THIS AGREEMENT IS MADE AS OF AND EFFECTIVE FROM THE 1ST DAY OF SEPTEMBER, 2016 (the "Agreement").

BETWEEN:

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Miscellaneous Employees, Teamsters Local Union No. 987 of Alberta

Edmonton, Alberta (the "Union")

- and -



TappCar Inc.

A corporation resident in the City of Edmonton In the Province of Alberta, (the "Company")

COLLECTIVE AGREEMENT

Section 1 PURPOSE

- 1.1 The parties agree that the drivers performing services contracts for service with the Company share common concerns and objectives regarding the conditions under which those services will be provided and the terms of their relationship with the Company. The Company recognizes and acknowledges the Union as the exclusive bargaining agent for all the drivers of the Company working in Alberta and agree to enter into this Collective Agreement.
- 1.2 The purpose of this Agreement is to:
 - (a) Maintain harmonious and mutually beneficial relationships between the Company and the drivers that the Union represents;
 - (b) Incorporate the terms and conditions of the owner-operator agreement and technology services agreement (hereinafter referred to as the "TSA");
 - (c) Set forth other terms and conditions of relationship which affect the drivers covered by this Agreement;
 - (d) Facilitate the promotion of the Company and drivers by the Union;
 - (e) Maintain the quality of the services provided by the Company, maintain professional standards, and promote the well-being and productivity of the drivers; and
 - (f) Maintain and foster an effective working relationship at all levels of the Company.
- 1.3 The word "driver" wherever used in this Agreement shall mean any or all owner-operator drivers pursuant to the TSA of the members of the Bargaining Unit as defined in Article 2.01, except where the context otherwise provides. The word "Company", wherever used in this Collective Agreement, shall mean TappCar Inc. A "Full-Time driver" shall be defined as an owner operator driver who has during the course of a calendar week:
 - (a) Completed 10 or more hours with a passenger on board; and
 - (b) Been on-line and available to accept a fare for more than 40 hours; and
 - (c) Has not declined more than 2.5% of the total fares assigned or accepted by that driver.
- 1.4 All other owner operator drivers shall be defined as a "Part-time driver".
- 1.5 The Union agrees that the TSA is incorporated into this Agreement and agrees that the TSA may be changed from time to time with agreement by the drivers.
- 1.6 The Union agrees that there shall be no limit on the number of drivers.

1.7 In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders.

Section 2 UNION RECOGNITION

- The company agrees to recognize and does hereby recognize Teamsters Local Union No. 987 as the sole Bargaining Agent for collective bargaining purposes for the Bargaining Unit. The Bargaining Unit shall be defined as "all drivers".
- 2.2 In order to provide an orderly and speedy procedure for the settling of disputes, the Company acknowledges the right of the Union to appoint or elect Shop Stewards, whose duties shall be to assist any driver whom the Shop Steward represents, in preparing and presenting in accordance with the Arbitration and Grievance Procedure.
- 2.3 The Company shall designate bulletin boards for the use of the Union in a conspicuous place for the purpose of posting routine Union bulletins and notices. An authorized Agent of the Union shall have reasonable access to the Company's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, and ascertaining that the Agreement is being adhered to.

Section 3 MANAGEMENT RIGHTS

3.1 The Union acknowledges that it shall be the exclusive right of the Company to operate and manage the business in all respects according to the TSA, unless otherwise provided by this Collective Agreement. The Company reserves all rights not specifically restricted by the provisions of this Collective Agreement.

Section 4 SOLE AUTHORITY

4.1 The TSA and this Agreement shall be the sole authorities governing the relationship between the Company and drivers.

Section 5 UNION INFORMATION

- 5.1 All drivers shall as a condition of continued service maintain Union membership in good standing. For the purpose of this Agreement, Union membership in good standing will mean payment of all dues, Advancement Fund and pension contributions, required by the Union from time to time, as agreed between the Union and the Company. All drivers will complete a "Union Remittance Authorization Form" prior to commencement of service. The Company must then promptly forward such completed form to the Union office. Dues Authorization Cards shall remain in effect during the term of a driver's service with the Company.
- 5.2 The Company will remit from each driver covered by this Collective Agreement, monthly dues in the amount certified by the Union to the Company, in writing. Such remittances

shall be made monthly and forwarded to the Union office within fifteen (15) calendar days from the end of the month in which the remittances were completed. The parties will exchange information of all active and non-active drivers in a mutually acceptable format and changes made/amended to be confirmed by the parties.

- 5.3 All drivers shall, as a condition of continued contract for service, authorize the Company to remit the amount equal to the Local Union's initiation fee. The Company agrees to remit such monies so remitted to the Office of the Local Union along with a list of the drivers from whom the money was collected at the same time as the Union dues are remitted.
- 5.4 The format of drivers list exchanged as stated above shall include the drivers name, social insurance number, start date, residential address, mobile telephone number and date of birth. The Union will be advised monthly o changes in the above information.
- 5.5 The remittance of Union dues shall be made for every driver.
- 5.6 The first remittance of the Union dues shall be due for the month of September, 2016.
- 5.7 The Company will forward payment of all dues, initiation fees, fines, assessments, and other fees (the "Union Assessments") required by the Union from time to time as advised by the Union.

Section 6 CONTRACTING OUT BARGAINING UNIT WORK

- 6.1 The Company shall not contract out Bargaining Unit work. Bargaining Unit work is defined as all driving duties.
- 6.2 Management or any other persons outside the Bargaining Unit shall not normally perform the Bargaining Unit work, unless such work is required by legal agreements signed by the Company.

Section 7 UNION REPRESENTATION

- 7.1 The Union shall notify the Company in writing of the names, addresses, phone numbers, and positions of the persons authorized to represent the Union and/or the drivers for the purpose of this Agreement. Furthermore, the Union shall notify the Company in writing of any changes in these names.
- 7.2 The Union agrees to assist in educating the drivers on their requirements as owner operators in providing their contract for services to the Company in remitting source deductions, worker's compensation, goods and services tax, and any other tax or legislative or regulatory requirements.
- 7.3 Once per year, unless as otherwise required under this Agreement, a driver, and/or Business Agent, with the written consent of that driver, shall have access to any report,

complaint, and/or personnel records that may be contained in that drivers file, at reasonable times on ten (10) working days' notice, and shall upon request, be supplied with copies of any document found therein provided there is due reason to view the file.

- 7.4 Any reply by the driver and/or the Business Agent under the Arbitration and Grievance Procedure shall form part of the driver's record. It is agreed and understood that access to personnel records shall not be unreasonably denied. The Company shall correct any personal information found therein to be inaccurate.
- 7.5 Upon the Union giving one (1) day's written notice, Saturday, Sunday and Statutory Holidays not included, the Company will broadcast notice(s) of Union meetings across the dispatch system (or integrated email/phone system) once each day for the 2 days prior immediately preceding and the day of the Union meeting. There shall be a limit of one such meeting every six (6) weeks.
- 7.6 Upon written request from the Business Agent of the Local Union, an unpaid leave of absence shall be granted:
 - (a) To drivers for the purpose of attending Union functions, including but not limited to conventions, schools, seminars, or other functions excluding matters arising from the administration of this Agreement.
 - (b) The Union shall give at least two (2) days' notice prior to the intended leave for any leave pursuant to sub Section (a) of this Clause and sub Section (b) only applies to days of negotiation with the Company and no notice is necessary.
- 7.7 Upon written request from the Business Agent of the Local Union, a leave of absence shall be granted to a maximum of two drivers for the purpose of attending contract negotiations with the Company. The Company shall provide a full day's net business income, averaged over the previous ten (10) day period, for all negotiating days for the negotiating Committee, to a maximum of ten (10) days. Only those drivers selected for the negotiating meeting shall be in attendance.
- 7.8 Leaves of absence for Union business shall be granted, on an unpaid basis, to a driver who is engaged in full time Union activity. The parties agree that seventy-two (72) hours' notice shall be given prior to any leave.
- 7.9 Union Representatives or Stewards shall be entitled to book off the dispatch system and/or leave their work during working hours in order to carry out Union business as they may be advised by the Union.

Section 8 FINES AND PENALTIES FOR CONTRACTUAL BREACH

8.1 The TSA sets out the fines and penalties for breaches of the TSA. Records of any fines or penalties of a driver shall be kept on file for a period no longer than two (2) years from

- the date of the breach of contract. No fines or penalties issued older than two (2) years shall be used against the driver.
- 8.2 Drivers shall have the right to have a Steward present at any meetings with Management that could result in termination of the TSA by the Company with a particular driver. If a Steward is unavailable for the aforementioned meeting, the driver may have another driver of his/her choice who is at work and available attend in lieu of a Steward.

Section 9 NON-DISCRIMINATION

9.1 The parties agree that there shall be no discrimination within the meaning of the Alberta Human Rights Act against any driver by the Union or the Company by reason of race, religious beliefs, colour, gender, gender identity, gender expression, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation. The Union and the Company further agree that there will be no intimidation, discrimination, interference, restraint or coercion exercised or practiced by either of them or their representatives or members, because of a driver's membership in a Union or because of his/her activity or lack of activity in the Union.

Section 10 STRIKES, LOCKOUTS, PICKET LINES AND LABOUR DISPUTES

- 10.1 The Union agrees there shall be no strikes or work stoppages and the Company agrees there shall be no lockouts so long as this Agreement continues to operate.
- 10.2 It shall not be considered a violation of the TSA or this Agreement, however, if any member of the Union should refuse to deliver or pick-up passengers from or to any project or location when an actual work stoppage or strike exists and a picket line or placard line has been established for the purpose of communicating the fact of such work stoppage or strike at a place in circumstances where the driver reasonably believes the delivery or pick-up to be unsafe.
- 10.3 Failure to cross a picket line or handle struck goods shall not be considered a breach of the TSA or otherwise be a violation of this Agreement as long as the driver is refusing to cross a picket line only at a place and in circumstances where the driver reasonably believes the pick-up to be unsafe.

Section 11 DISPATCH

- 11.1 Drivers shall be dispatched in accordance with the TappCar mobile app.
- The Company shall ensure that all requests, calls, trips and contracts for driver service, are dispatched through the dispatch system of the Company.
- 11.3 Customers may have the ability to select specific drivers.

- 11.4 The Company shall ensure that dispatchers, phone staff, or supervisors do not give preferential treatment to any individual in respect of dispatch services.
- 11.5 The Company shall ensure that the following important messages are relayed to its drivers as soon as possible:
 - (a) Emergency message;
 - (b) Call office;
 - (c) Call partner;
 - (d) Call garage;
 - (e) Call Union; and
 - (f) Call home
- 11.6 The Company shall ensure accurate records of each incoming/outgoing trip are recorded by the following method where possible:
 - (a) All trips will be recorded on accurate booking sheets for all trips and to be kept in the office for review by Company Management. This includes pre-booked and ondemand trips;
 - (b) Each sheet will be numbered for ease in identifying should a specific booking go missing;
 - (c) Each sheet will contain the following information:
 - (i) Customer name and phone number if available;
 - (ii) Pick up location and destination if known;
 - (iii) Date/time; and
 - (iv) Unit dispatched.
 - (d) The Company may also utilize electronic record keeping provided the above referenced information is recorded and available for inspection;
- 11.7 It is understood and agreed that driver safety is important to the individual driver and to the industry as a whole. A driver shall, as per provincial and municipal legislation or regulation, only have the right to refuse to transport customers/fares where if, based on the circumstances, the driver reasonably believes there is a danger to the driver's personal safety or serious damage to property.

Section 12 TECHNOLOGICAL CHANGE

12.1 In the event of any technological change the Company shall make reasonable efforts to notify the Union forthwith and where possible and practicable.

Section 13 SENIORITY

- 13.1 Seniority is the total length of continuous service by an owner operator driver with the Company, within the Bargaining Unit. Seniority dates for drivers with identical starts date shall be determined by random draw. The Union will be responsible for the execution of the draw.
- 13.2 Seniority lists shall be posted by the Company as required. The Company shall also supply sufficient copies to the Stewards and the Union Business Agent.
- 13.3 Absence due to bona fide illness or injury shall not be cause for discharge or loss of seniority providing the Company is notified of such illness or injury as early as possible. The driver shall notify the Company when he/she is able to return to work. The Company may reserve the right to require medical certification that the driver is fit to return to work or where the driver has requested an accommodation due to medical reasons.

Section 14 COMMITTEES

- 14.1 A Policies and Procedures Manual Committee ("PPM Committee") consisting of up to three (3) Representatives from the Union and up to three (3) representatives from the Company shall be appointed.
 - (a) The PPM Committee shall meet at mutually agreeable times upon the request of either party within thirty (30) days. The parties shall endeavour to meet at non-peak period times for the drivers.
 - (b) It is understood that the Committee members representing the Company will not be Union members.
 - (c) The PPM Committee is a consultative body only and does not limit the Company's powers to change the PPM but the PPM in no way can override the terms of the TSA.
- 14.2 The Company acknowledges that any policies or procedures in the PPM are subject to the Arbitration and Grievance Procedure but only in respect of whether or not the provisions in the PPM have been properly applied.
- 14.3 The rules established by the PPM Committee shall be binding on both parties, and form an integral part of this Collective Agreement.
- 14.4 Members of PPM Committee shall be credited for time spent in attendance at any meetings convened by the Company:
 - (a) The Committee members (if drivers) present shall be credited twenty (\$20.00) dollars per hour payable upon their next billing period.

14.5 The Company shall establish a Joint Management Committee with the Union Stewards and/or Business Agents of the Union which shall meet at mutually agreed upon dates and time.

Section 15 SAFETY AND HEALTH

15.1 The parties hereto understand and agree that driver safety is important. The Company and all drivers agree to fulfil their mutual obligations in accordance with this understanding. The Company will continue to welcome safety recommendations from drivers and will encourage them to pursue during working hours practices that promote safety and health.

Section 16 INSURANCE AND REGISTRATION

16.1 Upon request, the Company will provide the Union with relevant information regarding the insurance policy related to automotive insurance, except in relations to the cost of insurance.

Section 17 DRIVERS, UNITS AND SUCCESSION

- 17.1 The parties hereto acknowledge that the Company requires a sufficient number of vehicles working to ensure the Company can meet its contractual obligations.
- 17.2 It is agreed a driver will have the option to lease or rent his or her vehicle to a Company approved driver.
- 17.3 It is agreed that mechanical inspections shall be required by the driver per the respective legislation.

Section 18 ARBITRATION AND GRIEVANCE PROCEDURE

- 18.1 A grievance shall consist of a dispute concerning the interpretation and/or application of any Clause in this Agreement. If any question arises as to whether a particular dispute is or is not a grievance within the meaning of these provisions, the question may be taken up through the Arbitration and Grievance Procedure and determined, if necessary, by arbitration.
- 18.2 The Arbitration and Grievance Procedure does not apply to disputes arising from the TSA. The Union acknowledges that any disputes involving the TSA shall be determined by the Arbitration provisions within the TSA.
- 18.3 The Union and Company agree that grievances shall be dealt with in a timely manner and that every effort shall be made to keep delays to a minimum.
- 18.4 Grievance:

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- (a) Any difference of interpretation or violation of any one (1) of the stipulations or working conditions of this Agreement by the Company, Union or by any one (1) of the drivers covered by this Agreement may be considered as a grievance provided the said grievance is filed in writing within thirty (30) calendar days following the grieving party acquiring knowledge of the facts or decision.
- (b) Any complaint or grievance arising directly between the Company and the Union shall be submitted in writing and initiated under Step Two of the Arbitration and Grievance Procedure.
- (c) Where a grievance is not filed within the time lines provided for above, on the pretence of being unaware of the facts, the grieving party shall have to prove that he/she was not aware of the said facts. When a grievance is presented, it must describe the nature of the said grievance and specify the Clause or Clauses that has or have been infringed.
- (d) Any driver who has a problem concerning the interpretation and/or application of any Clause in this Agreement must try to resolve it with management, accompanied by his/her Shop Steward before filing a written grievance.
- 18.5 First Step: the affected driver and/or the Shop Steward shall file the grievance with the department authorities or to the immediate superior whose written answer must be rendered within the following seven (7) business days. Copy of said answer shall be given to the Union and the Shop Steward.
- 18.6 Second Step: within seven (7) business days following the decision in Step One, the Steward and driver concerned with the grievance and an official of the Union shall meet with a representative of the Company. The grievance shall be presented in writing. The decision of the Company shall be given in writing within seven (7) business days following this meeting.
- 18.7 Third Step: failing a settlement, the grievance may be submitted to arbitration by one (1) party or the other, if the grieving party informs the other within fourteen (14) calendar days following the completion of the second step described in above of his intention to submit said grievance to arbitration.
- 18.8 Time Lines, Decision, Expenses and Fees:
 - (a) In the event where the Company neglects to answer the grievance submitted in writing within seven (7) business days from the receipt of said grievance, the grievance shall be moved to the next procedural step in the Arbitration and Grievance Procedure.
 - (b) The time lines provided herein may be extended by the parties upon written or email mutual agreement.

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- (c) If the parties cannot agree on an arbitrator, the grieving party shall apply to the Director of Settlement with the Alberta Labour Relations Board in order to appoint one (1).
- (d) The arbitrator having heard the grievance is obligated to render and send his or her decision to the parties as soon as possible.
- (e) The parties assume their own costs and expenses as well as those of their representatives and witnesses.
- (f) The arbitrator has no discretion to alter or amend the Collective Agreement or the TSA.
- 18.9 All monetary grievances mutually agreed upon shall be paid as determined.

Section 19 ARBITRATION

- 19.1 When either party requests that a dispute be submitted to arbitration as herein before provided, it shall notify the other party in writing. Both parties will agree on a number of available dates that are suitable for them.
- 19.2 No person may be appointed as an arbitrator who has been involved in an attempt to settle the grievance, unless mutually agreed upon.
- 19.3 The Arbitrator shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in this Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement. The Arbitrator, however, shall have the power to vary or set aside, any penalty or fine imposed relating to the grievance then before him or her.
- 19.4 Each of the parties hereto shall equally bear the fees and expenses of the Arbitrator.
- 19.5 The proceedings of the Arbitration will be expedited by the parties hereto and the decision of the Arbitrator shall be final and binding upon the parties hereto and the driver concerned.
- 19.6 Reimbursement: when an arbitration decision shall require a reimbursement by the Company to the driver, it shall be made in accordance with the provisions of Article 20.05 herein.
- 19.7 As an alternative to the Arbitration process set out in the foregoing paragraphs, a grievance may be referred to a previous Arbitrator who shall hear the grievance and who shall at the conclusion of the hearing, give a decision immediately. Such decisions may not be used to alter, modify, or amend any part of the Collective Agreement, and are made without precedent or prejudice to similar or like cases. Such a decision shall be final and binding upon both parties and no further action may be taken on that grievance by any means whatsoever.

- 19.8 To maintain the efficiency of this expedited process, and as necessity warrant's, the parties shall schedule a minimum of one (1) day of arbitration every three (3) months, except in those circumstances where either party deems it necessary to schedule the arbitrator more frequently.
- 19.9 The parties shall share equally the fee and expenses of the persons selected to hear the expedited arbitration cases.
- 19.10 At all expedited Arbitration hearings, the Company shall be represented by a member of their Management and the Union shall be represented by a Union staff representative or an officer/steward of the Local Union.
- 19.11 The Union shall forward to the representative of the Company a list of the expedited grievances to be heard on the day or days scheduled for the hearing of grievances according to the expedited Arbitration procedure. The aforementioned list shall be forwarded to the representative of the Company no later than ten (10) working days in advance of the hearing unless otherwise mutually agreed.
- 19.12 By exception, a party may call one (1) witness at an expedited Arbitration.
- 19.13 Prior to proceeding to formal or expedited arbitration, and at least thirty (30) days prior to the date of arbitration the parties may, upon mutually agreement, request that any grievance be referred to a grievance mediation officer for the purpose of attempting to mediate a settlement of the grievance. The parties shall share equally the fee and expenses of this officer.

Section 20 BENEFITS PLAN

- 20.1 Within three (3) months of October 1, 2016, the Company agrees to provide and pay one hundred (100%) percent of the Benefits Plan costs for a Full-Time driver who has fulfilled has been with the Company for more than three months.
- The Company determines in its sole discretion the parameters of the Benefits Plan, which shall include components of dental coverage and prescription drugs.
- 20.3 The Company may provide family coverage for Full-Time drivers but such drivers will be required to contribute to the family coverage.
- 20.4 It is understood the Benefit Plan summary will be provided to drivers when Plan details are finalized with a provider. The Union agrees to assist the drivers in the application for benefits.

Section 21 PARAMOUNCY

The Union acknowledges that the Company will seek rights to operate at locations across the Province of Alberta (hereinafter the "Location Agreements").

21.2 The Union agrees that the terms and conditions of the Location Agreements are paramount. To the extent a term and provision of this Collective Agreement conflicts with the provisions of the License agreement, the provisions of the License agreement are paramount and the term of the Collective Agreement which conflicts will have no force or effect.

Section 22 TRANSFER OF TITLE OR INTEREST

- 22.1 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event the entire operation or any part thereof is sold, leased, transferred, or taken over by sale, transfer, lease assignment, receivership, or bankruptcy proceeding, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof.
- The Company shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, or assignee of all or part of the business of the Company covered by this Agreement and shall advise any such purchaser, transferee, lessee, or assignee of the provisions of Section 44 and 45 of the Alberta Labour Relations Code. Within forty-eight (48) hours of the closing of any sale, transfer, lease, or assignment of all or any portion of the business of the Company covered by this Agreement, the Company shall notify the Union of such sale, transfer, lease, or assignment and provide the Union with a copy of the notice hereinbefore referred to.

Section 23 ACCRETION CLAUSE

23.1 It is the mutual intent of both the Company and the Union that should the Company open new (or newly acquired) operations, expansion, licensed franchisee, facility that performs work that is similar or related to work now being performed in operations covered by this agreement outside the Province of Alberta, that the Union will be given first opportunity to be voluntarily recognized or to be provided access to drivers to organize and certify such drivers under the jurisdiction of the geographically applicable Labour Relations Act or Labour Authority, including the United States, where possible.

Section 24 ADVERTISING

- 24.1 Each driver and the Union shall have the option to seek advertising to be displayed inside and on the exterior of the vehicle. All advertising must have prior approval of the Company. The Company and the Union agree to negotiate the distribution of advertising revenue.
- 24.2 Notwithstanding the above, where the Company secures advertising funds, the Company is entitled to allocate the revenues as it sees fit.

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Section 25 TERM OF AGREEMENT

- The term of this Agreement shall be six (6) years and the Agreement shall be binding upon both parties from this 1st day of September, 2016 to the 31st day of August, 2022.
- 25.2 If no notice of extension is given or at the conclusion of the Additional Term, thereafter this Agreement shall continue in force from year to year thereafter subject to the right of either party to this Agreement not less than sixty (60) days and not more than one hundred and twenty (120) days prior to the termination date of this Agreement, to give notice in writing to the other party requiring the other party to commence collective bargaining with a view to conclusion of a renewal or revision of this Agreement. If neither party provides notice in accordance with this provision, the Agreement shall continue in full force and effect for one (1) additional year and from year to year thereafter until notice is served by either party.
- 25.3 This Agreement may also be modified before the expiry of the Agreement by mutual consent.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

On behalf of the Company TappCar Edmonton, AB

Jonathon Wescott

Executed on: September 24, 2016

On behalf of the Union
Miscellaneous Employees,
Teamsters Local Union 987 of Alberta

Edmonton, AB.

David Froelich

Executed on: September 24, 2016