of seniority.
- g) In the event an Owner Operator transfers back to employee status following expiry of the three-month limit, he will be placed at the bottom of the employee seniority list.
- h) Owner Operators will be given the opportunity to apply for vacant positions that have not been filled by bid. If selected, the individual will become a new employee placed at the bottom of the local seniority list and will be paid the start rate of the position.

20.5 Open Routes

The company will post the availability of open owner-operator routes and Owner Operators will have the opportunity to apply for such openings. Awarding of the route will be by seniority. In the event an employee requests to convert to become an Owner Operator and is awarded the route, he will be placed at the bottom of the seniority list.

20.6 Dismissals and Discipline

20.6.1 An Owner Operator may only be disciplined or dismissed for just cause after an interview has been held in accordance with Article 20.6.3. It is understood that the Company has met its obligation to hold an interview by providing 24 hours' notice of the interview to the Owner Operator or making reasonable effort to notify the Owner Operator. In the event the Owner Operator does not appear for the interview without a reasonable excuse, the Company shall be entitled to proceed with disciplinary action without an interview. In cases where the Owner Operator provides a reasonable excuse for his inability to attend the interview, the interview shall be rescheduled to be held on his return to work and time limits under Article 20.6.3 shall be waived.

20.6.2 Admission of Responsibility

20.6.2.1 Where an individual admits responsibility for an incident where the penalty to be assessed is 10 demerit marks or less, and the individual chooses to waive the right to a formal interview provided for in the Collective Agreement, discipline may be assessed without the need for such interview.

20.6.2.2 The notice of interview will provide space for the Owner Operator to instruct the Company if he wishes to waive his right to a formal interview. The Owner Operator will have 24 hours, following the receipt of the notice, to notify the Company that he waives his rights to the formal interview.

20.6.2.3 Should the Owner Operator waive that right, an informal fact-finding interview will be held within 24 hours of the notice being given to review the incident involved. The Owner Operator can be accompanied by an accredited Union representative. Discipline will be issued within 14 calendar days, following the informal interview.

- 20.6.2.4 No written record of the proceedings will be kept except for the discipline itself and the individual's written concurrence that he/she wishes to forego the formal interview and admit responsibility.
- 20.6.2.5 By accepting the procedure provided for in this Memorandum of Agreement, the Owner Operator waives the right to grieve the discipline assessed under the provisions of Article 20.8 of the Collective Agreement.
- 20.6.2.6 This agreement will remain in force for the duration of the Collective Agreement, subject to be renewed or cancelled during the next round of negotiation.
- 20.6.3 Whenever an Owner Operator is to be interviewed by the Company with respect to his work or his conduct in accordance with Article 20.6.1, an accredited Union representative, selected by the Owner Operator, must be in attendance. In the event the accredited Union representative selected by the Owner Operator is not available another accredited representative selected by the Owner Operator will be substituted. Such interview and any subsequent interviews dealing with the incident must be held within 14 calendar days from the date the incident became known to the Company, unless mutually agreed. Such agreement will not be unreasonably withheld. The Owner Operator to be interviewed shall be notified in writing, no less than 24 hours prior to the scheduled interview time. This notice shall include the reason the interview is being held, including the subject matter with applicable details, to be investigated. Whenever a written statement by a person employed by the Company is entered at the interview, the Owner Operator will have the right to request the presence of that person at the interview. The Owner Operator and his Union representative may ask appropriate questions to all parties at the interview.
- 20.6.4 Failure to comply with Article 20.6.3 shall render any conclusion null and void and any statements at such interview inadmissible at any subsequent proceedings.
- 20.6.5 An Owner Operator may be held out of service for a period of not more than four (4) working days for infractions of a serious nature. This practice is only to be utilized in cases of alleged infractions of a serious nature where it is in the best interest of the public, the Company, or fellow Owner Operators. This provision is not to be used as a form of discipline. In the event an Owner Operator is held out of service, the interview is to be held as soon as possible.
- 20.6.6 Any discipline or dismissal of an Owner Operator must be communicated in writing within 14 calendar days of the interview. A full and detailed explanation of any discipline given will be provided to both the Unit Chair and the Owner Operator. The time limits herein may be extended by mutual agreement.
- 20.6.7 During the interview the Owner Operator or his accredited representative shall have the right to read, review and ask questions concerning any documents, tapes or videos as they are presented by the Company and copies will be presented at that time. Copies of the interview notes will be provided to the Owner Operator and the Unit Chairperson within 4 working days of the interview.
- 20.6.8 If, in the final decision, the charges against an Owner Operator are not sustained, his record shall be cleared of the charges. If suspended, or dismissed, he shall be returned to his former position and reimbursed for wages lost, less any earnings derived from outside employment during the period so compensated. If the interview was away from home, he shall be reimbursed for reasonable travel expenses upon presenting receipts

20.7 Sanitation and Accommodation

- 20.7.1 Offices shall be clean, well ventilated, properly lighted, heated and furnished in the best interest of the Owner Operators and to the best of the Company's ability. All other premises will be clean and properly lighted in the best interest of the Owner Operators and to the best of the Company's ability.
- 20.7.2 The Company shall continue its current practice of providing uniforms to drivers. Uniforms that are supplied shall be kept in clean condition and repair.

20.8 Grievance Procedure

- 20.8.1 Union policy grievances shall commence at Step 2 of the grievance procedure.

Disputes in respect to the meaning, interpretation of alleged violations of the terms of this Agreement, or when an Owner Operator claims that he has been unjustly dealt with in respect thereof and he is unable to obtain satisfactory explanation directly from his immediate supervisor, may be dealt with in the following manner:

Disputes in respect to the meaning, interpretation of alleged violations of the terms of this Agreement, or when an employee claims that he has been unjustly dealt with in respect thereof and he is unable to obtain satisfactory explanation directly from his immediate supervisor, may be dealt with in the following manner:

- STEP 1 The aggrieved Owner Operator or the Unit Chair shall present the grievance, for any non-disciplinary matter, in writing to the Owner-Operator's local manager within 14 calendar days following the cause of the grievance. The grievance must include all of the details of the cause of the grievance. Such local manager will render a decision in writing, outlining the reasons for the decision, within 14 calendar days following receipt of the written grievance.
- STEP 2 If the non-disciplinary grievance is not settled at Step 1, the Union Vice-President or the Union designate may appeal the decision in writing, giving his reasons for the appeal, to the Regional Manager, within 14 calendar days following receipt of the decision rendered in Step 1. Such Company officer will render a decision in writing, giving his reasons for the decision within 14 calendar days following receipt of the appeal.
- STEP 3 If the non-disciplinary grievance is not settled at Step 2, the Union Vice-President or the Union designate may appeal the decision in writing, giving his reasons for the appeal, to the Company Vice President, within 28 calendar days following receipt of the decision rendered in Step 2. Such Company officer will render a decision in writing, giving his reasons for the decision within 28 calendar days following receipt of the appeal.

A grievance with respect to discipline shall commence at Step 2 of the grievance procedure within 28 calendar days of the notice of discipline. A grievance with respect to dismissal shall commence at Step 2 of the grievance procedure within 42 calendar days of the dismissal. Union policy grievances shall commence at Step 3 of the grievance procedure.

STEP 4 If the grievance is not settled at Step 3, it may then be referred by either party to the Canadian Railway Office of Arbitration for final and binding settlement without stoppage of work in accordance with the rules and procedures of that Office. The party requesting arbitration must notify the other party in writing within 28 calendar days following receipt of the decision in Step 3, or the due date of such decision if not received.

20.8.2 Upon mutual agreement the parties agree to consider using Labour Canada Mediation services as an option to arbitration.

20.8.3 The arbitrator's decision shall be final and bind the Company, the Union, and the Owner Operator(s) concerned. The arbitrator shall not be authorized to alter, modify or amend any part of this Agreement, nor to render any decision incompatible with the provisions of this Agreement, nor to consider any matter not pertaining to the present Agreement.

20.8.4 When a grievance is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision within the prescribed time limits, the grievance may be progressed to the next step within the prescribed time limits based on the last date such a decision was due, except as otherwise provided in Clause 9.4.

In the event the Company fails to respond to a grievance within the prescribed time limits, the Union may process the grievance from that point onward in accordance with the procedures herein except that the time limits in respect of that grievance from that point onward shall be directory.

20.8.5 When a grievance based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

20.8.6 The time limits specified herein may be extended by mutual agreement.

20.8.7 Settlement of a grievance shall not involve retroactive pay beyond 60 calendar days prior to the date that such grievance was first submitted in writing.

20.8.8 Prior to adjudication or final disposition of a grievance there shall be neither a shutdown by the Company nor a work stoppage by Owner Operators.

20.8.9 All time limit restrictions in Article 6 and Article 9 will be automatically extended between the period of December 22 and January 5 inclusive each year.

20.9 Leave of Absence

20.9.1 Any Owner Operator with 5 or more years' service shall, on reasonable grounds and when requirements of the service permit, be granted up to three (3) months' leave of absence and shall retain seniority.

20.9.2 Applications for leave of absence beyond 3 months will be referred to the Vice-President for negotiation with the Vice-President of the Union.

20.9.3 In the case of serious illness, or other unusual events in their families, Owner Operators will be granted reasonable leave of absence by making application to the Local Terminal Manager or other official in charge.

20.9.4 The company will endeavour to assist Owner Operators identify and make available qualified personnel to replace Owner Operators when those individuals request time off. The cost of the replacement will be borne by the Owner Operator.

20.10 Interpretation of Agreement

20.10.1 Any question of interpretation of this Agreement, which may arise, and cannot be adjusted at a lower level, will be adjusted by the Vice-President and the Vice-President, Operations. In the event the dispute has not been resolved, the conditions as outlined under Article 9 will be followed.

20.10.2 The parties agree that the official text of this Collective Agreement is English and in the event of a conflict between this version and the French translation, the English text will prevail.

20.11 Deduction of Union Dues

20.11.1 The Company shall deduct Union dues, including where applicable, special assessments, on the second payroll of each month, from the total earnings of each Owner Operator covered by this agreement. The amount of the dues shall be calculated in accordance with the Union's Constitution.

20.11.2 In cases where owner/operators employ more than one (1) truck to fulfill their contract to the Company the owner/operator will have deducted from his pay by the Company the equivalent of one (1) set of monthly dues for each truck employed during any month.

20.11.3 All dues and assessments shall be remitted to the Union forthwith and in any event no later than 40 days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the USW TC Local 1976 in such for as shall be directed by the Union to the Company along with a completed Dues Remittance Form.

20.11.4 The remittance and the completed Dues Remittance Form shall be accompanied by a statement containing a list of the names and addresses of all Owner Operators from whom dues were deducted and the amount of the dues deducted along with their hours worked.

20.11.5 The Company will provide Owner Operators with a statement detailing the amount of Union dues paid by the Owner Operator during the previous year.

20.11.6 Membership in the Union shall be available to any Owner Operator eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants. Membership shall not be denied for reason of race, national origin, colour or religion.

20.11.7 Union dues deductions for new Owner Operators shall commence on the payroll for the second pay period of the month in which the Owner Operator performs compensated service.

20.11.8 If the Owner Operator's payments, payable on the second payroll of a month, are insufficient to permit the deduction of the full amount of the dues, no such deduction shall be made from the payment of such Owner Operator by the Company in such month. The Company shall not,

because the Owner Operator did not have sufficient payment payable to him on the designated payroll, carry forward and deduct from any subsequent payment the dues not deducted in an earlier month.

20.11.9 Only deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from payments prior to the deduction of dues.

20.11.10 The Company shall not be responsible financially or otherwise, either to the Union or to any Owner Operator, for any failure to make deductions or for making improper or inaccurate deductions or remittances.

However, in any instance in which an error occurs in the amount of any deductions of dues from an Owner Operator's payment, the Company shall adjust it directly with the Owner Operator. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated officer of the Union.

20.11.11 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.

20.11.12 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payroll made or to be made by the Company pursuant to this Article, both parties shall co-operate fully in the defense of such action. Each party shall bear its own cost of such defense except that, if at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless the Company from any losses, damages, cost, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payroll.

20.12 Owner Operator Benefits and Pension Plan

20.12.01 Owner-Operators shall have the option, at their own cost, to be included in the Company hourly benefit programs as detailed below. The Company will deduct the cost of benefits opted for from the Owner-Operator invoice. These benefits include:

Provincial Medical

Extended Health Care Benefit

Dental Plan

Life Insurance

Accidental Death and Dismemberment Insurance

The Company will assess the Owner-Operator the premium cost of benefits but in no case will the deduction be greater than the actual cost of supplying benefits to Owner-Operators.

The Owner Operator may also enroll for benefit coverage under the group plan provided by National Auto League and the Company will deduct the applicable premiums and remit same to NAL on behalf of the Owner Operator.

20.12.2 Owner Operators may join the USW Local 1976 Pension Trust Fund but participation is not mandatory. Owner Operators who join the plan will be required to contribute a flat sum of two hundred dollars (\$200.00) per month. No company contribution will be made.

20.13 Owner Operator Remuneration and Business Agreement

20.13.1 The basis for the contractual payments for the services of each Owner-Operator and his equipment shall be contained in the Owner-Operator's contract and is an arrangement between each individual Owner-Operator and the Company. If there is any conflict between the terms of the business contract and the Collective Agreement, the terms of this Collective Agreement shall govern.

20.13.2 Copies of all executed Owner-Operator business contracts will be provided to the Union within 10 calendar days following the signing of said contracts

20.13.3 Any pay shortages over \$25.00 will be paid within three working days of the Owner Operator reporting the shortage to his/her immediate supervisor.

The penalty for failing to pay the Owner Operator the shortage over \$25.00 within three working days will be \$10.00 per working day thereafter, until such shortage is paid

ARTICLE 21 PRINTING OF THE AGREEMENT

21.1 The Union will undertake the responsibility for the printing of the Collective Agreement as may be required from time to time and the Company will absorb the cost of such printing.

ARTICLE 22 TERMINATION OF AGREEMENT

22.1 This Agreement shall be effective November 1, 2020, and shall remain in effect for a period of 5 years thereafter subject to 90 days' notice in writing from either party to the Agreement of its desire to revise, amend or terminate it. The parties agree that they will meet no later than May 1, 2025 to commence negotiations for renewal of the agreement.

SIGNED at Toronto, Ontario this 12th day of November 2020

FOR THE UNION

David J. Neale (absent due to illness)

DocuSigned by:

Glen Rankine

67EE8C369DCE413...

Glen Rankine

DocuSigned by:

Nathalie Lapointe

C6E894DBD0994B4

Nathalie Lapointe

DocuSigned by:

Dave Hill

AEB41CBE0D39497...

Dave A. Hill

DocuSigned by:

C. Schulz

48321C47C9D945A...

Cliff Schulz

FOR THE COMPANY

DocuSigned by:

Larry Fuaco

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Larry Fuaco

DocuSigned by:

Joel Andre

DC8C308E226A4FA...

Joel Andre

APPENDIX "1" LETTER OF UNDERSTANDING

Toronto, August 09, 1993

J.G. Cyopeck

Canpar Transport Ltd. Supervisors

The subject of Canpar Supervisors performing work normally done by members of the bargaining unit was discussed at the recently concluded negotiations.

Please be advised that your role as a Supervisor does not include the performance of these duties except in the case of emergency and for training purposes.

(signed)J. G. Cyopeck
President & C. E. O.

cc. Regional Managers
Nathalie Lapointe

APPENDIX "2"

June 10, 2004

From: P.D. MacLeod

To: All Operations Managers & Supervisors

Subject: Overtime

As a result of our meetings with the Union concerning Overtime, the following is what we agreed would happen as a result of those discussions. While we all agree that Overtime is a part of the business there are issues relating to Overtime that need to be addressed both on an individual employee and a terminal level.

While we agree that overtime is an inherent part of our industry we recognize circumstances may dictate that an employee may not be able to work overtime.

When employees have a valid emergency/ appointment or family obligation type situation I expect we will accommodate the employee's request to not work overtime on that day, when we are advised with notice. For example it is my understanding that in some cases an employee has advised the supervisor of a medical appointment and the request to not work overtime has been denied.

In those cases I expect we will attempt to accommodate the employee, if possible. I would expect the employee to give 48 hours' notice, if possible. Any request must be specific as to reason.

When requested by the Union these issues will be dealt with at the terminal level and may involve referral to the Senior Advisory Committee if necessary.

The Company will also provide an Overtime summary, by terminal, to be reviewed at meetings of the Senior Advisory Committee.

Paul MacLeod
Vice-President, Operations
Canpar Transport L.P.

cc: Nathalie Lapointe

APPENDIX "3" – Special Arrangements for Disabled Employee

Letter of Understanding concerning special arrangements for a physically disabled employee

CANPAR TRANSPORT LTD

August 10, 2001

Ms. N. Lapointe, President
T. C. Local 1976 (USWA)

Dear Ms. Lapointe:

This has reference to discussions during current contract negotiations regarding the desirability of undertaking special arrangements for an employee who becomes permanently physically disabled during the course of his employment and is unable to perform the regular duties of his assigned position and is unable to exercise his seniority on a position, which he is capable of performing.

This letter will confirm our understanding that, in such circumstances, the Vice-President Operations and/or the Vice-President Human Resources and the President of TC Local 1976 (USWA) will meet to see if arrangements can be made to provide employment to the employee concerned within the bargaining unit. The parties may by mutual agreement place a disabled employee on a position that his qualifications and ability allow him to perform, notwithstanding that it may be necessary to displace an able-bodied employee in the bargaining unit so as to provide suitable employment. The permanently assigned employee so displaced will be allowed to exercise seniority onto a position within the bargaining unit that he is qualified for and has the ability to perform.

An able-bodied employee shall not displace a disabled employee placed on a position so long as he remains on that position except when a senior employee is otherwise unable to hold a position within his seniority group.

Should the disabled employee subsequently recuperate, he shall be subject to displacement, in which case such employee will exercise seniority rights. When a senior able-bodied employee believes that the provisions of this letter will result in undue hardship, the President may discuss the circumstances with the company.

The above understanding is to provide guidelines for assisting disabled employees to continue to be employed.

If you are in accord with the above, would you please so indicate below.

Yours truly

Vice President, Human Resources

I concur: President, TC Local 1976 (USWA)

APPENDIX "4"

June 07, 2004

Ms. Nathalie Lapointe
President: Local 1976 USWA

RE: Route Vacancies

Dear Nathalie:

Further to our discussions at the recent meetings concerning unresolved issues from the collective bargaining sessions the following is what we propose concerning route vacancies.

- 1) It is understood that any P/D Driver who wishes to move from his route as assigned under Article 5.2.14 will advise the Company and the Accredited Union Representative in writing his/her wishes. Properly registered P/D Drivers may arrange route assignments due to their desire to work or not work overtime when mutually agreed to by the two drivers and subject to supervisor approval. Approval will not be unreasonably withheld.
- 2) When a route becomes vacant due to a resignation, dismissal, or position change of the person occupying it (i.e.: a successful bid on a different bulletin position) it will be offered to P/D Drivers who are qualified and have advised the Company of their desire to change routes as above (1) in seniority order.
- 3) There will be a probationary period of up to 30 days on the new route. If a Driver fails to successfully complete the probationary period, he/she will revert to the previous route they were assigned. The route will then be offered to the next senior Driver who has expressed an interest in changing routes.
- 4) A Driver changing routes accepts and must maintain the productivity and service standards established by the Company for the route.
- 5) Subsequent vacancies created by a route change (1-4) will be filled by assignment by the Company and not subject to the above process. In essence there will be one move only.
- 6) Nothing in this process attaches the route to a specific bulletin and the two remain separate.

Paul MacLeod
Vice-President, Operations
Canpar Transport L.P.

APPENDIX "5" Medical Reports

LETTER RE: MEDICAL REPORTS FOR RETURN TO WORK FROM ILLNESS

December 24, 2001

Ms. Nathalie Lapointe
President: Local 1976 USWA

RE: Medical Reports for return to work from illness

Dear Nathalie:

As discussed at the recent meetings the following is the Company's intention regarding the requesting of medical reports for return to work from illness.

Medical documentation to support a short-term absence will only be required of those individuals who have an absenteeism history or whose absence is suspect in the Company's opinion.

The request for medical support for the absence will be made in advance of the employee's return to work, preferably at the time the employee reports his/her absence.

The current practices regarding providing medical information for WCB and STD claims and where an employee's fitness for work is in question will remain unchanged.

Paul MacLeod
Vice-President, Operations
Canpar Transport Ltd

APPENDIX "6" Authorized Leave

LETTER RE: AUTHORIZED UNION LEAVE, INCLUDED IN THE CALCULATION OF VACATION ENTITLEMENT

October 2, 2009

Mr. D. Neale
Financial Secretary
TC Local 1976 USWA

Dear Dave,

The following LOA's for Union business are considered authorized leave for Union officers under Article 13.9 and will be included in the calculation of vacation entitlement. The request for such leaves will come from a Full time officer of the Local 1976 office.

- 1) Canpar Labour Management Committees including the Senior Advisory Committee and Joint User Guide meetings.
- 2) Canpar Joint Health and Safety Committee meetings.
- 3) Meetings where the Union Rep is requested by the Company to be present and assist (this is not disciplinary interviews but situations where the Company requests joint action to deal with problems/situations at the local level).
- 4) Canpar Employee Pension Board meetings.
- 5) Canpar Contract negotiations including: pre-negotiating meetings by the Union negotiation committee, ratification meetings with employees and ballot counting/scrutinizing of contract ratification votes.
- 6) USWA and Local 1976 annual conventions.
- 7) Up to another 10 days of CCS for authorized union business.

Sincerely,

Paul MacLeod

APPENDIX "7" Retaining Seniority

LETTER OF UNDERSTANDING RE: RETAINING SENIORITY ON TEMPORARY NON-BARGAINING UNIT WORK

June 10, 2004

Mr. Paul MacLeod
Vice-President, Operations
Canpar Transport L.P.
1290 Central Parkway West, Suite 500
Mississauga, ON L5C 4R9

Dear Paul:

It is the understanding of the Union that the Company at times has excepted or official temporary positions that last a duration of one (1) year. Further that at the end or before the end of that year the Company will determine if the position is to be continued and become a permanent position or be terminated.

The issue: An employee from the bargaining unit who is promoted to such a position would have to decide within six (6) months as outlined in Article 4.2.2 to revert back to the bargaining unit to retain his seniority rights or continue in the temporary position without benefit of collecting seniority rights if he was to return to the bargaining unit after six (6) months has passed from the time he was promoted. In order for an employee to retain seniority rights after the six (6) month period the employee must agree to the following terms before such an extension would be approved by the Union.

1. The employee must have made his request to the President of Local 1976 or his designate prior to the elapse of the six (6) month time frame as outlined in Article 4.2.2.
2. The employee must agree to remit to the Union a sum in accordance to the USWA International Constitution of his monthly gross earnings in lieu of dues on a monthly basis for the next six (6) months of the temporary position.

Should the temporary position be extended beyond a year by the employer: To retain his seniority rights the employee must continue to remit to the Union a sum in accordance to the USWA International Constitution of his monthly gross earnings in lieu of dues on a monthly basis. This practice will continue until such time the position is abolished at which time the employee would return to the bargaining unit with full seniority and would then pay dues as outlined in the Constitution of the United Steelworkers of America, or the position is made permanent at which time the employee would be removed from the seniority list unless said position becomes part of the bargaining unit before it is made permanent.

Respectfully yours,

David Neale
Financial Secretary
TC Local 1976 USWA

APPENDIX "8" LETTER RE: FONDS DE SOLIARITE FTQ

June 10, 2004

Mr. David Neale
Financial Secretary
TC Local 1976 USWA

Dear Sir:

Subject: Fonds de solidarité FTQ

Further to our discussions relating to the USWA's plan to implement a Registered Retirement Savings plan through the Fonds de solidarité FTQ for Canpar Transport employees in the Province of Quebec covered by the Collective Agreement, this letter will confirm that if such a plan is implemented, the Company will institute a payroll deduction for deductions from the affected employees upon receipt of a formal Union Authorization to this effect. Canpar will require that the Union hold the Company harmless from any claims, complaints, etc. as a result of the deductions.

Upon receipt of formal notification of implementation of a plan, I will contact you to discuss issues such as timing, deduction amounts and tax treatment of the contributions that will permit me to commence development of the necessary payroll deduction programming.

Yours Truly,

B.D. Neill
Vice President,
Human Resources

APPENDIX "9" LETTER RE: VANCOUVER OPERATION

October 2, 2009

D. Neale
Financial Secretary
Local 1976 USWA

Dear Dave,

In response to your suggestions concerning the Vancouver operation and specifically the lack of a pre-load I'd suggest we schedule an SAC meeting in Vancouver within 90 days of ratification of the new Collective Agreement and make this an agenda item for the committee to review.

Sincerely,

Paul MacLeod

APPENDIX “10” Closed Terminal Archive

From Article 4: Closed Terminal Archive

ONTARIO REGION

Northern District

- | | |
|---------------------------|-------------------------|
| 1. Nipigon (Closed) | 5. Kapuskasing (Closed) |
| 2. Wawa (Closed) | 6. Orillia (Closed) |
| 3. Kenora (Closed) | |
| 4. Rouyn-Noranda (Closed) | |

Northeastern District

- | | |
|------------------------|--------------------------|
| 1. Prescott (Closed) | 4. Peterborough (closed) |
| 2. Belleville (Closed) | |
| 3. Kingston (Closed) | |

Southwestern District

1. Chatham (Closed)

QUÉBEC REGION

Québec District

- | | |
|-------------------------|------------------------------|
| 1. Chibougamau (Closed) | 2. Carleton (Closed) |
| 3. Delson (Closed) | 4. St-George-Beauce (Closed) |
| 5. St. Jean (Closed) | 6. Rivière du Loup (Closed) |
| 7. Cowansville (Closed) | 8. Joliette (Closed) |
| 9. Ste-Thérèse (Closed) | 10. Rimouski (Closed) |
| 11. Gaspé (Closed) | 12. Forestville (Closed) |
| 13. Mont Joli (Closed) | 14. Sep-Îles (Closed) |
| 15. St-Jovite (Closed) | 16. Granby (Closed) |

MARITIME REGION

New Brunswick District

- | | |
|-----------------------|-------------------------|
| 1. Newcastle (Closed) | 2. Grand Falls (Closed) |
| 3. Edmunston (Closed) | 4. Moncton (Closed) |
| 5. Bathurst (Closed) | |

Nova Scotia District

- | | |
|--------------------|-------------------------|
| 1. Sydney (Closed) | 2. Bridgewater (Closed) |
| 3. Kentville | 4. Antigonish (Closed) |

Prince Edward Island District

1. Charlottetown (Closed)

Newfoundland District

- | | |
|----------------------------|------------------------|
| 1. Bishop’s Falls (Closed) | 5. St. John’s (Closed) |
|----------------------------|------------------------|

PRAIRIE REGION

Manitoba District

- | | |
|--------------------------------|-----------------------|
| 1. Dauphin (Closed) | 2. Steinbach (Closed) |
| 3. Portage La Prairie (Closed) | |

Saskatchewan District

- | | |
|------------------------------|---------------------------|
| 1. North Battleford (Closed) | 2. Swift Current (Closed) |
| 3. Prince Albert (Closed) | 4. Yorkton (Closed) |
| 5. Weyburn (Closed) | 6. Regina (Closed) |
| 7. Saskatoon (Closed) | |

MOUNTAIN REGION

Alberta District

- | | |
|----------------------------|----------------------------|
| 1. Hanna (Closed) | 2. Vermillion (Closed) |
| 3. Grande Prairie (Closed) | 4. Canmore (Closed) |
| 5. Edson (Closed) | 6. Westlock (Closed) |
| 7. Lethbridge (Closed) | 8. Medicine Hat (Closed) |
| 9. Red Deer (Closed) | 10. Fort McMurray (Closed) |

British Columbia District

- | | |
|---------------------------|-----------------------------|
| 1. Penticton (Closed) | 2. Dawson Creek (Closed) |
| 3. Vernon (Closed) | 4. Smithers (Closed) |
| 5. Prince George (Closed) | 6. Williams Lake (Closed) |
| 7. Terrace (Closed) | 8. Cranbrook (closed) |
| 9. Powell River (closed) | 10. Campbell River (Closed) |
| 11. Quesnel (Closed) | 12. Victoria (Closed) |
| 13. Kelowna (Closed) | 14. Kamloops (Closed) |
| 15. Castlegar (Closed) | 16. Nanaimo (Closed) |
| 17. Courtney (Closed) | |

APPENDIX "11" Closed Terminal Review

October 2, 2009

Mr. D. Neale
Vice President/Financial Secretary
Local 1976 USW

Dear Dave:

RE: Closed Terminal Review

Following the conclusion of a Memorandum of Agreement, the parties agree to establish a Joint Committee, composed of representatives of the Company and the Union, which is mandated to review the terminals identified in Appendix "N" of the Collective Agreement. The purpose of this review is to determine if there is an opportunity to re-establish a Company presence in any of those locations. The Company will not unduly withhold its agreement to review any location which is brought forward by the Union. The parties agree to use their best efforts in order to achieve a resolve, by mutual agreement, on items brought forward.

In reviewing items, the parties will take into account all of the factors that drive contracting decisions. These factors include economics, flexibility, capacity, equipment, quality, time constraints and customer requirements.

Where a business case cannot be supported to re-establish the Company's presence under the existing collective agreement terms and conditions, the parties may, by mutual agreement, modify such terms and conditions to achieve that result.

Yours truly,
Paul MacLeod
Vice President, Operations
Canpar Transport L.P.

APPENDIX "12" BEREAVEMENT LEAVE, ITS APPLICATION AND ENTITLEMENT

The purpose of the bereavement leave provisions is to grant the employee leave on a certain number of such days in the event of bereavement, and to ensure that he loses no pay on that account. It was agreed that at times there has been misunderstandings of what days are compensated for and which are not due to circumstances of vacation days, rest days, or statutory holidays at the time of bereavement. The important matter is that the bereavement leave is to be computed as commencing with the first full day of absence from work.

The days on which an employee is entitled to bereavement leave are "working days" - that is, days on which, save for some particular provision to the contrary, he would have worked. Thus, days of vacation and statutory holidays are counted in the calculation of bereavement leave, rest days are not.

For the clarification of 10 hour days – 3 day bereavement leave will be calculated on the basis of 30 hours and 5 day bereavement leave will be calculated on the basis of 40 hours.

APPENDIX “13”

LOCAL AGREEMENTS

October 2, 2009

It is the understanding of the Union and the Company that at times written “Local Agreements” are made or can be made to better fit a particular situation or matter at a single region for that region only.

A Local Agreement means an agreement between the local Union Representative and the appropriate Company Officer or their representatives when authorized and approved by the President of the Union and the Vice-President Operations.

Examples of issues that could be reviewed for a Local Agreement between the parties but not limited to are:

- Vacations
- Assignments of work
- Replacement for Annual Vacations or Vacant Positions
- Sickness
- Time of calls
- Overtime
- Banked Overtime
- Communications

Cancellation of Local Agreement

Either party may cancel the local rules following discussion with the President of the Union and the Vice-President Operations.

The Union and the Company concur with the above use of Local Agreements.

For the Union

For the Company

D. Neale
Vice President/FST

Paul MacLeod
Vice-President, Operations

APPENDIX "14" Communications

October 2, 2009

Mr. David Neale
Vice President/Secretary Treasurer
USW
Transportation Communications Local 1976
1031 Barton St. E.
Hamilton, Ontario
L8L 3E3

Dear Sir:

Re: Communications

During the recent negotiation, the issue of improved communications regarding advance notification of changes in the company's operation that would have an impact on employees. The company commits that, wherever possible, we will provide the union of as much advance notice as possible of any plans that could affect employees. In all cases of these types of changes, the company will advise the union prior to communicating with the employees.

Yours Truly,

B.D. Neill
Vice President,
Human Resources

APPENDIX "15"

October 2, 2009

Letter of Agreement

Mr. D. Neale
Vice President/FST
TC Local 1976 USW

Dear Sir:

In circumstances where an employee has a valid appointment or obligation scheduled during the work day, the employee may request that the lunch and coffee breaks (to a maximum of one hour) for that day be combined to allow the time necessary to attend the appointment. Any request must be made at least 48 hours in advance if possible, must be specific as to the reason and service schedules must be maintained. Approval will not be unnecessarily withheld. Any appointment location off the assigned route must also be approved by the Supervisor.

Yours Truly,

Paul MacLeod
Vice President, Operations

Appendix “16” BENEFIT PLAN COVERAGE APPEALS

October 2, 2009

Mr. Dave Neale
Vice President/Financial Secretary-Treasurer
TC Local 1976 USW
1031 Barton Street East
Hamilton, ON L8L 3E3

Dear Mr. Neale:

Re: BENEFIT PLAN COVERAGE APPEALS

The Employee Benefit Plan is provided in accordance with the terms of the Collective Agreement. The parties negotiate the benefit levels to be provided and it is the responsibility of the Company to provide the agreed upon coverage to eligible employees. There have been a number of instances when questions have arisen relating to the best way to handle appeals of decisions regarding payment of benefits. The insurance carrier has developed an appeal process and, as discussed, we have jointly decided that this is the procedure that should be used to handle disputes regarding entitlement to benefit payments. Following is the procedure to be followed:

It is agreed that disputes regarding eligibility, coverage, payment entitlement and other plan provisions are to be dealt with in accordance with Article 9(Grievance Procedure) of the Collective Agreement. Notwithstanding the procedural requirements of Article 9 it is agreed that the parties will utilize the appeals process offered by the benefit provider in lieu of Steps 1 and 2 detailed in Article 9 as follows:

Step 1 – All Claims

When an employee disagrees with a decision made regarding a claim, the employee or USW Unit Chair may file an appeal, within 14 calendar days of receipt of the original decision, outlining reasons for the appeal including full details and supporting medical evidence. This appeal must be sent to the benefit carrier’s representative handling the claim. In the event this representative maintains denial of the claim, the file will be referred to the representative’s Team Manager for assessment. A written decision will be provided to the employee.

Step 2 – STD (Short Term Disability) Claims Only

In the event the claim denial is upheld at Step 1, the USW Vice President may appeal the decision in writing, giving reasons for the appeal, to the benefit carrier’s representative within 28 calendar days following receipt of the Step 1 decision to deny the claim. The claim will be reviewed by a committee comprised of an independent Team Leader, the Associate or Regional Claims Manager and, if necessary, a medical consultant. A written decision will be provided.

In the event this committee maintains denial of the claim, the USW Vice President may request that the claim be referred to the Group Disability Resources Group for final appeal. This appeal must be made within 28 calendar days following receipt of the Step 1 decision to deny the claim.

If the claim appeal is not settled at Step 1 for non-STD claims or Step 2 for STD claims, it may be referred to arbitration in accordance with Step 3 of the grievance procedure.

In the event a claim is referred to arbitration, the employee will provide the parties with a signed waiver authorizing the release of all medical information relating to the claim and a complete copy of the file will be provided to the Company within 14 days of the arbitration referral being filed. In the event this information is not provided the matter will not be permitted to proceed to arbitration and will be considered as dropped.

Yours Truly,

Paul MacLeod
Vice President, Operations

I Agree:

Dave Neale
Vice President/Financial Secretary-Treasurer
TC Local 1976 USW

Dated at Hamilton, Ontario this ____ day of _____, 2009.

APPENDIX "17" Transfer of Work

**Letter of Understanding
between
Canpar Transport L.P. (THE COMPANY)
and
TC LOCAL 1976 of the United Steelworkers (THE UNION)**

Regarding the transfer of work from one seniority Group, District or Region to another seniority Group, District or Region

The purpose of this Agreement is to provide a process for the smooth and efficient transfer of work.

When it becomes necessary for the Company to abolish one or more positions from one seniority group and transfer the work to another seniority group, the following process will be put in place:

- The position to be transferred will be abolished in accordance with article 5.3 of the Collective Agreement
- Co-incidental with the abolishment of a position in one seniority group, the Company will establish a new position in the receiving seniority group, in accordance with article 5.2 of the Collective Agreement
- The position will be awarded in the following order:
 - the incumbent of the abolished position
 - the senior applicant holding a permanent position in the affected seniority group
 - the senior applicant from the receiving seniority group
- An employee exercising rights under this Letter of Understanding will transfer with full seniority and will continue to accumulate seniority in his former group. He may, however, return to his former group to any permanent vacancy for which he is qualified and senior, providing such vacancy occurs within one year from date of transfer
- The allocation of unused annual vacation for employees transferring from one group to another will be subject to discussion between the Management of the new offices and the Local Chairperson.

Should the foregoing accurately reflect your understanding of this matter, please indicate your concurrence in the space provided below.

Signed at Toronto on January 10, 2007

FOR THE COMPANY:

Paul MacLeod
Vice-President, Operations

FOR THE UNION:

David Neale
Vice-President, FST

Appendix "18" TERMINAL PROFITABILITY

October 2, 2009

TERMINAL PROFITABILITY

Following the conclusion of a Memorandum of Settlement the parties agree to establish a Joint Committee composed of representatives of the Company and the Union which is mandated to review instances of terminal profitability. Issues to be discussed but not limited to are:

- Job Sharing - E.I.
- own
- Part-time classification
- Progressive pension
- Reduced work week (3x12)
- Reduce work day
- Compress work week
- More 10 hour days
- Process to Address – non profitable terminals
- Owner-Operator concept
- Convert inter-line

FOR THE COMPANY:

FOR THE UNION:

Paul MacLeod
Vice-President, Operations

David Neale
Vice-President, FST

Appendix "19" Warehouse "A" Positions

Letter of Understanding regarding Warehouse "A" Positions

October 2, 2009

Mr. Dave Neale
USW 1976

Dear Dave,

Further to Article 4.2.4 and Warehouse A positions.

The Company bulletins Warehouse A positions for those positions which requires specific knowledge and training and the same person performing the work on a daily basis. For example: the company requires the same person to load delivery trucks in the preload operation on a daily basis to ensure the freight is sorted into the vehicle in a specific manner. That position would be bulletined as a Warehouse A position.

In the same operation we require employees to unload the trailer every day, however, it does not have to be the same person. It very well might be the same person but from the Company's perspective it could be any employee. This function would not require a Warehouse A bulletin.

I understand there is some concern that there may be some positions that should be bulletined as Warehouse A and currently are not bulletined.

The Company commits that within 90 days of ratification we will review any such positions that are brought forward to the Company and bulletins will be posted where appropriate.

Paul MacLeod
Vice President,
Operations

Appendix "20" Joint Committee

October 2, 2009

Following the conclusion of a Memorandum of Settlement, the parties agree to establish a Joint Committee composed of representatives of the Company and the Union which is mandated to review and implement a progressive retirement program, within 90 days of implementation.

The intent of progressive retirement is to permit employees who are eligible to retire, to reduce their work week in preparation for retirement.

Details concerning how progressive retirement would be developed will be addressed but not limited to are:

- Review and understanding the legislation
- Number of opportunities
- Eligibility to apply
- Phase and duration (reduced work week)
- Application and award process
- Payment
- Benefits
- Pension
- Annual Vacation
- Statutory or General Holidays
- Job reduction

FOR THE COMPANY:

Paul MacLeod
Vice-President, Operations

FOR THE UNION:

David Neale
Vice-President, FST

Appendix “21”

March 15, 2012

Mr. Dave Neale
Vice President & Secretary Treasurer
T. C. Local 1976 USW

Dear Mr. Neale:

This has reference to discussions during current contract negotiations with respect to the Union’s concerns regarding the adverse effects on employees in the event the Company closes terminal facilities.

Canpar Transport commits that in the event it becomes necessary to close a terminal facility, the company will meet with the union to discuss measures that can be implemented to minimize the adverse effect on employees. These measures will include discussions on ways to assist employees to transfer to other locations, assistance to find alternate employment and the possibility of severance payments to redundant employees.

Yours truly,

Brent Neill
Vice-President
Human Resources(Ont.)
TransForce

Appendix “22”

March 17, 2020

Incorporated Owner Operators will be made eligible to enroll in the Company Cargo Insurance Program. By enrolling, the Owner Operator(s) will assume the full cost of the premium to be made by payroll deduction. It is understood that the premium is not static, and subject to annual review, and by enrolling in the Company’s Cargo Insurance Program, the Owner-Operator(s) agree to pay the full cost of the premium. It is further agreed that any potential premium increase is not subject to dispute, or the grievance procedure.

Yours Truly

Larry Fuaco
Vice President, Operations

Appendix “23” Progressive Retirement

Memorandum of Agreement for the application of the Progressive Retirement at Canpar Express Inc.,

This letter refers to the implementation of the Progressive Retirement in accordance with the Letter of Understanding dated October 2nd, 2009 and more particularly to the details concerning the application of the progressive retirement.

The intent of progressive retirement is to permit employees who are eligible to retire to reduce their work week in preparation for full retirement. Details concerning how progressive retirement would work and how such opportunities will be awarded are outlined below:

1. Availability:

The Company and the Union will agree on the number of opportunities available for each locations;
or,

Awarding of Opportunities will be at the discretion of the Company depending on staffing needs;

2. Eligibility to apply:

To be eligible to apply for progressive retirement, employees must be eligible to apply for retirement (minimum age 55);

3. Phase and duration:

Employees may apply to reduce their work week to four (4) or three (3) days per week on their current permanent position or another arrangement for the duration of the progressive retirement. The work week may also be reduced from four days to three days during this period. The duration of the phased retirement will cease when the employee reaches 65 years old or quit the Company's service.

Note: To be eligible for the Progressive Retirement Program the employee will have to agree to retire at 65 years old.

4. Application & Award Process:

If an eligible employee desires to take advantage of this provision, the employee may apply to the Company indicating when he would wish to start the Progressive Retirement and which day(s) they are seeking to reduce and when. In order to properly evaluate the request, such requests should be made 30 days in advance of when the employee would wish to start Progressive Retirement.

A mutual agreement between the Company and the Union will be required for the approval of each request.

The request will be evaluated in light of the staffing needs. If more than one application is received, they will be awarded in order of seniority.

The Company will confirm the start date of the phase, the number and which day(s) on the assignment that will be reduced. Confirmation will also be provided to the Local Chairperson.

5. In order to collect his/her pension, an active employee will have to sever his/her service with the Company then the employee will be re-hired to work on a reduce workweek;
6. For the application of the progressive retirement, the employee who resigns and who is re-hired within three (3) months of his resignation will have his/her former seniority date recognized for:
 - a. Annual vacations;
 - b. Rates of pay;
 - c. Benefits.

Administration

In order to administer these arrangements, the following items are provided for clarification.

Payment

- Employees will be paid on an hourly basis as per the terms of the collective Agreement;

Benefits

- Employees participating in Progressive Retirement will have the following options regarding Canpar benefit plans:
 - Benefit Top-up - The Company and the employee share the costs of extended health & welfare, dental and life insurance benefits outlined in the USW benefit plan. This share will be based upon the number of hours worked. For example, if an employee works 4 days per week (80%) the Company will pay for 80% of the cost of these benefits and the employee will pay for 20%. This amount will be deducted from the employee's paycheque. The amount will be confirmed prior to the employee accepting Progressive Retirement and will be based upon the costs for the benefits for USW represented employees. Note that this is in addition to any deductible payment required under the plan;
 - Opt out of the Canpar benefit plan.

Annual Vacation

- Generation of Entitlement while on Progressive Retirement:
 - Terms of the Collective Agreement will apply.
- Taking of Annual Vacation:
 - Employees participating in Progressive Retirement will be granted Annual Vacation based on the previous year's entitlement up to the maximum number of weeks of that entitlement as per the terms of the Collective Agreement. For example, an employee working 3 or 4 days/week who is entitled to 6 weeks annual vacation will be granted only six calendar weeks' vacation, however, they will be paid for 30 days of Vacation for that period.

Statutory Holiday:

- For employees participating in Progressive Retirement, payment for Statutory Holidays will be governed as follows:

Employees who work the Holiday ~~or~~ are entitled to time and one-half for the actual hours worked **plus** 1/20th of the wages earned in the four-week period immediately before the week in which the holiday occurs **OR** regular wages for the actual hours worked **plus** a holiday with pay at a later date.

- An employee not required to work will be paid 1/20th of the wages earned in the four-week period immediately before the week in which the holiday occurs

Seniority & Dues

- Under this arrangement, Seniority will be protected and Dues will be deducted as per the terms of the USW Constitution.

Staff Reductions

- Reduction in staff will be done in accordance with Article 5.3 of the Collective Agreement unless otherwise mutually agreed.

Bereavement Leave

- Employees participating in Progressive Retirement are entitled to Bereavement Leave. For clarity, such leave will not be moved to working days.

General Provisions

Both Parties recognize that the Progressive Retirement program is new to Canpar and that the USW agreement governs multiple worksites with different schedules, hours of work and practices. As such these programs may need to be altered to obtain the desired outcomes. Accordingly, the parties agree that the terms of the program will not form part of the collective agreement and may be modified upon mutual agreement to meet the needs of each work location.

In implementing this program, representatives from the Company, USW and local management will meet as required to review issues and assess the programs.

Agreed in Toronto on June , 2016

David Neale
Vice-President/Financial Secretary
TC Local 1976 (USW)

/ Ping Yan
Sr. Vice-President, Operations
Canpar Transport L.P.

ARTICLE 40: HUMAN RIGHTS

The company and the Union agree that there shall be no discrimination, interference, restriction or coercion permitted in the workplace with respect to race, nation or ethnic origin, color, religion, age, sex, marital status, family status, sexual orientation, disability or conviction for which a pardon has been granted.

Harassment is any conduct based on any of the grounds listed above that offends or humiliates and is a type of discrimination. Harassment will be considered to have taken place if it reasonably ought to have been known that the behavior was unwelcome or inappropriate in the work place.

Harassment may take many forms, including: threats, intimidation, verbal abuse, unwelcome remarks, innuendo, offensive and inappropriate material, hate literature, offensive jokes.

Sexual Harassment is any unsolicited and unwelcome conduct, comment, gesture or contact of a sexual nature that is likely to cause offence or humiliation or might be perceived as placing a condition of a sexual nature on conditions of employment, including any opportunity for training or promotion.

Sexual Harassment may include but is not limited to: suggestive remarks, jokes, innuendos, or taunting in a sexual context; unwanted touching; leering; compromising invitations; displaying of pornographic or other offensive or derogatory pictures or material of a sexual nature; sexually degrading words used to describe a person or a group; derogatory or degrading words regarding gender or sexual orientation, or directed towards members of one sex or one's sexual orientation; sexual assault.

The Company and the Union recognize that harassment or sexual harassment is unacceptable behavior and will not be tolerated in the workplace. The Company has a Discrimination and Harassment Policy. Employees with questions may contact the vice-president, Human Resources. Collect calls will be accepted.