

COLLECTIVE AGREEMENT

BETWEEN:

MATTHEWS EQUIPMENT LIMITED
Operating as
Herc Rentals
Fort McMurray, AB
(hereinafter referred to as the "Company")
PARTY OF THE FIRST PART,

AND:

GENERAL TEAMSTERS, LOCAL UNION NO. 362
affiliated with the
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(hereinafter referred to as the "Union")
PARTY OF THE SECOND PART.

November 1, 2018 – March 31, 2021

TABLE OF CONTENTS

| | |
|--|----|
| PURPOSE | 1 |
| UNION RECOGNITION | 1 |
| MANAGEMENT RIGHTS | 1 |
| UNION CO-OPERATION and REPRESENTATIVES | 1 |
| SHOP STEWARD | 1 |
| UNION SECURITY | 2 |
| PROBATION | 2 |
| CLOTHING and BOOT ALLOWANCES | 3 |
| NO STRIKES or LOCKOUTS..... | 3 |
| GRIEVANCE PROCEDURE | 3 |
| ARBITRATION | 4 |
| HOURS of WORK, SHIFT, and OVERTIME..... | 4 |
| REPORTING PAY and CALL-IN | 6 |
| RATES of PAY | 7 |
| HEALTH and WELFARE and PENSION PLANS..... | 9 |
| PAYMENT CONDITIONS..... | 10 |
| STATUTORY HOLIDAYS..... | 10 |
| VACATIONS..... | 10 |
| LEAVE of ABSENCE | 11 |
| BEREAVEMENT LEAVE..... | 11 |
| JURY DUTY | 11 |
| LAYOFFS & RECALL | 12 |
| UNION MANAGEMENT COMMITTEE MEETINGS..... | 12 |
| TRAINING | 13 |
| TEAMSTER/UNION INDUSTRY ADVANCEMENT FUND | 13 |
| SAVING CLAUSE..... | 13 |
| TERM of AGREEMENT | 13 |
| LETTER OF UNDERSTANDING #1 | 14 |
| LETTER OF UNDERSTANDING #2 | 15 |

Any reference to the masculine gender within this Agreement shall be deemed to apply equally to the feminine gender.

ARTICLE NO. 1 - PURPOSE

- 1.01 The Company and the Union agree that the purpose and intent of this Agreement is to promote co-operation and harmony, to recognize mutual interest, to provide a channel through which information and problems may be transmitted from one to another, to promote efficiency and service, and to set forth herein the rates of pay, hours of work, grievance procedures, and other agreed conditions of employment.
- 1.02 The Parties recognize the right of all employees to work in an environment free from harassment, sexual or otherwise, as outlined by Company policy.

ARTICLE NO. 2 - UNION RECOGNITION

- 2.01 The Company recognizes the Union as the exclusive bargaining agent for all employees of the Tool Rental and Sales Division in Fort McMurray, Alberta, as noted in the Certificate dated May 18, 2000, issued by the Alberta Labour Relations Board.

ARTICLE NO. 3 - MANAGEMENT RIGHTS

- 3.01 The management of the business is vested in the Company, and limited only to the provisions of this Agreement and Provincial laws, including but not limited to: the direction of the working force; the right to plan, direct and control operations; hire; promote; demote; suspend or discharge for just cause; relieve employees from duty because of lack of work; to study or introduce new or improved production methods or facilities; to determine shifts to be worked; to determine products or services to be sold; to determine the locations of business; establish and maintain rules and regulations covering the operation.

ARTICLE NO. 4 - UNION CO-OPERATION and REPRESENTATIVES

- 4.01 The Union agrees to uphold the rules and regulations of the Company in all respects, and to co-operate in maintaining and improving safe working conditions and practices, including cleanliness and housekeeping.
- 4.02 The Business Representatives of the Union shall have access to the premises of the Tool Rental and Sales Division, to conduct normal business, but in no case shall the visits interfere with the progress of the work. He shall first notify the Manager, or other supervisory personnel of the Company.
- 4.03 The Company agrees to recognize a Shop Stewards as may be required and appointed by the Union, (one (1) Shop Steward and one (1) alternate Shop Steward per shop/location) from amongst the employees, and no discrimination shall be shown against him/her for carrying out his/her duties as recognized Shop Steward. It is agreed by both Parties to this Agreement, that a Shop Steward has regular work to perform for the Company, and any time away from such work to attend to Union business shall have the prior approval of the Manager. Alternate Stewards will be appointed by the Union to function during the regular Steward's absence. In no event shall both Stewards perform these duties simultaneously. An employee will be offered to have a Shop Steward or Union Representative present, by phone or in person, at all disciplinary meetings, unless declined by the employee. The Shop Steward will be paid at the base hourly rate for the hours in attendance at the meeting. Any employee disciplinary notices will be provided to the Union or its designated representative.

ARTICLE NO. 5 - UNION SECURITY

- 5.01 All work performed will be done by an employee of the Company, member of the Union. However, the Company may use other than Union members when all available employees are working.
- 5.02 All employees, after seven (7) calendar days of employment, shall become and remain members in good standing of the Union, for the duration of this Agreement, or be replaced.

All employees who are presently employed by the Employer as a condition of employment must obtain and/or maintain their Union Membership in good standing.

For the purposes of this Agreement, the sole definition of Membership in good standing means that they must pay in accordance with the provisions of this Agreement, the regularly prescribed initiation fees, regular Monthly Union dues, and periodic assessments uniformly required of all Members in the Bargaining Unit.

The Employer agrees that when it hires new employees, the Employer shall have such new employees fill in the required Union Application for Membership cards prior to commencing work and mail same to the Union office.

The Employer shall deduct and pay over to the Secretary-Treasurer of the Union, any monthly Union dues, initiation fees and/or assessments which may be levied in accordance with the Union's By-laws, owing by said employees hereunder to the Union.

The Employer shall deduct the monies from the first pay of an employee each month, and remit such monies to the Secretary-Treasurer of the Union on or before the fifteenth (15th) day of the following Month in which the monies are deducted, together with one (1) copy of the Check-off list as above mentioned. (Note: for the purpose of definition: "Check-off List" is the updated Union's Pre-Billing statement as indicated below.

The Employer will, at the time of making each remittance hereunder to the Secretary-Treasurer of the Union, update the Union's Pre-Billing statement showing all Monthly dues submitted for Members along with current address, postal code, date of hire and Social Insurance Number.

The Monthly Check-Off List will reference any:

New Members to be listed in alphabetical order with current address, postal code, date of hire and Social Insurance Number;

Terminations or resignations are to be clearly identified with current address, postal code, Social Insurance Number and date of termination or resignation;

Any current address change to be updated as well as name changes (i.e. marriage).

If an employee works anytime during a month, the Employer assures the Union that the total amount of the monthly dues as specified by the Secretary-Treasurer of the Union will be deducted and forwarded to the Local Union. Probationary employees included.

- 5.03 This Agreement shall be binding upon the Parties hereto and their successors. In the event the Company is merged, sold, leased, or transferred, or taken over by sale or lease, transfer, in whole or in part, such Company shall continue to be subject to the terms and conditions of this Agreement for the life thereof.
- 5.04 For layoff purposes only, a non union Company employee transferring into a bargaining unit job will be considered as a new employee and will be added to the bottom of the seniority list in the classification to which he is transferring. His seniority date will be the date of the transfer.

ARTICLE NO. 6 - PROBATION

- 6.01 New employees will serve a probationary period of ninety (90) calendar days.

ARTICLE NO. 7 - CLOTHING and BOOT ALLOWANCES

- 7.01 The Company will supply an adequate quantity of coveralls for each employee required to wear them. Cost of cleaning will be borne by the Company.
- 7.02 The Company will supply appropriate outer clothing to all yard and truck and washbay personnel. Shop personnel will be afforded outer clothing when asked to perform service in the field.
- 7.03 The Company will pay a boot allowance of up to one hundred and eighty dollars (\$180.00) per calendar year for C.S.A. approved boots, to each employee required to wear them. Purchase receipts for the C.S.A. approved boots are required by the Company.

ARTICLE NO. 8 - NO STRIKES or LOCKOUTS

- 8.01 The Company agrees that it will not cause or direct any lockout of its employees, and the Union agrees that there will be no strikes, or other collective action which will stop or interfere with the production during the life of this Agreement.

ARTICLE NO. 9 - GRIEVANCE PROCEDURE

- 9.01 There shall be an earnest effort on the part of both Parties to this Agreement, to settle promptly through the procedure set out herein, any complaints, grievances, or disputes arising from the interpretation, application or administration of this Agreement.
- 9.02 All grievances to be dealt with under Step 2 below, shall be in writing on forms supplied, and signed by the employee having such grievance.
- 9.03 Written grievances, to be valid, shall set out the nature of the grievance, the Article or Articles of the Agreement alleged to have been violated, and the nature of the remedy sought, and shall not be subject to change at later steps except by mutual agreement in writing with the Company, or in the case of remedy, by an Arbitrator.
- 9.04 In determining the time which is allowed in the various steps, Saturday, Sunday and Statutory Holidays shall be excluded, and any time limits may be extended by mutual agreement in writing.
- 9.05 If advantage of the provisions of Articles No. 9 and 10 hereof, is not taken within the same limits specified therein, or as extended in writing as set out above, the grievance shall be deemed to have been abandoned and may not be re-opened.
- 9.06 It is understood and agreed that an employee does not have a grievance until he has discussed the matter with the Manager or other Supervisory personnel acting in this capacity, and given him an opportunity of dealing with the complaint. His decision shall be made know to said employee within forty-eight (48) hours exclusive of Saturday, Sunday and Statutory Holidays.

Grievances promptly arising under such agreement shall be adjusted and settled as follows:

- a) Termination or layoff - grievance to be presented within seven (7) work days.
- b) All others - grievance to be presented within fourteen (14) work days.

Step 1 - The aggrieved employee with the Steward, shall present his grievance orally or in writing to the Supervisor. If a settlement satisfactory to the Union and the employee concerned is not reached, a grievance may be presented as indicated in Step 2 within the time frame outlined in a) or b) above, whichever is applicable.

Step 2 - The aggrieved employee may, with his Steward or Union representative, present his grievance, which shall be reduced to writing, to the Branch Manager. Should no settlement satisfactory to the employee and the Union be reached, the next step in the grievance procedure may be taken within the time frame outlined in a) or b) above, whichever is applicable.

Step 3 - The Union, if it considers it a valid grievance, may submit the grievance to the Company, and the respective designated officials of both Parties shall meet as promptly as possible thereafter, in an endeavour to settle the grievance. If a satisfactory settlement is not reached within the time frame outlined in a) or b) above, whichever is applicable from this meeting, and if the grievance is one which concerns the interpretation or alleged violation of the Agreement, the grievance may be submitted to Arbitration as provided in Article No. 10.

- 9.07 A grievance concerning Welfare or Pension contributions may be presented within forty-five (45) days after the particulars of such grievance should have reasonably become first known to a Union representative.
- 9.08 The Company or the Union may submit a written grievance for alleged violation of this Collective Agreement, to be dealt with in accordance with the above procedure, at Step 3.
- 9.09 The Parties may elect, by mutual agreement, to convene the Canadian Joint Grievance Panel (C.J.G.P.) to render a decision. The Parties agree that such decision will be binding however will not set precedent in any future grievances regarding the same issue. The cost of the Panel Hearing shall be shared equally between Parties.

ARTICLE NO. 10 - ARBITRATION

- 10.01 The Parties to this Agreement agree that any grievance concerning the interpretation or alleged violation of this Agreement which has been properly carried through all the steps of the grievance procedure outlined in Article No. 9, which has not been settled, will then be referred to a sole Arbitrator at the request of either of the Parties hereto.
- 10.02 The sole Arbitrator will be chosen by the Company and the Union.
- 10.03 Within ten (10) working days of the request by either Party for a sole Arbitrator, each Party shall notify the other in writing of the names of preferred Arbitrators.
- 10.04 Should the Parties fail to agree on a sole Arbitrator within ten (10) days of the notification mentioned above, the Minister of Labour of the Province of Alberta will be asked to appoint a sole Arbitrator.
- 10.05 The decision of the sole Arbitrator shall be binding on the Parties to this Agreement.
- 10.06 The sole Arbitrator shall not have any power to alter or change any of the provisions of this Agreement, or to substitute any new provisions for any existing provisions, nor to give any decisions inconsistent with the terms and provisions of this Agreement.
- 10.07 The expenses of the Arbitrator shall be shared equally by both Parties.

ARTICLE NO. 11 - HOURS of WORK, SHIFT, and OVERTIME

- 11.01 The regular hours of work shall be eight (8) hours per day, Monday through Friday, between 7:00 a.m. and 7:00 p.m..

Lunch period shall be one-half (1/2) hour, unless otherwise mutually agreed between the Company and the Union.

When employees are directed to work at a location other than in Fort McMurray, transportation will be supplied.

- 11.02 **SHIFTS** - From time to time it may be necessary to operate the business using shifts, in order to provide twenty-four (24) hour coverage, or weekend coverage, or a longer daily coverage. In the event the business requires that an employee must change shifts, the Company will provide as much notice as possible with forty eight (48) hours minimum notice.

The desired coverage may be achieved by extending the hours worked per day, or changing normal starting, lunch and quitting times, for individuals or the entire group, or working staggered shifts, or working two (2) shifts or three (3) shifts, or changing the normal working hours.

- 11.03 Management will ensure that the normal work week, during which hours are paid at straight time, will not exceed forty-four (44) hours per week, except for twelve (12) hour shift cycle employees - refer to Article No. 11.09(b).
- 11.04 Shift premiums will be paid for any shifts starting after 4:00 p.m. and/or prior to midnight, of one dollar (\$1.00) per hour worked.
- 11.05 There will be no pyramiding of shift premiums.
- 11.06 Employees shall receive eight (8) consecutive hours rest in any twenty-four (24) hour period. When an eight (8) consecutive hour rest has not been given, overtime rates for all hours worked shall apply until the rest period is given. No employee will suffer any loss of wages or hours when required to take the mandatory eight (8) hour break between shifts.
- 11.07 When an employee works more than two (2) hours unscheduled overtime after his regular work day, he will be provided with a meal, hot where possible, by the Company. The employee will be allowed a thirty (30) minute meal break at straight time pay, in which to eat the meal. The meal break after regular work will normally be from 6:30 p.m. to 7:00 p.m., and subsequent meals and break period will be provided each four (4) hours following 7:00 p.m.
- 11.08 Overtime, where practical and possible, will be evenly distributed among those employees qualified to perform the required duties. The Company will provide an overtime report on a monthly basis.

11.09 Hours and Rates of Pay

a) Monday to Friday

- Normal hours - five (5) days per week
- eight (8) hours per day
- forty (40) hours per week
- Monday to Friday
- 7:00 a.m. - 5:30 p.m.

- Overtime - over eight (8) hours per day and forty-four (44) hours/week (time and one-half)
- Saturday and Sunday (time and one-half, if over forty-four hours)
- Statutory Holidays (if worked, time and one-half plus eight (8) hour holiday pay unless Labour Day or Canada Day. If Labour Day or Canada Day, double time plus eight (8) hour holiday pay)

- Call-in - Time and a Half

- Breaks - two (2) paid fifteen (15) minute breaks and
- one (1) unpaid thirty (30) minute break.

b) Twelve (12) Hour Shifts - 6 on 6 off, 5 on 4 off, 7 on 7 off or 14 on 14 off

- Normal Hours - twelve (12) hours per day
- seven (7) days per week
- twenty-four (24) hour operation possible

- Overtime - Overtime will be calculated by the Provincial Standard for those working a compressed workweek.
- Statutory Holidays (if worked, time and half plus eight (8) hour holiday pay unless Labour Day or Canada Day. If Labour Day or Canada Day, double time plus eight (8) hour holiday pay)

- Call-in - Time and a Half
 - Breaks - two (2) fifteen (15) minute paid breaks and One (1) paid thirty (30) minute lunch break
- c) New ten (10) hours shifts (4 - 10s)
- Normal Hours - ten (10) hours per day
 - four (4) days per week
 - forty (40) hours per week
 - Monday to Friday
 - Overtime - all hours beyond forty-four (44) hours will be paid at time and one-half (1 ½)
 - Saturday and Sunday time and one-half (1 ½) if over forty-four (44) hours
 - Statutory Holidays (if worked, time and half plus eight (8) hour holiday pay unless Labour Day or Canada Day. If Labour Day or Canada Day, double time plus eight (8) hour holiday pay)
 - Call-ins - time and one-half (1 ½)
 - Breaks - two (2) paid fifteen (15) minute breaks, and one (1) unpaid thirty (30) minute break
- d) 9 on 5 off, 10 on 4 off, 14 on 7 off
- Overtime - Overtime will be calculated by the Provincial Standard for those working a compressed workweek.
 - Statutory Holidays (if worked, time and half plus eight (8) hour holiday pay unless Labour Day or Canada Day. If Labour Day or Canada Day, double time plus eight (8) hour holiday pay)
 - Call-In - Time and a Half
 - Breaks - two (2) fifteen minute paid breaks
 - one (1) thirty (30) minute unpaid lunch
- e) All employees who are called in on their scheduled days off will be paid two times (2x) their regular rate of pay for all hours worked.

Every full time active employee will be eligible for a local Housing and Employment Adjustment Premium (HEAP) unless camp is supplied. This allowance will become effective only after an employee has completed the stipulated probation period for new hires. The HEAP will be paid bi-weekly in the following calendar month for the previous calendar month's full time active employment, provided the employee remains employed by Herc. The first month HEAP payment will be pro-rated for less than a full month's work. Employees on leave of absence will not receive the monthly allowance until their leave of absence has been completed and they return to full time active employment.

Effective April 8, 2016, the new Monthly Allowance will be one thousand three hundred and fifty dollars (\$1,350.00 per month payable six hundred and twenty-three dollars and eight cents (\$623.08) bi-weekly).

ARTICLE NO. 12 - REPORTING PAY and CALL-IN

12.01 Employees, reporting for their regularly scheduled shifts or day work, will receive a minimum of four (4) hours pay. This will include a minimum of four (4) hours pay at straight time, when a employee is called or reports for duty at the beginning of his shift and there is no work for him, unless he/she was notified the previous day, or if the lack of work is caused by an act of God such as fire, or flood, or power failure, or other causes beyond the control of the Company. When the employee works more than four (4) hours but less than eight (8) hours of his regular shift, he shall be paid a minimum of eight (8) hours pay.

If an employee stops work for reasons of his own, and without the approval of the Company, he shall be entitled to pay only for the hours actually worked in the day, and minimum conditions shall not apply.

12.02 Call-in Pay Emergency Overtime - An employee called to report to work for overtime on his day off, called for overtime to be worked within twelve (12) hours of the call or notification to work overtime, will be paid a minimum of two (2) hours at double time (2x) his regular hourly wage rate, providing the employee performs available work for the minimum pay period if requested.

Call-in Pay Scheduled Overtime - An employee called to report to work for overtime after completing a regular shift, or on his day off, for overtime to be worked after twelve (12) hours of the call or notification to work overtime, will be paid a minimum of four (4) hours at time and one-half (1 ½) his regular hourly wage, providing the employee performs available work for the minimum pay period, if requested.

12.03 These clauses shall not be operative when an employee is asked to extend his working day to complete his task, or for any other reason when only actual hours worked will be paid for.

12.04 **STANDBY** - One on-call Customer Service, one on-call Mechanic or driver with a cell phone and/or pager, will receive one meal or a twenty five dollar (\$25.00) meal ticket per day. When the assigned on-call Customer Service employee fields and dispatches one or more calls outside of their normally scheduled shift or approved overtime, he shall receive an additional twenty-five dollar (\$25.00) meal ticket for that day.

12.05 The Company will provide Bluetooth devices for those employees required to communicate while driving.

ARTICLE NO. 13 - RATES of PAY

13.01 a) Hourly rates of pay will be as follows:

| Classification | Current | YEAR 1 (No Increase) | First Pay Period AUG/19 (+0.5%) | First Pay Period AUG/20 (+0.5%) |
|-------------------------------|---------|-------------------------|--|--|
| Mechanic, Journeyman | \$55.75 | \$55.75 | \$56.03 | \$56.31 |
| Electrician, Journeyman | | | | |
| Welder, Gasfitter | | | | |
| Small Engine Mechanic | \$48.39 | \$48.39 | \$48.63 | \$48.87 |
| Technician | \$42.54 | \$42.54 | \$42.75 | \$42.96 |
| Parts Person | \$39.91 | \$39.91 | \$40.11 | \$40.31 |
| Lube Tech | \$38.50 | \$38.50 | \$38.69 | \$38.88 |
| Customer Service | \$37.51 | \$37.51 | \$37.70 | \$37.89 |
| Driver Transport Truck | \$36.83 | \$36.83 | \$37.01 | \$37.20 |
| Driver Rollback | \$36.33 | \$36.33 | \$36.51 | \$36.69 |
| Driver | \$35.83 | \$35.83 | \$36.01 | \$36.19 |
| Shipper/Receiver Warehouse | \$34.19 | \$34.19 | \$34.36 | \$34.53 |
| Yardworker/Utility | \$28.31 | \$28.31 | \$28.45 | \$28.59 |

Training and Pay Schedule - Customer Service, Driver and Shipper/Receiver/Warehouse

| | |
|---------------|-------------------------|
| 0 - 6 months | 90% classification rate |
| 6 - 12 months | 95% classification rate |

Training and Pay Schedule – Yardworker/Utility/Lube Tech

| | |
|---------------|-------------------------|
| 0 - 3 months | 85% classification rate |
| 3 – 6 months | 90% classification rate |
| 6 – 12 months | 95% classification rate |

Parts - certified three year apprenticeship will be paid according to the Alberta Apprenticeship & Industry Training Progression Schedule for the Parts Person:

| | |
|--------|---------------|
| Year 1 | 70% full rate |
| Year 2 | 80% full rate |
| Year 3 | 90% full rate |

Non-certified mechanics and non-experienced mechanics will be paid:

| | |
|--------|---------------|
| Year 1 | 70% full rate |
| Year 2 | 80% full rate |
| Year 3 | 90% full rate |

Full time field mechanics will be paid a premium of one dollar and fifty cents (\$1.50) per hour for all hours worked. This premium will be subject to all overtime provisions.

Apprentices - the Employer will pay the tuition fees if the employee(s) are successful in passing their courses.

Wage Rates are minimums and increases can be given in consultation with the Union Representatives.

- Apprentice will be hired at sixty percent (60%) of the Journeyman's rate
- Apprentice will be paid at seventy percent (70%) of the Journeyman's rate upon satisfactory completion of 1st year exam.
- Apprentice will be paid at eighty percent (80%) of the Journeyman's rate upon satisfactory completion of 2nd year exam.
- Apprentice will be paid at ninety percent (90%) of the Journeyman's rate upon satisfactory completion of 3rd year exam.
- Apprentice will be paid at one hundred percent (100%) of the Journeyman's rate upon satisfactory completion of 4th year exam.

NOTE: The wage progression for a Heavy Technician doing "Off Road" will be as follows:

- Apprentice will be hired at sixty percent (60%) of the Journeyman's rate
- Apprentice will be paid at seventy percent (70%) of the Journeyman's rate upon satisfactory completion of 1st year exam.
- Apprentice will be paid at eighty percent (80%) of the Journeyman's rate upon satisfactory completion of 2nd year exam.
- Apprentice will be paid at one hundred percent (100%) of the Journeyman's rate upon satisfactory completion of 3rd year exam.

b) Automatic Progression -

1. The immediate supervisor will evaluate the job performance for all employees being paid on the non-apprentice progressions at the indicated steps of six (6) months, and twelve (12) months. If the employee is progressing in their respective classification satisfactorily, then the wage increase to the next appropriate level of seniority will be processed.

2. If the employee's performance is evaluated to be unsatisfactory, the immediate supervisor will bring the evaluation to the branch manager for review. If the branch manager's review of the evaluation disagrees with the immediate supervisor, then the employee will be granted the wage increase to the next appropriate level of seniority.
3. If the branch manager agrees with the unsatisfactory evaluation of the employee prepared by the immediate supervisor, the branch manager and the immediate supervisor will develop a Performance Improvement Plan (PIP) for the employee to correct the employee's performance deficiencies and bring the employee up to a satisfactory level of performance.
4. The branch manager and the immediate supervisor will present the PIP to the employee for discussion, agreement and implementation, a Shop Steward will be present to observe and assist employee. Progress of the employee's performance will be re-evaluated again in ninety (90) days.
5. The above procedure will in no way abrogate the employee's right to grieve a negative evaluation according to the provisions of the Collective Agreement.

13.02 Working Lead Hands may be appointed by the Company. A Lead Hand will be defined as an employee who, by his knowledge of tool room operation, and experience, is able to provide direction or instructions to other employees. Lead Hand premium shall be two dollars (\$2.00) per hour above their own classification rate. Said premium will be subject to all overtime provisions.

Seniority shall apply in case of layoff, by classification, as listed in Section 13.01.

13.03 Any shop employee requested to work in the field will be paid a premium of one dollar and fifty cents (\$1.50) per hour for each hour worked in the field.

ARTICLE NO. 14 - HEALTH and WELFARE, and PENSION PLANS

14.01 **Health and Welfare Plan** - Effective April 8, 2016, the Company shall contribute two hundred and ninety-five dollars (\$295.00) for each completed month of service for each employee, to the Prairie Teamsters, Health and Welfare Plan. Any amount above two hundred and ninety-five dollars (\$295.00) per month will be borne one hundred percent (100%) by the Employee.

14.02 **Pension Plan** - The Company shall contribute to the Teamsters Prairie Provinces Pension Plan, the sum of four dollars (\$4.00) for each hour worked for which wages are payable hereunder for its employees covered by the Agreement.

Effective April 8, 2016, all new employees will have to work eighteen (18) months before being eligible for pension contributions. After eighteen (18) months, the Employer will contribute at the current pension contribution rate in effect under the Agreement for the employee.

14.03 **Contributions** - Contributions and remittances referred to in Sections 14.01 and 14.02 above, shall be remitted monthly by the fifteenth (15th) day of the month following that to which they refer, together with a form supplied to the Company by the Union, which shall provide full instructions.

14.04 Timely payment of contributions to the Trust Funds, provided for in this Agreement, is essential for the protection of the beneficiaries.

14.05 **Alberta Health and Wellness Premiums** - Upon written notice to the Company, the Company will deduct Alberta Health and Wellness premiums at source, and remit on behalf of the employee.

14.06 Employees who are off work due to illness, and qualify for short term disability insurance, or are in receipt of Workers' Compensation benefits, may arrange with the Company to continue their benefits plan during the period of disability.

The Company shall make premium remittances on behalf of the employee for the duration of the illness, provided the employee reimburses the Company for the full premium share, inclusive of the Company and employee share, the following month, such that the employee is at no time more than one (1) month in arrears.

In the event that the employee returns to work and has an outstanding balance with the Company, the outstanding amount shall be deducted from the employee's payroll during the first full pay period.

ARTICLE NO. 15 - PAYMENT CONDITIONS

- 15.01 Effective the first pay period following October 28, 2004 payroll will be paid bi-weekly, therefore there will be twenty-six (26) pay periods per year.
- 15.02 Wages of all terminated employees will be paid on the next regular payday. When employees quit of their own accord, they shall receive all wages due not later than the next regular payday.

ARTICLE NO. 16 - STATUTORY HOLIDAYS

- 16.01 Payment for the holidays set out below, will be eight (8) hours at the regular rate, provided the employee works the scheduled work day immediately preceding, and following, the recognized holiday, or the employee is authorized by the Department Manager to be absent on such days.

| | |
|----------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| Civic Holiday | Boxing Day |
| Family Day | |

and any such day as may be declared a holiday by the Federal and/or Provincial governments.

If a holiday falls on a Saturday or Sunday, it will be celebrated on the following Monday, or next work day. The holiday is not moved to Friday or Monday for twelve (12) hour shift workers.

- 16.02 In the event any of the above mentioned holidays fall during an employee's annual vacation, he shall be given a day in lieu to be taken either at the start of his vacation or at the completion of his vacation.
- 16.03 For those working a compressed workweek, payment of eight (8) hours will be provided for each Statutory Holiday that falls on a non-scheduled workday as per the Provincial Employment Standards. When a Statutory Holiday falls on a scheduled workday, eight (8) hours regular pay plus time and one half (1 ½) will be provided.

ARTICLE NO. 17 - VACATIONS

- 17.01 All employees under this Agreement will qualify for, and take, at least two (2) weeks vacation after each year of service, subject to conditions set out as follows:

Payment for such vacation will be an amount equal to four percent (4%) of gross wages of the employee during the year in which he qualifies for such vacation.

- 17.02 Upon completion of three (3) years of service, all employees shall be entitled to, and take, three (3) weeks vacation with pay.

Payment for such vacation shall be in an amount equal to six percent (6%) of gross wages of the employee during the year in which he qualifies for such vacation.

- 17.03 Upon completion of eight (8) years of service, all employees shall be entitled to, and take, four (4) weeks vacation with pay.

Payment for such vacation shall be in an amount equal to eight percent (8%) of the gross wages of the employee during the year in which he qualifies for such vacation.

- 17.04 The time of vacation shall be fixed by the Company, consistent with the efficient operation of the business. Preference of vacation time shall be given to senior employees. Senior employees may only indicate their preference once in a vacation year.
- 17.05 An employee shall receive the accumulated vacation pay on a separate cheque twice annually, in June and December, and, upon request, prior to commencing his vacation.
- 17.06 Vacation time will be calculated as per the Alberta Employment Standards Code, Compressed Work Week Arrangements fact sheet as amended for employees on a compressed work week.

ARTICLE NO. 18 - LEAVE of ABSENCE

- 18.01 Company-authorized Leave of Absence without pay, for any other reason than ill health shall be in writing, and will consist of a maximum of thirty (30) days. Any extension of Leave of Absence over thirty (30) days, shall be in writing and agreed upon by the Union, the Company and the employee concerned.
- 18.02 **Bereavement Leave** - When a death occurs in a regular employee's immediate family, such employee will be granted upon request, a period of time off for bereavement.

Such employee will be paid at his regular straight time hourly rate of pay for hours lost from his regular schedule for each working day lost for reasons related to the death, to a maximum of three (3) working days. A working day lost shall not be more than eight (8) hours.

A regular employee's immediate family is defined as an employee's spouse, mother, father, stepmother, stepfather, sons, daughters, stepsons, stepdaughters, sisters, brothers, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandmother, grandfather, and grandchildren.

Note: - Employee's spouse includes legal common-law spouse.

If possible, the Company will provide the employee with one (1) unpaid travel day to deal with a death of a family member. The Company may request the employee provide proof of death for any bereavement request.

- 18.03 **Jury Duty** - Any regular full-time employee who is required to perform jury duty, or is required to appear as a witness in a court action resulting from an incident which directly involved the employee and the Company during the employee's regular working day, will be reimbursed by the Company for the difference between the pay received for jury duty or witness fee, and his regular straight time hourly rate of pay for his regular scheduled hours of work.

It is understood that such reimbursement shall not be for hours in excess of eight (8) hours per day, or forty (40) hours per week, less pay received for jury duty or witness fee, whichever applies.

The employee will be required to furnish proof of jury service or witness attendance, and jury duty pay or witness fee received. An employee on jury duty, or called as a witness, shall subject to this provision make himself available for work before or after being required for such duty, whenever practicable.

This clause does not apply to an employee on Leave of Absence, or when receiving benefits under the Health and Welfare Plan, or when on annual vacation or Workers' Compensation.

- 18.04 Upon written notification from the Local Union, the Employer will grant a leave of absence to an employee for developmental purposes within the Local Union for a period no greater than ninety (90) calendar days within a calendar year. During such Developmental Leave an employee will continue to accrue seniority within the Bargaining Unit.

Should an employee be hired by the Local Union, such employee upon written notice to the Employer, with a copy to the Union, be granted a leave of absence from the Company for a period not to exceed three hundred and sixty-five (365) days. The employee will continue to accrue seniority during such leave. At the expiration of the leave of absence the employee must return to his former position or relinquish all seniority rights with the Company. The Employer will not be required to have more than one (1) employee off at a time for the leave.

While the employee is on either of the leaves, the union will be responsible for payment of all wages and benefits.

ARTICLE NO. 19 – LAYOFFS and RECALL

19.01 Layoffs will occur by seniority, and by classification for those employees who have similar job duties and qualifications. Should a specific Client requirement result in a layoff of a Member of the Bargaining Unit outside of seniority order, the Employer, with regard to Client requirement, expectation, and specific training, will have the ability to take into account the qualifications and experience (excluding basic Site Orientation) an employee has, when deemed unavoidable. The Local Union Business Agent will be kept informed at all times.

Should a recall of employees on layoff commence, the following will take place:

- All employees on layoff will be entitled to a recall period not to exceed twelve (12) months, from day of layoff.
- Recall of any employee on layoff will be by seniority and notified by email and by telephone.
- The employee will be required to inform the Employer of any changes to their contact information.
- All employees will have seventy-two (72) hours to respond to the recall request. If they fail to respond within seventy-two (72) hours to the request to return to work, they will lose any recall rights and be deemed to have voluntarily left the employment of the Company. Each employee will be allowed one (1) right of refusal in a twelve (12) month period without losing recall rights.
- The employee must be able to return to work within seven (7) days after their recall notice.

ARTICLE NO. 20 – UNION MANAGEMENT COMMITTEE MEETINGS

20.01 It is recognized that good labour management relations are essential for a productive and healthy work environment. In the interests of improved consultation and communication. The creation of a Labour Management Committee to share information and discuss issues of mutual concern for the purpose of improving working conditions and enhancing cooperation.

The Committee shall be comprised of no more than four (4) Union representatives and four (4) Management representatives which shall include, at least the District Manager, HRBP and Branch Manager. They shall meet no less than four (4) times per year.

It is understood and agreed that this Committee does not have authority to change, modify, delete or interpret any express terms of the Collective Agreement.

ARTICLE NO. 21 - TRAINING

21.01 The Company and Union encourage all employees to participate in upgrade or job-related training. The Company will provide to affected employees, by seniority and location, formal technical product training and any new equipment training that may be required. The Company will post all available training, and employees will be allowed by seniority and location to bid or sign up for training. The Company decides if an employee qualifies for the training the employee is requesting. A completed training report will be shared with Shop Steward and/or Union Representative on a quarterly basis. The Company will use its best efforts to schedule training during regular business hours. However, if training cannot be held during normal business hours, all training hours will be paid according to the Provincial Employment Standards.

Upon completion of training, employees are expected to return to their regular shift.

ARTICLE NO. 22 – TEAMSTER/UNION INDUSTRY ADVANCEMENT FUND

22.01 The Company agrees to contribute to the Teamster/Union Industry Advancement Fund effective on January 1, 2017.

The Teamsters Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by the Teamsters.

The Company shall make contributions of five cents (5¢) per hour for every hour worked for which wages are payable thereunder, for each hourly rated employee covered by this Collective Agreement.

Payment of said funds shall be made to the appropriate Teamsters Local Union/Industry Advancement Fund by the fifteenth (15th) day of the month following that to which they refer.

This payment will be independent and separate from any other payment made to the appropriate Local Union.

ARTICLE NO. 23 - SAVING CLAUSE

23.01 Both Parties assume that any or all provisions of this Agreement conform with all applicable laws of Alberta and/or Canada. Should it be determined at any time that any provisions contravene such laws, then the Parties hereto agree to renegotiate such provision or provisions for the purpose of having them conform to the law with all other provisions of this Agreement not being affected thereby.

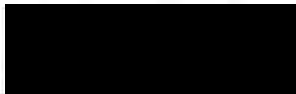
ARTICLE NO. 24 - TERM of AGREEMENT

24.01 This Agreement shall be in full force and effect November 1, 2018 through March 31, 2021 and from year to year thereafter until either Party serves the other with written notice to commence collective bargaining, not more than one hundred and twenty (120) days, and not less than sixty (60) days from the stated expiry date of the Agreement.

Signed this 17th day of December 2018

FOR THE COMPANY:
Matthews Equipment Limited
Operating as Herc Rentals

FOR THE UNION:
General Teamsters, Local Union No. 362





Jen Prescod, CHRP
Region HR Business Partner
Canada Herc Rental

Jordan Madarash
Vice President & Business Agent

gm

LETTER OF UNDERSTANDING #1

BETWEEN: HERC RENTAL CORPORATION
(hereinafter referred to as the "Company")

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362
(hereinafter referred to as the "Union")

It is understood and affirmed by both the Union and the Company that it is the policy at Herc to provide employees with a workplace free from harassment and discrimination. The parties agree that at the Fort McMurray HERC location, the Herc policy against harassment and discrimination shall include behavior directed at an individual that is abusive, intimidating, malicious or insulting. This is not intended to include legitimate exercise of management actions and authority. The Company has established, and maintains, a policy against harassment and discrimination, and is committed to a professional and congenial work environment.

Signed this 17th day of December 2018

FOR THE COMPANY:
Matthews Equipment Limited
Operating as Herc Rentals



Jen Prescod, CHRP
Region/HR Business Partner
Canada Herc Rental

FOR THE UNION:
General Teamsters, Local Union No. 362



Jordan Madarash
Vice President & Business Agent

LETTER OF UNDERSTANDING #2

BETWEEN: HERC RENTAL CORPORATION
(hereinafter referred to as the "Company")

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362
(hereinafter referred to as the "Union")

The Parties hereby agree that the month following advice of ratification, the language below will supersede the language outlined in Article 11 regarding HEAP;

Every full time active employee will be eligible for a local Housing and Employment Adjustment Premium (HEAP) unless camp is supplied. This allowance will become effective only after an employee has completed the stipulated probation period for new hires. The HEAP will be paid bi-weekly in the following calendar month for the previous calendar month's full time active employment, provided the employee remains employed by Herc. The first month HEAP payment will be pro-rated for less than a full month's work. Employees on leave of absence will not receive the monthly allowance until their leave of absence has been completed and they return to full time active employment.


The new Monthly Allowance will be one thousand two hundred and fifty dollars (\$1,250.00) per month payable five hundred seventy-six and ninety-two cents (\$576.92) bi-weekly.

For all new employees hired after date of ratification, will be entitled to receive a Monthly Allowance of eight hundred dollars (\$800.00) per month payable three hundred sixty-nine dollars and twenty-three cents (\$369.23) bi-weekly.

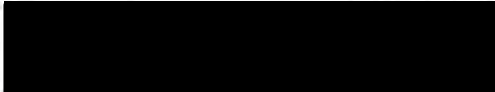
Signed this 17th day of December 2018

FOR THE COMPANY:
Matthews Equipment Limited
Canada Herc Rental

FOR THE UNION:
General Teamsters, Local Union No. 362



Jen Prescod, OHRP
Region HR Business Partner
Canada Herc Rental



Jordan Madarash
Vice-President & Business Agent

gm