



SICKNESS, LEAVE OF ABSENCE & BEREAVEMENT LEAVE POLICY

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Approved by:	
	Pamela Mullin, CFO

PURPOSE

With respect to recognizing employees who are absent due to sickness, leave of absence, or bereavement, KBD Transportation will comply with the Canada Labour Code, Part 2.

SCOPE

This policy encompasses all KBD Transportation employees, including but not limited to company drivers, garage personnel, dispatch & administrative staff, and managers. Any relevance to Owner/Operators within this policy will be identified.

SICKNESS

Wage Coverage while Sick: KBD Transportation does not provide short- or long-term disability insurance coverage. However, an employee identified within the scope of this policy, who has earned 600 hours of insurable employment, may be eligible for Employment Insurance (“EI”) sickness benefits from the Government of Canada. An employee who has been absent due to sickness for a period of three (3) or more days will be required to submit a medical note (signed by a medical doctor) to the Human Resources (“HR”) Manager (cindy@kbdtransportation.com). This proof of illness will support the issuance of a record of employment (“ROE”) by the Administration & Accounting Manager (Marissa@kbdtransportation.com). This form is required by an employee to initiate EI sickness benefits. Appendix “A” outlines the procedure employees can follow to file for EI sickness benefits.

Ongoing Group Benefits Coverage: An employee absent due to sickness will be responsible for maintaining their portion (if applicable) of the monthly group benefit cost with Health Source Plus. Receipt of payment in accordance with the pre-sickness amount (payroll deduction) will be due within seven (7) days following the end of each calendar month. Payments not received within this seven (7) day period will result in the cancellation of the employee’s group benefit entitlement. These benefits can be made in cash or by cheque, payable to **KBD Transportation**. Arrangements for payment as well as confirmation of the amount can be made through the Administration & Accounting Manager (marissa@kbdtransportation.com).

Frustration of Employment Contract: KBD Transportation reserves the right to terminate employment if the leave, sickness or otherwise, results in “frustration of contract.” For example, if a company driver’s A-Z Commercial driver’s license is revoked, as a result of sickness or otherwise, for a period longer than three (3) months, employment will be terminated on the grounds of “frustration of contract.”

Relevance to Owner/Operators:

- **El Sickness Benefits:** Owner/Operators are not usually eligible for EI sickness benefits unless they have voluntarily opted to contribute to EI during the past 52-week period;
- **Independent Sickness Coverage:** Owner/Operators who have not opted to make weekly contributions to EI, or who have not done so for a 52-week period, are advised to independently carry additional insurance to provide sickness coverage for themselves;
- **Ongoing Group Benefits Coverage:** If the Owner/Operator wishes to maintain their group benefits coverage, application should be made to the HR Manager (cindy@kdbtransportation.com). Approval, if granted, will require that the Owner/Operator be responsible for maintaining their regular monthly group benefit payment to Health Source Plus. Receipt of payment in accordance with the pre-sickness amount will be due within seven (7) days following the end of each calendar month. Payments not received within this seven (7) day period will result in the cancellation of group benefit entitlement. Payments can be made in cash or by cheque, payable to **KBD Transportation**. KBD will submit to Health Source Plus on behalf of the Owner/Operator. Arrangements for payment as well as confirmation of the amount can be made through the Administration & Accounting Manager (marissa@kdbtransportation.com);
- **Breach of Contract:** Should the Owner/Operator have their AZ Commercial driver’s license revoked as a result of sickness or otherwise, for a period of three (3) months, KBD Transportation will consider this a “breach of contract,” and terminate the contract, effective immediately.

UNPAID LEAVE OF ABSENCE

Request for Unpaid Leave of Absence: An employee identified within the scope of this policy who wishes to request an unpaid leave of absence is invited to submit a written request to the HR Manager (cindy@kdbtransportation.com). Requests will be reviewed with the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), and responded to within three (3) days.

Duration & Return: The duration of an unpaid leave of absence shall not exceed three (3) months, with the exception of parental leave. An employee will not receive credit for service while on an unpaid leave of absence. Upon return to work:

- *Garage employees* will be reinstated to their same position both in pay and duties but may be assigned a different shift than assigned before their leave;
- *Office employees* will be reinstated to a position identical in level of pay to his/her previous position but may be assigned to a different role, based on current need as well as a different shift than assigned before their leave; and,
- *Truck drivers* will be reinstated to their position as truck driver both in pay and duties, but may be assigned to a different division and/or different routes and/or different equipment than assigned to before their leave.

Ongoing Group Benefits Coverage: An employee absent due to an unpaid leave will be responsible for maintaining their portion (if applicable) of the monthly group benefit cost to Health Source Plus. Receipt of payment in accordance with the pre-leave amount (payroll deduction) will be due within seven (7) days following the end of each calendar month. Payments not received within this seven (7) day period will result in the cancellation of the employee's group benefit entitlement. These benefits can be made in cash or by cheque, payable to **KBD Transportation**. Arrangements for payment as well as confirmation of the amount can be made through the Administration & Accounting Manager (marissa@kbdtransportation.com).

Request for Extension: If an employee is unable to return to work after the agreed-upon unpaid leave of absence period, (s)he may request an extension of the **leave** in writing to the HR Manager (cindy@kbdtransportation.com). If KBD Transportation declines to extend the leave, the employee must then return to work on the originally scheduled return date or be considered to have voluntarily resigned from his or her employment. Extensions of leave will be considered by the CEO and CFO on a case-by-case basis.

Relevance to Owner/Operators:

- **Notification:** An Owner/Operator, who, for any reason, wishes to take a leave of absence from their contract, should notify the HR Manager (cindy@kbdtransportation.com) immediately. The HR Manager, in consultation with the CEO and CFO, will determine whether a leave constitutes breach of contract.
- **Ongoing Group Benefits Coverage:** If a leave does not constitute a breach of the service contract and the Owner/Operator wishes to maintain their group benefits coverage, application should be made to the HR Manager (cindy@kbdtransportation.com). Approval, if granted, will require that the Owner/Operator be responsible for maintaining their regular monthly group benefit payment to Health Source Plus. Receipt of payment in accordance with the pre-leave amount will be due within seven (7) days following the end of each calendar month. Payments not received within this seven (7) day period will result in the cancellation of group benefit entitlement. Payments can be made in cash or by cheque, payable to **KBD Transportation**. KBD will submit to Health Source Plus on behalf of the Owner/Operator. Arrangements for payment as well as confirmation of the amount can be made through the Administration & Accounting Manager (marissa@kbdtransportation.com);
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JURY DUTY

By law employees are permitted time off for jury duty with no harm to their current employment situation as a result. However, KBD Transportation is not required by law to provide wages during an employee absence for jury duty and/or serving as a juror.

In Ontario, jurors receive remuneration from the court:

- Approximately \$40 per day starting only on the 11th day of trial; and
- Increasing to approximately \$100 per day if the trial proceeds for longer than 50 days.

It is suggested that employees make the court aware if serving on a jury is expected to cause them financial hardship.

Relevance to Owner/Operators: An Owner/Operator who is required to report to jury duty and/or gets summoned as a juror is asked to notify the HR Manager (cindy@kdbtransportation.com) immediately of their contract absence.

BEREAVEMENT LEAVE

Company Entitlement: Employees are allowed up to four hours of bereavement leave to attend the funeral of a fellow regular employee or retiree of the company, provided such absence from duty does not interfere with normal operations of the company.

Family Entitlement: Employees identified within the scope of this policy, and who have completed three consecutive months of continuous employment, are entitled to bereavement leave in the event of the death of a member of his/her immediate family. See Appendix "B" for definition of Immediate Family.

Paid Leave: An employee is entitled to three (3) working days of paid leave for bereavement. The employee will be paid at the regular rate of wages for the normal hours of work.

Unpaid Leave: KBD Transportation understands the deep impact that death can have on an individual or a family. Additional unpaid time off may be granted depending on circumstances such as distance, the individual's responsibility for funeral arrangements, and the employee's responsibility for taking care of the estate of the deceased. The employee may make a request in writing to the HR Manager (cindy@kdbtransportation.com) for an additional four unpaid days off in the instance of the death of an immediate family member.

Verification: The Company may, in certain circumstances, require verification of the need for the leave.

Relevance to Owner/Operators: KBD Transportation does not provide payment for services while an Owner/Operator is absent from contract for reasons of bereavement.

REFERENCES

- Canada Labour Code, Part II:
 - Division VIII- Bereavement Leave, Section 201
 - Canada Labour Standards Regulations- Immediate Family Definition
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Appendix A: Procedure to Follow for Employee Filing for EI benefits

Once proof of sickness (a medical note) has been received by the HR Manager (cindy@kdbtransportation.com):

- The Administrative & Accounting Manager (Marissa@kdbtransportation.com) will generate a Record of Employment ("ROE") which outlines the employee's insurable hours worked. This will be e-mailed to the employee unless the employee has requested otherwise;

- The employee will want to file their ROE with the Government of Canada as soon as possible after their last day worked;
- With 600 insurable hours, the employee could be eligible for up to 15 weeks of payment;
- For most workers, the basic rate for calculating EI benefits is 55% of average insurable weekly earnings, up to a maximum amount;
- A one-week waiting period (no pay) is most often applied;
- Normally, once deemed eligible, a first payment will be received within 28 days;

To create a Service Canada Account and review all facts regarding EI Sickness Benefits, visit:
<https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/sickness.html#h2.2>

Appendix B: Immediate Family

In Accordance with the Canada Labour Code, Part 2, “Immediate Family” is defined as follows:

- Spouse or common-law partner;
- Father or Mother;
- Spouse or common-law partner of Father or Mother;
- Children and the children of employee’s spouse or common-law partner;
- Grandchildren;
- Brothers or sisters;
- Grandfather or Grandmother;
- Spouse’s Father or Mother or common-law partner ; and,
- Any relative who resides with the employee permanently.