

Collective Agreement

Between

National Automobile, Aerospace, Transportation and
General Workers Union of Canada
Local 4457- CAW Canada

and

Loomis Courier Service
Division of Mayne Nickless Transport Inc.
Hourly Section

Begins:
11/01/1999

Terminates:
10/31/2002

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THIS AGREEMENT entered into this 2nd day of December, 1999.

BETWEEN:

LOOMIS COURIER SERVICE,
a Division of Mayne Nickless Transport Inc.
in the Province of Ontario
(hereinafter referred to as the "Company")

AND:

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA, LOCAL 4457 - CAW CANADA**
in the Province of Ontario
(hereinafter referred to as the "Union")

WHEREAS it is the desire of the Company and the Union to enter into an Agreement governing wages, hours of work and working conditions, of the employees of the Company in the classifications listed in the Appendix attached hereto and to prevent strikes, lockouts, and other work stoppages and/or slowdowns during the term of the Agreement.

WHEREAS the parties to this Agreement desire to cooperate in establishing and maintaining conditions which will promote harmonious relations and provide methods for a fair and amicable adjustment of disputes which may arise between them.

AND WHEREAS both parties are pledged to cooperate and assist to the fullest extent in promoting safety and efficiency within business operations.

ARTICLE 1 • UNION RECOGNITION

1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees, save and except supervisors, those above the rank of supervisor, sales staff, regional office clerks and dispatchers. Properly qualified officers of the Union shall be recognized by the Company in discussing any and all matters affecting the Collective Agreement between the Company and the employees who are members of the Union.

1.02 Employees shall be represented by a Union Committee which shall consist of employees elected at each centre of operation of the Company. The Chairperson of this Committee shall act as the liaison between the employees and the Company. The Committee and/or Local Chairperson may at any time call upon the services of an accredited representative of the Union to assist them. The Company shall designate an individual representative to act in liaison between the Local Chairperson and the Company.

1.03 The provisions of Part I, Chapter L-2, Section 44 of the Canada Labour Code dealing with successor rights and obligations is recognized by the parties.

1.04 The Company shall not discriminate against any of the employees who are members of the Union Committee and who, from time to time, represent other employees.

1.05 The Union shall promptly notify the Company in writing of the names of employees comprising the Union Committee and any changes in personnel thereof. The Company shall inform the Union, in writing, of the supervisors with whom said accredited representatives shall deal and any changes in personnel thereof.

1.06 The Union agrees that there will be no Union activities carried out during working hours, except those necessary in connection with the administration of this Agreement. Accredited representatives of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided however, that there is no interruption of the Company's working schedule.

1.07 The Company agrees to provide a bulletin board at each of its terminals for use by the Union for posting matters relating to Union meetings and other Union business, provided they are authorized and the documents are signed by an officer of the Union. The said bulletin board shall not be located in any place where the general public has access.

1.08 It is hereby agreed that all employees shall become members of the Union and shall, as a condition of employment, remain members of the Union.

1.09 The Company agrees to deduct from the pay of each employee covered by this Agreement, an amount of Union dues as specified by the Union and forward the full amount to the Secretary-Treasurer of the Local Union. Deductions will be made from the last pay in each month and forwarded to the Local Secretary-Treasurer, accompanied by a list of employees from whom dues were deducted. Dues and lists will be received by the Local not later than the 15th of the month, following the month from which deductions were made.

1.10 The Company shall show the total amount of Union dues deducted on the employee's T-4 slip issued at the end of each calendar year.

1.11 The Company shall furnish to the Union a list of all new employees taken into employment by the Company. The Union will supply the Company with deduction authorization forms and membership applications which shall be signed by all new employees on the date of hire. It will be the responsibility of the Company to ensure that all membership application forms are forwarded to the Secretary-Treasurer of the Local within fourteen (14) working days from the date of hire. The Company shall, at the time of hiring, inform the employee as to his/her status regarding whether they are a full-time, part-time, or part-time unassigned employee.

1.12 The Company shall not require an employee covered by this Agreement to cross a legal picket line or to accept any product or goods from any person or employees of any person with whom a Union has a legal picket or placard line around or against, or to deliver any product or goods to any person, or employees of any person with whom a Union has a picket or placard line around or against.

1.13 Any employee elected or appointed to a full-time position with the C.A.W. Canada or any affiliated organization shall be granted an indefinite leave of absence without pay provided that thirty (30) days' notice is given to the Company prior to the beginning of such leave. During such leave, the employee's seniority shall accumulate, welfare benefits shall be suspended thirty (30) days after such leave commences, and annual vacation benefits shall be suspended immediately. They will both again be in effect the first (1st) day the employee returns to work.

1.14 The Company shall grant a leave of absence without pay to any employee who attends essential Union business. The Union will give a minimum of fifteen (15) days' notice of such request. It is understood that a maximum of ten (10) Union members will be allowed off at one (1) time. It is agreed that in the event of an emergency occurring, the Executive and Stewards of the Local will be granted a leave of absence upon request.

1.15 The Company or the Union, where required, may request that a Union representative be sent to another branch for consultation. Such representative will be paid at the regular rate of pay for travelling time as well as for hours of consultation, up to a maximum of normal shift hours. The Company will assume all necessary expenses.

1.16 It is understood that the Company's officers or sales staff shall not perform the work of the regular employees, except in an emergency situation where no members of the Union are readily available to be called to perform such work. After an emergency wherein salaried staff were employed on bargaining unit work, management will advise and discuss with the Union upon request.

1.17 The Company shall not contract **out** any bargaining unit work or use any lease operator, or lease vehicle, with respect to existing Company-operated facilities on the date of ratification.

1.18 The Company agrees not to enter into any Agreement or contract with the employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement will be null and void.

ARTICLE 2 - MANAGEMENT RIGHTS

2.01 The Union recognizes that it is the Company's right and exclusive function to manage and generally direct and operate its business activities to include:

- (i) The right to hire, transfer, promote, demote, classify, lay-off, suspend, discharge for cause or otherwise discipline employees.
- (ii) The right to maintain order and establish and enforce just rules and regulations governing the conduct of employees.

- (iii) The right to reduce overtime hours wherever and whenever possible.
- (iv) The right to determine the products to be handled and the methods of handling and processing and related scheduling of operations.
- (v) The right to determine productivity standards.

2.02 The Company agrees that these functions will be exercised in a manner consistent with the provisions of this Agreement.

2.03 The above clauses shall not deprive employees of the right to exercise the grievance procedures as outlined in the Agreement.

ARTICLE 3 - GRIEVANCE PROCEDURE

3.01 It is the intention of the parties that this procedure shall provide a just and peaceful method of adjusting grievances and the parties agree to act in good faith in the settlement of grievances in accordance with the provisions of this Article.

3.02 Any complaint, disagreement, or difference of opinion between the Company and the Union or the employees covered by this Agreement which concerns the application or interpretation of the terms and provisions of this Agreement, shall be considered a grievance.

3.03 Any employee, the Union or the Company may present a grievance and a grievance concerning a dismissal shall be submitted at Step 2. Any grievance which is not presented within five (5) working days following the event giving rise to such grievance shall be forfeited and waived by the aggrieved parties. A policy grievance filed on behalf of the Union or the Company shall be submitted at Step 2 of the grievance procedure.

3.04 An employee having a complaint may orally discuss the matter with a Service Manager. Should such discussion not result in a satisfactory resolution of the problem, the following steps will be followed.

The time limitations prescribed in this Article may be extended, but only by mutual consent of both parties, in writing.

Step 1: The employee and his/her shop steward shall submit, his/her formal grievance in writing to his/her Branch Manager or Customer Service Manager; who shall give his/her reply in writing within five (5) working days. If a satisfactory settlement cannot be reached, then

...

Step 2: Within twenty-one (21) working days of receiving the decision under Step 1, an accredited representative of the Union, or his/her designate, may appeal, orally or in writing, to the District Manager or the designate officer of the Labour Relations Office of the Company, who shall give his/her reply in writing within seven (7) working days and failing a satisfactory settlement, the grievance may then be referred to a Board of Arbitration, as established in Article 4 of this Agreement.

3.05 Any employee subject to discipline will receive the assistance of the Union representative of their choice on duty in their depot. The Union representative will be required to sign, to acknowledge receipt of the discipline. The Local Chairperson will be given a copy of all disciplinary notices. Any disciplinary notice unsigned by the Union representative will be null and void.

3.06 Any employee shall be allowed to inspect his/her own personnel file in the presence of the Company, during normal business hours. Any officer of the Union, on behalf of the employee, may accompany the employee to inspect his/her personnel file, subject to written authorization of the employee.

3.07 A copy of all disciplinary notices will be withdrawn from the employee's file after one (1) year, except if there is a recurrence of a same or similar infraction within that year. Any violation concerning a criminal or civil matter, or matters affecting driving records, will remain on the disciplinary record indefinitely.

3.08 Any discipline which is not imposed within five (5) working days from the date of knowledge will be deemed null and void.

In the event of vehicle accidents, the five (5) days will commence from the date the Health and Safety Committee renders their decision.

The parties further agree that in the event of accidents of a serious nature, employees may be held out of service pending the decision of

the Health and Safety Committee and such time lost may be the subject of a grievance.

3.09 Any grievance not answered within the prescribed time limits will be forfeited in favour of the grievor/Company (subject to Article 3.04).

3.10 All monetary grievances that are mutually agreed upon, will be paid the following pay period by separate cheque.

3.11 Employees who are discharged for cause will have their discharge and reasons for same confirmed in writing. These employees as well as employees who terminate their employment voluntarily shall have all monies owing them paid no later than the next scheduled pay day.

ARTICLE 4 - ARBITRATION

4.01 Failing a satisfactory settlement of a grievance at Step 2 of the grievance procedure, either party may request that the matter be referred to Arbitration. Such notification must be made in writing within twenty-one working days of the decision being given at Step 2.

4.02 A single Arbitrator will be designated by mutual agreement of the Company and the Union.

4.03 Failing agreement on the selection of an Arbitrator within seven (7) working days, or such longer time period as may be agreed between the parties in writing, the matter shall be referred to the Department of Labour, who shall appoint the Arbitrator.

4.04 No person involved directly in the controversy under consideration shall be the Arbitrator.

4.05 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as the Arbitrator deems essential to a full understanding and determination of the issues involved. In reaching a decision, the Arbitrator shall be governed by the provisions of this Collective Agreement. The Arbitrator shall not be vested with the power to change, modify, or alter any of the terms of this Collective Agreement.

4.06 The findings and decision of the Arbitrator on all arbitrable questions shall be binding and enforceable on all parties.

4.07 The expense of the Arbitrator shall be borne equally by the Company and the Union.

ARTICLE 5 - SCHEDULING WORKING HOURS AND OVERTIME

5.01 (a) Drivers and Warehouse Only

Except as provided in Article 5.06 and 5.07, the work week may be scheduled from Monday through Sunday. All time worked in excess of forty (40) hours in the week will be paid at time and one-half (1 1/2 times) the basic rate. All time worked in excess of eight (8) hours (ten (10) hours - short week) per day, will be paid at time and one-half (1 1/2 times) the basic rate for the classification.

(b) In order to clarify the utilization of part-time unassigned workers on the sixth (6th) or seventh (7th) day of the work week, the following practice shall apply:

1. Any scheduled Saturday or Sunday runs or shifts will be first offered to part-time employees on a permanent scheduled basis in accordance with seniority.
2. In the event there are no part-time bids for this scheduled work, the work will be scheduled to a part-time unassigned worker on a regular basis.

(c) Clerical Only

Except as provided in Article 5.07 (c) and (d), the work week may be scheduled from Monday through Sunday. All time worked in excess of thirty-seven and one-half (37 1/2) hours in the week will be paid at time and one-half (1 1/2 times) the basic rate. All time worked in excess of seven and one-half (7 1/2) hours per day, will be paid at time and one-half (1 1/2 times) the basic rate for the classification.

5.02 No employee shall be required to take time off in lieu of overtime hours worked.

5.03 Employees will be paid according to the hours scheduled. Any regular full-time or part-time employee working twenty (20) hours or

more per week shall be entitled to the full rights and benefits of this Collective Agreement.

- 5.04 (a) Any employee ordered to report to work at a time specified by the Company, and who reports for work at the said time will be guaranteed a minimum of four (4) hours work or four (4) hours pay in lieu thereof; unless the employee quits, or is discharged for cause **prior** to the completion of four (4) hours.
- (b) In the event of a disabling injury on the job, an employee will be paid for the number of hours **for** which the employee was scheduled to work on the date of the injury.

5.05 A chart indicating each job position, route by number, classification, area, current scheduled hours and any other pertinent comments concerning each position shall be placed in a locale easily observed by all employees within each branch and shall be updated when any posted information becomes invalid or is changed.

5.06 **Drivers and Warehouse Only**

Upon mutual agreement, in writing, between the Company and the Union, a shift comprising of four (4) consecutive days and ten (10) consecutive hours per day, excluding the lunch period, shall be established.

- 5.07 (a) Part-time and part-time unassigned employees will be given the first opportunity by seniority to supplement their hours of work by placing their names on a bi-weekly seniority list indicating their desire to be called for additional hours.
- (b) When additional hours worked can reasonably be foreseen **as** amounting to a maximum of eighty (80) hours for Drivers and Warehouse, and seventy-five (75) hours for Clerical in any one (1) pay period, when included with the employee's regular schedule, the next senior part-time and/or part-time unassigned person will be offered the additional hours by classification.
- (c) Part-time employee hours will be averaged over the bi-weekly pay period. Time and one-half (1 1/2) will be paid

on hours in excess of eighty (80) for Drivers and Warehouse and seventy-five (75) for Clerical, in any one (1) pay period.

- (d) Additional hours which are a continuation of a regularly scheduled run or shift are exempt from this provision.

5.08 All part-time positions that have run for eight (8) hours for Drivers and Warehouse, and seven and one-half (7 1/2) hours for clerical, or more per day for twenty-five (25) consecutive working days, or more, will be reclassified as full-time positions and re-posted within five (5) working days.

5.09 In the event of a change in scheduled hours on any position for any reason, the employees so affected will be given five (5) working days' notice. Relief drivers are exempt.

5.10 Employees who work a full-time shift will be entitled to a total of thirty (30) minutes of paid breaks. An employee who works a part-time shift will be entitled to a fifteen (15) minute paid break. Local scheduling practices will prevail, provided that breaks must be taken during the shift, rather than paid for at the end of the shift, except in emergency situations.

ARTICLE 6 - HOLIDAYS

6.01 The following statutory holidays will be observed with pay:

New Year's Day	Christmas Day
Canada Day	Victoria Day
Thanksgiving Day	Labour Day
Good Friday	Boxing Day
Civic Holiday	

6.02 **Drivers and Warehouse Only**

- (a) In addition to the statutory holidays listed above, three (3) floating days may be taken. Employees become eligible for their float days after completing one (1) year's service. These days may be used for **sickness**. This Article does not apply to part-time unassigned.
- (b) A floating day or days may be taken any time for personal convenience during the contract year, however, one (1)

- week's prior notice must be given to management. It is understood that no more than two (2) employees per classification may take the same floating holidays on the same day. **In the case of a dispute, seniority shall govern.**
- (c) The employee shall have the option of receiving payment in lieu of any outstanding float days for which he/she is eligible, at his/her basic rate. Any unused float days at anniversary year end will be automatically paid out. Neither float days/nor payment in lieu can be carried forward from one (1) anniversary date to the next.

Clerical Only

- (d) In addition to above noted holiday, each employee covered by this Agreement will have three (3) float days. These days may be used for sickness or personal convenience. Only one (1) person per classification shall be granted the same day off for reasons other than illness. Employees become eligible for their float days after completing one (1) year's service. This Article does not apply to part-time unassigned.
- (e) The employees shall have the option of receiving payment in lieu of any outstanding float days for which he/she is eligible, at his/her basic hourly rate. Such payment will only be paid out within thirty (30) days after the anniversary next following completion of one year's service. Neither float days/nor payment in lieu can be carried forward from one (1) anniversary date to the next.
- (f) Employees will receive a day off with pay in lieu of Remembrance Day. Days off will be by seniority and must be requested in writing two (2) weeks prior to the requested day off.

6.03 An employee shall be paid any statutory holiday falling during his/her vacation, in addition to vacation pay.

6.04 If a recognized holiday occurs during an employee's vacation or on a regular day off, the employee, at his/her option, shall receive a day off with pay or a regular day's pay at straight time. Should the employee choose the day off, it may be taken on the day before or immediately following his/her vacation.

6.05 Eligible employees are those employees who are full-time and part-time employees regularly scheduled to work a minimum of twenty (20) hours per week, and have been employed in excess of thirty (30) calendar days. An eligible employee will be entitled to pay for the above noted holidays, although no work is performed, provided such employees work on the regularly scheduled day preceding and the next day following such holidays. The Company will recognize reasons advanced by the employee for absenteeism on the regular scheduled work day preceding or following the holiday, and if deemed reasonable and legitimate, such pay entitlement will be granted.

6.06 Holiday pay will be computed by multiplying the employee's basic hourly rate of pay by the average number of hours per day worked by the employee during the previous twenty (20) days.

6.07 Those employees working under a long day, short week agreement will receive their normal day's pay if the holiday falls on their regularly scheduled day of work. If the holiday falls on a non-regularly scheduled day of work, the employee will receive ten (10) hours pay at the basic rate for his/her classification.

6.08 If an employee's normal shift starts prior to twelve (12) midnight of the day before the declared holiday, he/she will be paid at his/her regularly scheduled rate. Any employee commencing work before twelve (12) midnight of the declared holiday will be paid time and one-half (1 1/2) times for the day worked in addition to the holiday pay.

6.09 In the event a statutory (general) holiday is proclaimed by either the Federal or Provincial Governments, such holiday shall also be observed if not already listed in the above holidays

6.10 In the case of a general holiday falling on a Monday, for those employees whose work commences on Sunday, Sunday shall be their general holiday and their work week will then commence on Monday. In the case of a general holiday falling on a Friday, for those employees whose shift commences on Thursday and ends on Friday, Thursday shall be their general holiday and their work week would then be completed on Thursday morning.

6.11 The Union agrees that one (1) of the floating days is a substitution for Remembrance Day and the Union agrees to assist the Com-

pány in obtaining from the employees under this Agreement any necessary agreements required by Labour Canada to affect this substitution.

ARTICLE 7 - VACATION AND VACATION PAY

7.01 No later than the 1st of January of each year, the Company will post on the Union bulletin board, a list of employees in order of seniority using the employees' respective seniority dates.

7.02 Each employee will select his/her desired time for vacation, understanding that, vacations cannot be taken until after their seniority date. An employee shall be required to select his/her vacation dates prior to the 31st of March of each year.

Any employee failing to select his/her vacation date, except for bona fide sickness or injury where the Company is unable to contact them, they shall forfeit their seniority rights for vacation selection and will be required to wait until all other eligible employees within the depot or branch have selected their dates. Any employee who wishes to change his/her selection after the 31st of March will not be able to exercise his/her seniority rights on his/her revised selection, which shall require the Company's approval.

7.03 The Company shall permit up to ten percent (**10%**) of the employees in any one classification in any one depot covered by this Agreement, to take vacation at the same time.

7.04 Employees may split their vacation weeks, if they so desire, or take them consecutively. The remaining vacation time may be split into days.

Employees must take at least two (2) weeks in one (1) block or two (2) one (1) week blocks. Any employee who wishes to take vacation by the day will not be included in the percentage (%) ratio of Article 7.03.

7.05 Drivers and Warehouse Only

- (a) Full-time and part-time employees who have completed one (1) year as regular employees shall be entitled to vacation with pay on or after their seniority date and must be taken within twelve (12) months thereafter. At the end of the

vacation entitlement all outstanding vacation will be paid out at the applicable rate.

Years of Service	Entitlement Weeks	% of Earnings
One (1)	Two (2)	4%
Three (3)	Three (3)	6%
Eleven (11)	Four (4)	8%
Twenty (20)	Five (5)	10%

- (b) Full-time and part-time employees will receive vacation pay at the percentage (%) entitlement applied to their annual gross earnings for the anniversary year for which they are receiving their vacation or be paid at their regular scheduled hours for the number of weeks of entitlement, whichever is greater.
- (c) In the event of absence due to W.S.I.B., illness, (leave of absence in excess of one (1) month) in no case will the employee be entitled W.S.I.B, Weekly Indemnity, or Long Term Disability benefits in addition to vacation pay.

7.06 **Clerical Only**

- (a) Full-time and part-time employees who have completed one (1) year as regular employees shall be entitled to vacation with pay on or after their seniority date and must be taken within twelve (12) months thereafter. At the end of the vacation entitlement all outstanding vacation will be paid out at the applicable rate.

Years of Service	Entitlement Weeks	% of Earnings
One (1)	Three (3)	6%
Five (5)	Four (4)	8%
Twelve (12)	Five (5)	10%

- (b) Full-time and part-time employees will receive vacation pay at the percentage (%) entitlement applied to their annual gross earnings for the anniversary year for which they are receiving their vacation.

7.07 Vacation pay shall be paid to the employee by separate cheque with the pay immediately proceeding their departure on vacation.

When vacation is split into days (as per Art. 7.04) the employee will be paid on their regular pay cheque.

7.08 Employees, while on vacation, cannot be called in to **work** unless the employee agrees. When an employee is called in, by mutual agreement, the employee will have the right to negotiate their remaining vacation prior to returning to work.

7.09 In the event that an employee leaves the employ of the Company, they shall receive four percent (4%) of their gross earnings they received while in the employ of the Company, less any vacation time already paid. If an employee has completed six (6) consecutive years of employment, the employee shall be paid six percent (6%) of their wages for any completed portion of their sixth (6th) year of employment, less any vacation time already paid. This shall not apply to employees retiring who will be paid in accordance with Articles 7.05 and 7.06.

ARTICLE 8 - HEALTH & WELFARE

8.01. The Company shall provide a comprehensive health and welfare benefit program for eligible regular full-time and part-time employees. The program will form part of the Collective Agreement. The cost to the employee will be the equivalent of one percent (1%) per month of regular earnings.

These benefits include:

- Provincial Medical
- Major Medical
- Dental Plan
- Vision Care
- Life Insurance
- Accidental Death and Dismemberment
- Short-term Disability/ Weekly Indemnity
- Long-term Disability/ Weekly Indemnity
- Felonious Assault Insurance
- Personal Accident (Optional)

The Company agrees to provide all eligible employees with current details and information covering all employee benefit programmes **for**

which employees covered by this Collective Agreement are entitled to participate. This book shall be provided at date of hire.

8.02 The Company will make available to all eligible employees and their dependents a group accident insurance plan for those employees who voluntarily enroll in the plan and continue to pay the required monthly premiums.

8.03 **Provincial Medical Insurance**

The benefit is available to the employee, the first (1st) month following the date of employment,

8.04 **Major Medical Insurance**

The effective date for the Major Medical Insurance Plan is thirty (30) days for full-time employees and ninety (90) days for part-time employees.

Employees covered under this benefit shall be entitled to a Drug Card with a ten dollar (\$10.00) per use deductible.

8.05 **Dental Plan**

The effective date of the dental plan is the first (1st) day of the month next following the three (3) month waiting period.

The Dental Plan will provide the following:

Plan A (100% coverage) includes:

- (a) diagnostic services
- (b) preventative services
- (c) surgical services
- (d) restorative services
- (e) prosthetic services
- (f) endodontics
- (g) periodontics

Plan B (50% coverage) includes:

- (a) crowns and/or bridges
- (b) partial dentures
- (c) complete upper and lower dentures

Rates will be as per the current O.D.A. schedule. It is further agreed the current O.D.A. schedule is initiated when the carrier is informed of the rate change as per the insurance contract.

There will be no deductible charges for the above services.

8.06 Vision Care

One Hundred Dollars (\$100.00) per employee only, every twenty-four (24) months.

Effective Nov. 1, 2001, the above provision will also apply to dependents.

8.07 Life Insurance

The effective date of the Life Insurance Plan is thirty (30) days for full-time employees and ninety (90) days for part-time employees. The benefit will be based on 1 1/4 x base annual earnings **up** to a thirty-two thousand dollar (\$32,000.00) maximum. The maximum benefit under this Article is forty thousand dollars (\$40,000.00).

8.08 Accidental Death & Dismemberment Insurance

The effective date of the Accidental Death & Dismemberment Insurance Plan is thirty (30) days for full-time employees and ninety (90) days for part-time employees. The benefit will be based on 1 1/4 x base annual earnings **up** to a thirty-two thousand dollar (\$32,000.00) maximum. The maximum benefit under this Article is forty thousand dollars (\$40,000.00).

8.09 Short-Term Disability Benefit

The Short-Term Disability Benefit commences on the first (1st) day of accident or the fourth (4th) day of sickness. The benefit is based on seventy percent (70%) of average scheduled hours to a four hundred and fifty dollar (\$450.00) maximum per week for the first fifteen (15) weeks. Coverage begins upon completion of ninety (90) days' employment.

Employees will have one hundred and twenty (120) days to file their weekly indemnity claim.

8.10 Long-Term Disability Benefit

Upon completion of ninety (90) days' employment, the Company will make available to eligible employees a Long-Term Disability Group Plan (Salary Continuance). Eligibility commences after fifteen (15) weeks. The Plan provides a disability income based on seventy percent (70%) of average weekly earnings **up** to two hundred and fifty dollars (\$250.00) per week. The total disability period shall be a maximum **of** two (2) years, calculated from the commencement of the short-term disability claim.

Employees will have one hundred and twenty (120) days to file their long-term disability claim.

8.11 The Company agrees to provide payment for employees after a two (2) week waiting period from the time forms are filled out at the employee's branch for all bona fide weekly indemnity claims.

(a) In the event the Company is required to advance funds to the employee, the beneficiary of the weekly indemnity claim agrees to reimburse the Company for an amount equivalent within two (2) working days upon receipt of the weekly indemnity payment from the carrier.

(b) Whereupon the reimbursement to the Company is ultimately declared N.S.F. (not sufficient funds), by the clearing bank, the amount of reimbursement is automatically deducted from the employee's next pay, or remaining vacation accrued.

8.12 The Company will provide felonious assault insurance for all employees on the payroll from the date of employment in the amount of twenty thousand dollars (\$20,000.00).

8.13 **Personal Accident Insurance**

This is a separate plan. Coverage under this plan is optional and available to each employee at their own cost.

8.14 **Dependent Coverage of Major Medical/Dental/Vision**

Any new eligible dependents (spouse, unmarried children), must be enrolled within the thirty-one (31) day eligibility period. Eligibility is defined as the first thirty-one (31) days from which an employee acquires a dependent.

Declaration of Common-Law Status for Benefit Eligibility

The employee must complete a Declaration of Status document in order to qualify for health and welfare benefits. Eligibility commences after one (1) year of common-law status; dependent coverage can only be applied for during the first thirty-one (31) day eligibility period.

A spouse is deemed to be:

- * A person married to the employee as a result of a valid civil or religious ceremony, including a person separated from the employee.

- * A person of the opposite sex, or same gender partner with whom the employee has a common-law relationship for at least twelve (12) consecutive months prior to the date on which the claim arose. (Common-law relationship means continuous cohabitation and public representation of married status.)

ARTICLE 9 - RETIREMENT AND PENSION

9.01 Retirement

The retirement date for all employees will be the first (1st) day of the month following the employee's sixty-fifth (65th) birthday unless the employee was born on the first (1st) day of the month, in which case their retirement date is their sixty-fifth (65th) birthday.

9.02 Extended Service

All employees with extension beyond the normal retirement date are to be retired with one (1) clear month's notice.

9.03 (a) The Company shall contribute to the National Automobile, Aerospace, Transport and General Workers Union of Canada's Pension Trust Fund.

(b) **Contributions - Employer**

The Company shall contribute three percent (3%) of the employee's earnings as defined in the Collective Agreement for each employee covered by the Pension Plan.

Contributions - Employee

Every employee covered by the Pension Plan shall contribute three (3%) of the employee's earnings as defined in the Collective Agreement.

(c) The contributions are payable to the Trustees of the Pension Trust Fund by the fifteenth (15th) of the month following the work month completed. The payment will include the employee's contribution.

(d) The contributions are to be forwarded to the Pension Trust Fund Administrator as designated by the National Automobile, Aerospace, Transport and General Workers Union of Canada.

- (e) The Pension Plan Administrator agrees to provide full disclosure to a representative of the Company on a regular basis (at a minimum of once a year).

9.04 The Administrator agrees to provide those eligible employees with current details and information concerning the Pension Plan in which the employees covered by this Collective Agreement are entitled to participate. This information shall be provided at the date of hire.

ARTICLE 10 - SENIORITY

10.01 (a) The purpose of seniority is to provide a policy governing work preference, layoffs and recalls. Seniority of an employee means the duration of continuous service for the Company, since their last hiring.

- (b) There will be one (1) seniority list for clerical employees, hourly drivers and warehouse employees.

10.02 The Company shall post, on the Union bulletin board, an up-to-date seniority list showing name, initials of the employee, date of employment and will ensure that this list is maintained and kept up-to-date. The seniority list will be posted on or about the 31st of March, the 30th of June, the 30th of September and the 31st of December of each year.

10.03 All new employees shall be considered on probation during the ninety (90) days following the beginning of their employment. After the completion of this ninety (90) day period, the employee shall be placed on the seniority list and their seniority shall be established retroactively from their last date of hire subject to the terms and conditions of Article 19.01.

10.04 An employee maintains and accumulates seniority in all cases, except:

- (a) In the case of voluntary resignation.
- (b) If they are discharged for just and reasonable cause.
- (c) If they are absent from work for three (3) consecutive working days without permission, or without reasonable justification, resulting in termination.

- (d) If they are laid off for a period exceeding eighteen (18) calendar months.
- (e) If they are promoted and remain outside the bargaining unit for ninety (90) calendar days or longer.

10.05 All applications for employment within the bargaining unit will be date and time stamped to ascertain seniority in the case of multiple hirings.

10.06 For employees on a medical leave of absence or W.S.I.B., it will be the employee's responsibility to be aware of any job postings.

10.07 **Incapacitated Employees**

- (a) In the event an employee becomes physically handicapped and is unable to continue their job, exception will be made in favour of such employee on the following basis.
- (b) If a job vacancy occurs which an incapacitated employee can perform, they will be placed on such job without the necessity of a job posting.
- (c) A doctor's certification of disability by the employee's own doctor must be submitted and verified. A second opinion by a mutually agreed upon independent doctor will be obtained if requested by the Company or the Union.
- (d) An employee placed on a job because of a disability will have their status reviewed at least annually jointly by both parties.
- (e) The Company will review all the circumstances with the Union before exercising this provision. All exceptions to the seniority provisions of the Collective Agreement must be mutually agreed to by the parties.

ARTICLE 11 - LAYOFFS

11.01 The Company and the Union accept the principle of seniority in layoffs and rehiring and agree that if the employee possesses the required qualifications and ability that length of continuous service will govern.

11.02 When adding to the work force of employees covered by this Agreement, those previously laid off will be recalled on the basis of seniority.

11.03 (a) The Company will notify such employees at their last known address by registered mail. If such employees fail to **report** within five (5) working days from date of receipt, the standing as an employee of any such person failing to report within five (5) days will be forfeited.

(b) It shall be the responsibility of every employee to keep the Company and the Union informed of any and all changes of address or telephone numbers. Such information will be supplied within three (3) working days of such change.

11.04 In the event of a layoff, employees employed more than ninety (90) days, but less than one (1) year, will receive two (2) weeks' notice of such layoff or two (2) weeks pay in lieu of notice.

11.05 (a) In the event that a branch or depot closes **or** a decision by the Company to transfer a job position from one branch to another **or** should any position within the bargaining unit be wholly discontinued and employees be displaced as a result, each displaced employee may exercise their overall company seniority to obtain a junior position in any other branch **or** depot covered by this Agreement. Once a position is posted at the new location then this employee may post on the position using their full company seniority.

(b) The Company will not delay making this change for an unreasonable period of time.

(c) The entire provision will apply only to the filling of the original vacancy created and the next vacancy thus created. The resulting third (3rd) vacancy may be filled by a full-time employee.

(d) Should an employee's position be cancelled, the employee will be able to exercise their overall company seniority.

For the purposes of Article 11, employees in the bargaining unit will be divided into the following four (4) seniority groups:

1. Driver (A License)
2. Driver (D License)
3. Pick Up and Delivery (**Class G** License)
4. Office, Clerical and Warehouse

Provided that the employee possesses the required license and ability, they may exercise their seniority in the following manner:

- (i) to displace a junior employee within the senior employee's seniority group and depot or, if no such displacement is possible;
 - (ii) to displace a junior employee or a junior Owner Operator in any seniority group in any depot which is subject to the Collective Agreement.
 - (iii) if an employee has insufficient seniority within their depot to displace another employee, they may choose to accept a severance payment of one (1) week per year of service. Should the employee exercise this option, their rights under the Collective Agreement will be terminated. For the purposes of this paragraph, Tranmere, Horner and Scarborough will be considered one (1) depot.
- (e) Affected employees who are entitled to bump another employee in the same depot will have three (3) working days after being provided with the necessary position information to make an informed decision, to make their election or to be laid off. When the employee's option is **to bump** outside the depot, the time period shall be extended to five (5) working days.
- (f) For the purposes of bumping only, Burlington, St. Catharines, Hamilton Airport, Scarborough and Peterborough will be considered separate depots.
- (g) If the employee cannot maintain like hours, rate of pay or classification, they may exercise their seniority to any other junior position in any branch that their overall seniority will allow.

ARTICLE 12 • HEALTH, SAFETY AND EQUIPMENT

- 12.01 (a) The Company will not require employees to operate any company vehicle on the streets or highways that is not in a safe operating condition or equipped with safety appliances prescribed by law. All unsafe vehicles shall be locked out and red tagged.
- (b) The Company will not require employees to operate any equipment that is not in safe operating condition. It will not be a violation of this Agreement when employees refuse to operate unsafe equipment or those not properly equipped as prescribed by law.
- (c) The Company will not ask any employee to take out a vehicle until same has been approved as being safe by the Company. In the event of a dispute over the condition of a vehicle, the matter shall be resolved after consultation between a member of management and a certified mechanic. Such certificate shall be in writing.

12.02 Employees will immediately, or at the end of their respective shifts, report all vehicle malfunctions and defects of equipment. Such reports will be made on a suitable form furnished by the Company and will be made in multiple copies; one (1) copy may be retained by the employee.

12.03 Employee operated Company vehicles will be equipped with a handcart.

12.04 Maintenance of the equipment in good running condition is the duty and the responsibility of the Company.

12.05 The Company shall equip all Company vehicles with security and first-aid kits; said security kits shall contain fire extinguishers and flares. Out-of-town drivers will be issued flashlights. Drivers will be responsible for changing tires only on vehicles operated by them during the course of their respective shift.

12.06 All Company vehicles will be equipped with adequate heaters, windshield wipers and defoggers. These will be kept in good operating condition at all times. The driver's area will include a protective barrier between himself/herself and the freight.

12.07 Windshield washer solution and motor oil shall be readily available at all times for Company vehicles.

12.08 The Company will keep speedometers and fuel gauges in proper working order and reasonably accurate on all Company vehicles.

12.09 A CB radio and antenna will be supplied by the Company for all linehaul vehicles. (Company owned vehicles only.)

12.10 The Company will provide training and proper equipment to properly and safely fuel Company propane vehicles.

12.11 The Company agrees to supply protective blankets or vests to pregnant employees who operate VDT terminals and further agrees to inspect these terminals once a year.

12.12 Accidents for which the employee is at fault or for which their action or lack of action is a contributing factor, will result in disciplinary action.

12.13 (a) Employees shall be paid for all time lost during the investigation period relating to an accident in which that employee was involved, should it be found that that employee was not at fault.

(b) All accidents will be investigated and reviewed by the Joint Health & Safety Committee who shall provide the Company with a detailed report in writing of their recommendations for preventative measures. Any employee involved in a preventable accident will be required to attend a Defensive Driving Course and the Company will cover the cost of their wages if the driver is not on suspension.

12.14 Employees involved in accidents will be notified by the Safety Committee, through the Company, whether the accident was a preventable or non-preventable accident.

12.15 Drivers will not be responsible for damage while towing or pushing a vehicle, if instructed to do so by the Company.

12.16 The Company shall apply the provisions of **Part II** of the Canada Labour Code as they are presently enacted on February 1, 1997.

The Company and the Union will make every effort to comply and promote in a timely manner all legislation pertaining to occupational health and safety.

It is agreed that the Committee will meet to establish its points of reference and post these points on the terminal bulletin boards.

Copies of the monthly Joint Health and Safety Committee meetings and all attachments will be forwarded to the Manager of Human Resources and the President of the Local. Copies of all Form 7's will be given to the Committee. All members of the Joint Health and Safety Committee will be properly trained. Where possible training will be conducted during working hours.

12.17 All vehicles will have indicated in a conspicuous location, the following:

“This vehicle contains no cash or negotiables.”

12.18 (a) Where deemed necessary by the Joint Health and Safety Committee, safety equipment will be supplied and paid for by the Company, except as amended by the Collective Agreement.

(b) If safety boots or shoes are deemed necessary by the Joint Health and Safety Committee, the Company will refund up to a maximum of eighty dollars (\$80.00) towards the cost of such boots or shoes on submission of a sales receipt.

Effective Nov. 1, 2000, the amount will increase to ninety dollars (\$90.00).

Effective Nov. 1, 2001, the amount will increase to one hundred dollars (\$100.00).

ARTICLE 13 - BEREAVEMENT LEAVE

13.01 Every full-time and part-time employee shall be entitled to a paid leave, up to four (4) working days, in the event of the death of their spouse (included is a spouse of an alternate lifestyle couple) child, father, mother, and up to three (3) working days in the event of the death of their brother, sister, father-in-law, mother-in-law, or grandparents. Proper justification must be provided upon request.

This provision does not apply if the death occurs during the employee's paid vacation or while the employee is on a leave of absence or layoff. Managers, at their discretion, may grant other bereavement leave.

The Company agrees to follow the legislation as per bereavement leave for part-time unassigned.

ARTICLE 14 - JURY DUTY

14.01 When a full-time or part-time employee is required to serve on a jury or is subpoenaed as a witness, the employee will be paid the wages they would normally have earned at work, but the employee shall have to reimburse the Company the amount of fees they receive for the period served while on jury or witness duty.

ARTICLE 15 - LEAVE OF ABSENCE

15.01 If an employee desires a leave of absence for reasons other than those referred to in this Agreement, such as W.S.I.B., S.T.D., L.T.D., maternity, paternity, adoption and Union leave (as per Art. 1.14), proper justification, in writing, must be submitted to the Company as soon as possible. The Company agrees that no legitimate or reasonable request up to thirty (30) days will be denied. A leave of absence for a period of thirty (30) days or less shall not be deemed a loss of seniority. Extension beyond thirty (30) days must be mutually agreed to between the Company and the Union.

Entitlements provided under Articles 7.05(b) and 7.06(b) will be prorated accordingly for leaves of absence in excess of thirty (30) days.

15.02 The Company shall apply the provisions of the Canada Labour Code relating to maternity and parental leaves as enacted February 1, 1997.

ARTICLE 16 - JOB POSTINGS

16.01 (a) When a vacancy occurs for any reason, the Company will post within five (5) days at the appropriate depot or branch, the said vacancy for three (3) working days (Monday to Friday), in order that employees may bid for the vacancy in writing. Such notice shall provide information regarding classification, route number if applicable, service area and scheduled hours. Selection will be on the basis of the applicant's seniority and qualifications. Seniority will be

by branch or depot only. The senior qualified applicant will be awarded the position within ten (10) working days. The Company will endeavour to place the successful applicant in the position within ten (10) working days.

- (b) No employee shall voluntarily and successfully apply for more than two (2) vacancies in a one (1) year period.
- (c) Any position that changes from part-time to full-time will be re-posted in accordance with Article 16.01(a).
- (d) Only job postings that require work to be performed in the Province of Quebec will be posted as bilingual. A committee will be struck where both parties will meet to discuss and determine any positions in the Province of Ontario that will be posted as bilingual.

16.02 In the event that an employee's scheduled hours have been changed by two (2) hours or more or said position has been cancelled, the said employee has the option of retaining the position at the designated classification, failing which, the position shall then be posted, and the employee may choose a junior position, as per Article 11.05(d).

16.03 Eligible employees who apply for posted job vacancies shall be notified of the name of the successful bidder, in writing.

Drivers and Warehouse Only

- 16.04 (a) Should a full-time employee be absent from work for a known period of seven (7) calendar days or more, for legitimate reasons, this position will be offered to part-time employees (incl. part-time unassigned) in order of seniority within that depot for the duration of the full-time employee's absence.
- (b) The employees must make their intention known to be considered for this option on a monthly basis by signing a list posted by the Company.

Clerical Only

- (c) Should a full-time employee be absent from work for thirty (30) working days or more for legitimate reasons, this position will be offered to the part-time employees in order of seniority within that classification for the duration of the full-time employee's absence.

16.05 Depots

For the purposes of job postings, the depots of St. Catharines/ Burlington/ Hamilton Airport and Peterborough/ Scarborough **will** both be considered as one (1) location.

In the event that St. Catharines and/or Peterborough become a legitimate branch with its own branch manager, this article will not apply.

16.06 The security deposits outlined under Articles 7.03 and 7.04 of the Owner Operator Addendum shall not apply to hourly employees who were on the seniority list effective December 2, 1999 and who subsequently become Owner Operators.

ARTICLE 17 - UNIFORMS

17.01 The Company will pay for new uniforms when such uniforms are required. All uniforms are and will remain the sole property of the Company but the employees will be expected to properly care for and keep same in good repair and condition at the employee's expense. All uniforms will be returned to the Company upon termination of employment, and when requesting replacement as required.

17.02 As a condition of the Collective Agreement, it is agreed that the issued uniforms will be worn while on duty.

General Issue

- (5) Shirts (or T-shirts in the warehouse)
- (3) Trousers
- (1) Tie (if employee wishes)
- (1) Cap (if employee wishes)
- (2) Prs. Shorts

Seasonal Items

- Winter Parka or
- Bomber Style Jacket
- Summer Coat

All hats that are worn (not compulsory) must be Loomis Hats.

Women will be provided with women's clothing.

17.03 All hourly Linehaul and Warehousepersons must provide their own safety boots during the probationary period at their own cost. If the employee successfully completes the probationary period, the Company will refund monies as per Article 12.18.

17.04 (a) Any employee working in the warehouse will be supplied with three (3) pairs of coveralls and the responsibility for cleanliness and repair shall be that of the employee.

- (b) Winter coats will be supplied to warehousepersons who require them to perform their duties.

17.05 Any clerical employee working in the warehouse will be supplied with suitable clothing and the responsibility for cleanliness and repair shall be that of the employee.

17.06 As a condition of employment, it is agreed that clerical personnel covered by this Agreement will adhere to the established Company dress code.

ARTICLE 18 - TRAINING

18.01 (a) The Company will pay one hundred percent (100%) of course fees for any accredited defensive driving course taken and successfully completed by the employee and approved by the Company.

- (b) The Company will allow the use of Company vehicles for license upgrades, if available.

18.02 The Company may request the employee to attend a defensive driving course at the Company's expense.

18.03 From time to time, employees will be required to attend training and/or educational meetings outside their schedule and these hours shall be paid at straight time within their designated classifications. Two (2) weeks advance notice will be given.

18.04. The Company will ensure that all employees are properly trained as to their full responsibilities and duties.

ARTICLE 19 - DEFINITIONS

19.01. **Seniority** of an employee means the duration of continuous service for the Company since the employee's last hiring. There is to be no allowance for service acquired before actually joining Loomis Courier Service.

19.02 **Leadhand** - A regularly scheduled employee who technically directs, coordinates and supervises the work of employees under the direction of their supervisor within their particular unit *or* section. However, they shall not have the authority to hire, suspend, dismiss or

discipline employees. Hours of work for leadhands will be scheduled, but may be changed for temporary assignments with the employee's consent.

19.03 **Relief Drivers** - A regularly scheduled employee who performs a driver's function when a route is vacant for any reason, they are expected to maintain a reasonable route standard. They will be notified of a shift change at the end of the previous working day.

19.04 **Sorter** - A regularly scheduled employee who marks freight for destination or does the mail sort.

19.05 **Utility Clerk** - A regularly scheduled clerk who performs the duties of two (2) or more classifications as per Article 23, will be classified as a Utility Clerk.

ARTICLE 20 - MISCELLANEOUS

20.01 **Layovers**

On out-of-town routes requiring a layover period between the hours of 9:00 p.m. and 6:00 a.m. and extending beyond three (3) hours excluding the lunch period, the Company will provide suitable lodgings.

20.02 On out-of-town routes requiring a layover period between the hours of 10:00 a.m. and 3:00 p.m., exceeding three (3) hours excluding the lunch period, the Company will provide suitable accommodation.

During the period of layover, the employee is relieved of all responsibilities for the vehicle and cargo and is free to come and go as they desire. The employee is in no way regarded to be on duty during such layovers. The vehicle will be parked/secured in a designated secure parking area.

20.03 Employees scheduled on out-of-town routes requiring a non-scheduled layover due to Acts of God will be paid six dollars (\$6.00) per hour for each hour of layover outside their scheduled shift.

20.04 If a driver's driving privileges are suspended or rescinded for a period of one (1) year or more, the driver may be terminated. The above will not apply if the suspension is for unpaid parking fines.

20.05 After one (1) complete year of service for the Company, each full-time and part-time driver shall have their annual cartage license

paid for by the Company. Employees will be responsible for obtaining the license.

20.06 Payment will be made the following pay day from the date of receipt of proof that a cartage license has been obtained or applied for.

20.07 Should the employee leave the employment of the Company within the first nine (9) effective months of the license validation period, the original cost of the license will be recoverable in full by the Company on their final pay cheque.

20.08 Personal Property

The Company shall not be responsible for the loss, damage, or destruction of employees' personal property while such property is on Company premises, in vehicles or equipment, or in use on Company business.

20.09 Hiring

The Company will provide each employee a copy of the Collective Agreement, at the time of hiring.

20.10 Employees' Lunchroom

The Company will supply accommodations for an employees' lunchroom equipped with a timed microwave oven, if the number of employees so warrant.

20.11 The Company shall allow the Union to provide soft drink, coffee and similar vending machines, on the Company's premises, subject to the approval of the Company as to location.

20.12 Maintenance of the employees' lunchroom will be the responsibility of the Company, however employees agree to observe common courtesy and manners and rules of cleanliness in the use thereof.

20.13 The Company will provide a drinking fountain in the warehouse at the Tranmere Branch.

20.14 Maternity Leave

The Company agrees that an employee on maternity leave will have her job held open for her for the maximum time allowed by law.

ARTICLE 21 - MEDICAL EXAMINATIONS

21.01 Any medical examination requested by the Company shall be promptly complied with by the employee, provided however, that the Company shall pay for such an examination.

Any doctors note required by the Company for an employee's return to work will be paid by the Company to a maximum of thirty dollars (\$30.00) per calendar year.

21.02 (a) When a medical examination is required by the Company, other than a medical for pre-employment or WSIB or a weekly indemnity plan, the employee shall be paid for the actual time involved, not to exceed four (4) hours. The Company will pay for medical forms required by insurance companies or the Company, but does not include return to work notes from doctors, except as provided for in Article 21.01.

(b) In addition to the above procedure on Company required medical examinations, the Company agrees that, where an employee takes a medical examination to verify his/her right to drive a motor vehicle under the regulations of the Province of Ontario, and that such an examination not paid for under the Provincial Health Plan will be paid for by the Company.

21.03 If, following a Company requested medical examination, an employee is deemed physically incapable of carrying out their duties, the following procedure shall be followed:

- (a) The Company shall notify the employee of the medical findings in respect to the employee. Should the Union or the employee disagree with said findings, the employee, at their own expense, shall have the right to be examined by their personal physician.
- (b) Where there is no agreement between the Company's physician and the employee's physician on the condition of the employee, the two (2) physicians shall select a medical consultant to examine the employee with respect to the dispute.
- (c) The findings of the consultant shall be final and binding on **all** parties.

- (d) The remuneration of the consultant shall be borne by the Company if such costs are not covered under the Provincial Health Plan.
- (e) Should the consultant deem the employee to be capable of carrying on with their duties, then the employee shall not **suffer** any loss of revenue while the matter was under review.

21.04 Should an employee be reclassified as a result, they will be paid at the then existing rate of pay of their new classification. In the event that no position can be identified to accommodate the employee, they will:

- (a) be placed on layoff status (medical leave of absence without pay); or
- (b) qualify for participation in any of the employee benefit programs to which they are entitled to and are a participating member, or
- (c) qualify for W.S.I.B. if their incapacity results from an on-the-job illness or injury.

21.05 Furthermore, the Company shall advise the employee at least two (2) working days in advance, wherever possible, of such medical examination, the time and date of examination to be mutually agreed upon.

ARTICLE 22 - CLASSIFICATIONS

Hourly Drivers and Warehouse

22.01 **Regular Full-Time Employees:** Any employees regularly scheduled to work forty (40) hours per week and who are available for eight (8) hours of work on each day of their regularly scheduled work period shall be considered full-time employees and will be paid forty (40) hours at the basic rate established for their respective classification.

22.02 **Regular Part-Time Employees:** Part-Time employees will be guaranteed a minimum of twenty (20) hours of work per week; those who work less than forty (40) hours will be paid at the rate established for their respective classifications.

22.02? **Part-Time Unassigned:** May be employed to relieve positions normally occupied by regular full-time and part-time employees who are absent **from work for any reason** (subject to Article **16.04**).

Part-time unassigned will be utilized to perform work outside of scheduled work periods and during overload or peak periods of activity, but shall not be used to circumvent the hiring of regular and part-time employees.

Part-time unassigned employees will be covered by all of the provisions of the Collective Agreement, save and except Article 5 and 8, or as otherwise noted.

In order to ensure the Company is able to schedule an adequate number of employees on each shift, part-time unassigneds will provide the Company with their available dates on a bi-weekly basis.

Clerical Only

Regular Full-Time Employees: Any employees regularly scheduled to work thirty-seven and one-half (37 1/2) hours per week and who are available for seven and one-half (7 1/2) hours each day of their regularly scheduled work period shall be considered full-time employees and will be paid thirty-seven and one-half (37 1/2) hours at the basic rate established for their respective classification.

Regular Part-Time Employees: Part-Time employees will be guaranteed a minimum of twenty (20) hours of work per week; those who work less than thirty-seven and one-half (37 1/2) hours will be paid at the rate established for their respective classifications.

ARTICLE 23 - WAGES

Effective November 1, 1999

Classifications	0-3 Months	3+ -12 Months	12 Months +
Drivers	\$ 13.99	\$ 15.45	\$ 18.38
Warehouseperson	\$ 13.14	\$ 14.86	\$ 15.34
A Driver	\$ 15.45	\$ 19.38	
D Driver	\$ 15.45	\$ 19.12	
Leadhand Driver	\$ 19.41		
Leadhand Warehouse	\$ 17.39		
Relief Driver	\$ 19.41		
Sorter	\$ 16.74		

Classifications	0-3 Months	3 Months +
Collector	\$ 13.35	\$ 14.04
Utility Clerk	\$ 12.11	\$ 12.73
Leadhand Customer Service	\$ 14.41	
Leadhand Data Entry	\$ 14.41	
Leadhand Collector	\$ 15.88	
Customer Service Counter Clerk	\$ 14.12	
Shift Premium	\$0.40	12 Midnight to 3:59 a.m.

Any employee who works a regularly scheduled shift which includes any hours between midnight and 3:59 a.m. will receive the shift premium for the entire shift. Any employee whose shift will normally end before midnight or begin after 3:59 a.m. but is extended into those hours will receive the shift premium only for the hours worked between midnight and 3:59 a.m.. The premium will not attract overtime.

23.02 Effective November 1, 2000

Classifications	0-3 Months	3+ -12 Months	12 Months +
Drivers	\$ 14.27	\$ 15.76	\$ 18.75
Warehouseperson	\$ 13.50	\$ 15.26	\$ 15.75
A Driver	\$ 15.76	\$ 19.77	
D Driver	\$ 15.76	\$ 19.50	
Leadhand Driver	\$ 19.80		
Leadhand Warehouse	\$ 17.84		
Relief Driver	\$ 19.80		
Sorter	\$ 17.17		

Classifications	0-3 Months	3 Months +
Collector	\$ 13.87	\$ 14.57
Utility Clerk	\$ 12.60	\$ 13.23
Leadhand Customer Service	\$ 14.95	
Leadhand Data Entry	\$ 14.95	
Leadhand Collector	\$ 16.45	
Customer Service Counter Clerk	\$ 14.65	
Shift Premium	\$0.40	12 Midnight to 3:59 a.m.

Any employee who works a regularly scheduled shift which includes any hours between midnight and 3:59 a.m. will receive the shift premium for the entire shift. Any employee whose shift will normally end before midnight or begin after 3:59 a.m. but is extended into those hours will receive the shift premium only for the hours worked between midnight and 3:59 a.m.. The premium will not attract overtime.

23.03 Effective November 1, 2001

Classifications	0-3 Months	3+ -12 Months	12 Months +
Drivers	\$ 14.56	\$ 16.08	\$ 19.12
Warehouseperson	\$ 13.87	\$ 15.67	\$ 16.16
A Driver	\$ 16.08	\$ 20.17	
D Driver	\$ 16.08	\$ 19.89,	
Leadhand Driver	\$ 20.20		
Leadhand Warehouse	\$ 18.30		
Relief Driver	\$ 20.20		
Sorter	\$ 17.61		

Classifications	0-3 Months	3 Months +
Collector	\$ 14.40	\$ 15.11
Utility Clerk	\$ 13.10	\$ 13.74
Leadhand Customer Service	\$ 15.50	
Leadhand Data Entry	\$ 15.50	
Leadhand Collector	\$ 17.03	
Customer Service Counter Clerk	\$ 15.19	
Shift Premium	\$0.50	12 Midnight to 3:59 a.m.

Any employee who works a regularly scheduled shift which includes any hours between midnight and 3:59 a.m will receive the shift premium for the entire shift. Any employee whose shift will normally end before midnight or begin after 3:59 a.m. but is extended into those hours will receive the shift premium only for the hours worked between midnight and 3:59 a.m.. The premium will not attract overtime.

23.04 (a) Any employee hired as a "D" driver, who through no fault of their own, is required to drive a vehicle which does not require a "D" license qualification, will remain at the "D" license rates as per Articles 23.01, 23.02, 23.03.

(b) A warehouse person in charge of handling and processing dangerous goods on a regular basis will be paid leadhand rate.

- (c) All pay shortages in excess of seventy-five dollars (\$75.00) gross will be paid within forty-eight (48) hours of the Company being notified.
- (d) All employees will be paid by direct deposit. The pay stubs will be distributed at shift's end on Thursday.
- 23.05 (a) Full-time and part-time employees will be paid at the same rate of pay for their existing classifications.
- (b) Any employee temporarily assigned to a higher rated position for a minimum of three (3) hours or fifty percent (50%) of the scheduled shift, whichever is less, shall receive the higher rate of pay for their entire shift. Any employee temporarily assigned to a lower rated position shall not have their rate of pay reduced.
- (c) Where there are new categories of employment for which rates of pay are not established by this Agreement are put into use or effect, rates governing such categories of employment shall be subject to negotiations between the parties. The rate established shall be retroactive to the date of implementation. Should the parties not be able to reach an agreement, it is understood that the parties will defer the decision to an Arbitrator, in accordance with Article 4.
- (d) The Company agrees that the Union Executive Members who would have normally been working during contract negotiations shall suffer no loss in pay while involved in negotiations.

10B1

ARTICLE 24 - MANDATORY CONVERSIONS

24.01 In a mandatory conversion, an employee will have thirty (30) days to make their intention known.

24.02 If the employee elects not to exercise their seniority, they will accept a termination payment of two (2) weeks per year of service.

24.03 All hourly rated drivers who have eleven (11) years of service as of January 1, 1994 will not be required to select an Owner Operator route unless it is their desire.

24.04 All hourly rated drivers who, with eleven (11) years of service as of January 1, 1994 who choose to remain as hourly employees, will have their rate of pay and hours of work protected and further will be scheduled in shifts between 06:00 and 21:00, and shifts will be of not greater than ten (10) hours and the splits will be no longer than two (2) hours in duration.

24.05 In the event there are an insufficient number of routes for those employees with eleven (11) years of service as of January 1, 1994, those employees so affected will not be required to leave their home terminal location to be entitled to protection of rates of pay or hours of work,

24.06 Home locations will be as follows:

1. Toronto - Trammere, Scarborough, Homer
2. London
3. Kitchener
4. Hamilton/Burlington/St. Catharines
5. Ottawa
6. Kingston
7. Peterborough

It will be the Company's responsibility to provide adequate employment for those affected employees in these areas.

ARTICLE 25 - DURATION OF AGREEMENT

25.01 This Agreement shall be in full force and effective from and including November 1, 1999, up to and including October 31, 2002 and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement and within four (4) months immediately prior to the expiry date in any year thereafter by written notice to require the other party to commence collective bargaining with the view to conclusion or renewal of a Collective Agreement or a new Collective Agreement.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF December, 1999

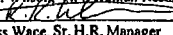
FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

FOR THE UNION



William F. Jones, President, Local 4457



Mike Evans, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon



Patty Harrington



Linda Morgan



Owen Linds



Lloyd Sewell



Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

2d/P.
LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 • CAW CANADA

Electronic Surveillance Equipment

The following notice will be posted in all work places covered by the Collective Agreement:

"Due to the nature of our business and occasional requests from customers, electronic surveillance equipment may be installed from time to time in the workplace."

It is understood that such equipment will not be installed in areas where employees are entitled to expect privacy, such as washrooms, locker rooms and lunch rooms.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

FOR THE COMPANY


Stephen Barr, V.P., Eastern Region

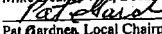

Ken Wilson, V.P., Human Resources


Ross Wace, Sr. H.R. Manager

FOR THE UNION


William Fyfe, President, Local 4457


Mike Drang, V.P., Local 4457


Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lindo


Lloyd Sewell


Dave Tifley, National Representative

LETTER OF UNDERSTANDING
Between
LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA**

Paid Union Time

Effective November 1, 2000, the Company agrees to pay one cent (\$0.01) per hour per employee for all compensated hours for the purpose of providing paid union time. Such monies will be paid to Local 4457 on a quarterly basis.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.


FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

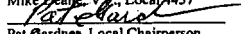
FOR THE UNION



William Egan, President, Local 4457



Mike Deane, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon



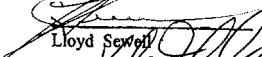
Patty Harrington



Linda Morgan



Owen Linds



Lloyd Sewell



Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA**

Paid Education Leave

Effective November 1, 1998, the Company agrees to pay into a special fund one cent (\$0.01) per hour per employee for all compensated hours for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading the employees skills in all aspects of Trade Union functions. Such monies will be paid on a quarterly basis into a trust fund established by the National Union, CAW and sent by the Company to the following address:

CAW Paid Education Leave Program, 205 Placer Court, North York,
Ont. M2H 3H9

The Company further agrees that members of the bargaining unit, selected by the Union to attend such courses, will be granted a leave of absence without pay for twenty (20) days' class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve

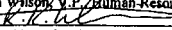
month period from the first day of leave. Employees on said leave of absence will continue to accrue seniority and benefits during such leave.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

FOR THE COMPANY


Stephen Barr, V.P. Eastern Region


Ken Wilson, V.P. Human Resources


Ross Wace, Sr. H.R. Manager

FOR THE UNION


William F. ..., President, Local 4457


Mike Deane, V.P., Local 4457



Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lingo


Lloyd Sewell


Dave Tilley, National Representative

LETTER OF UNDERSTANDING
Between
LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")
and
NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

Extra Hours in the Tranmere Hub

Notwithstanding the provisions of Article 5.07(d), the parties hereto agree to the following with respect to the allocation of work that is outside of the regularly scheduled hours at the Tranmere Hub.

All employees who wish to be assigned to extra work outside of their regularly scheduled hours will be required to sign the extra work list. When extra work is required, employees will be assigned by seniority, within classification from the extra work list to perform the work. In the event there are insufficient employees on the extra work list employees will be assigned in reverse order of seniority within classification.

When extra work is required the supervisor will consult with the union steward to inform them of the number of employees required. It is agreed that the Company will endeavour to make reasonable accommodations to those employees who have other regular employment obligations or regular family obligations that may make them unavailable for extra work. Such employees will be required to advise the Company in writing of these situations and this will make these employees ineligible for voluntary extra work. If the situation changes for these employees and they wish to be added to the extra work list, they must advise the Company in writing.

FLS will be implemented on a three (3) month trial basis at which time the parties will meet to discuss the continued application of the agreement.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

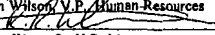
FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

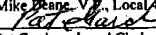
FOR THE UNION



William Felt, President, Local 4457



Mike Deane, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon




Patty Harrington



Linda Morgan



Owen Lindo



Lloyd Sewell



Dave Tiley, National Representative

7

LETTER OF UNDERSTANDING
Between
LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")
and
NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

Single Vacation Anniversary Date

During the term of the agreement the parties agree to work towards implementing the changes necessary to transition from a vacation based on an employment anniversary to a vacation based on a calendar (or other single fixed date) year.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.


FOR THE COMPANY



Stephen Barr, V.P. Eastern Region



Ken Wilson, V.P. Human Resources



Ross Wace, Sr. H.R. Manager


FOR THE UNION



William F. ..., President, Local 4457




Mike Blanc, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon




Patty Harrington



Linda Morgan



Owen Lingo



Lloyd Sewell



Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

100

and

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

Seniority List

Notwithstanding the provisions of the Collective Agreement, for the purposes of job bidding and reductions in the workforce, there shall be one (1) integrated seniority list to include both hourly employees and Owner Operators.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

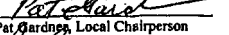
FOR THE UNION



William Barr, President Local 4457



Mike Evans, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon




Patty Harrington



Linda Morgan



Owen Lunde



Lloyd Sewell



Dave Tilley, National Representative

Collective Agreement

Between

National Automobile, Aerospace, Transportation and
General Workers Union of Canada
Local 4457- CAW Canada

and

Loomis Courier Service
Division of Mayne Nickless Transport Inc.
Owner Operator Section

Begins:
11/01/1999

Terminates:
10/31/2002

03664 (07)

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THIS AGREEMENT entered into this 2nd day of December, 1999.

BETWEEN:

LOOMIS COURIER SERVICE,
a Division of Mayne Nickless Transport Inc.
in the Province of Ontario
(hereinafter referred to as the "Company")

AND:

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA, LOCAL 4457 - CAW CANADA**
in the Province of Ontario
(hereinafter referred to as the "Union")

WHEREAS it is the desire of the Company and the Union to enter into an Agreement to prevent strikes, lockouts, and other work stoppages and/or slowdowns during the term of the Agreement.

WHEREAS the parties to this Agreement desire to cooperate in establishing and maintaining conditions which will promote harmonious relations and provide methods for a fair and amicable adjustment of disputes which may arise between them.

AND WHEREAS both parties are pledged to cooperate and assist to the fullest extent in promoting safety and efficiency within business operations.

ARTICLE 1 - UNION RECOGNITION

1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all Owner Operators. Properly qualified officers of the Union shall be recognized by the Company in discussing any and all matters affecting the Collective Agreement between the Company and the Owner Operators who are members of the Union.

1.02 Owner Operators shall be represented by a Union Committee. The Chairperson of this Committee shall act as the liaison between the Owner Operators and the Company. The Committee and/or Local Chairperson may at any time call upon the services of an accredited representative of the Union to assist them. The Company shall desig-

nate an individual representative to act in liaison between the Local Chairperson and the Company.

1.03 The provisions of Part I, Chapter L-2, Section 44 of the Canada Labour Code dealing with successor rights and obligations is recognized by the parties.

1.04 The Company shall not discriminate against any of the Owner Operators who are members of the Union Committee and who, from time to time, represent other Owner Operators.

1.05 The Union shall promptly notify the Company in writing of the names of the Bargaining Unit members comprising the Union Committee and any changes in personnel thereof. The Company shall inform the Union, in writing, of the management with whom said accredited representatives shall deal and changes in personnel thereof.

1.06 The Union agrees that there will be no Union activities carried out during service hours, except those necessary in connection with the administration of this Agreement. Accredited representatives of the Union shall have access to the Company's premises during service hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided however, that there is no interruption of the Company's service schedule.

1.07 The Company agrees to provide a bulletin board at each of its terminals for use by the Union for posting matters relating to Union meetings and other Union business, provided they are authorized and the documents are signed by an officer of the Union. The said bulletin board shall not be located in any place where the general public has access.

102 1.08 It is hereby agreed that all Owner Operators shall become members of the Union and shall as a condition of their Business Agreement remain members of the Union. The Company will provide each Owner Operator a copy of the Collective Agreement, at the time they assume their route.

10 1.09 The Company agrees to deduct from the revenue of each Owner Operator covered by this Agreement, an amount of Union dues as specified by the Union and forward the full amount to the Secretary-Treasurer of the Local Union. Deductions will be made from the last de-

posit in each month and forwarded to the Local Secretary-Treasurer, accompanied by a list of Owner Operators from whom dues were deducted. Dues and lists will be received by the Local not later than the 15th of the month, following the month from which deductions were made.

1.10 The Company shall show the amount of Union dues deducted from the Owner Operator's deposit slip on a monthly basis.

1.11 The Company shall furnish to the Union a list of all new Owner Operators contracted by the Company. The Union will supply the Company with deduction authorization forms and membership applications which shall be signed by all new Owner Operators on their commencement date. It will be the responsibility of the Company to ensure that all membership application forms are forwarded to the Secretary-Treasurer of the Local within fourteen (14) working days from the date of commencement.

1.12 The Company shall not require an Owner Operator covered by this Agreement to cross a legal picket line or to accept any product or goods from any person or employees of any person with whom a Union has a legal picket or placard line around or against, or to deliver any product or goods to any person, or employees of any person with whom a Union has a picket or placard line around or against.

1.13 Any Owner Operator elected or appointed to a full-time position with the C.A.W. Canada or any affiliated organization shall be granted an indefinite suspension of their Business Agreement provided that thirty (30) days notice is given to the Company prior to the beginning of such absence. During such absence, the Owner Operator's seniority shall accumulate.

1.14 The Company shall grant a temporary absence to any Owner Operator who attends essential Union business. The Union will give a minimum of fifteen (15) days notice of such request. It is understood that a maximum of ten (10) Union members will be allowed off at one (1) time. It is agreed that in the event of an emergency occurring, the Executive and Stewards of the Local will be granted an absence upon request.

1.15 The Company or the Union, where required, may request that a Union representative be sent to another branch for consultation. Such

representative will be paid any lost revenues and the Company will assume all necessary expenses.

1.16 It is understood that the Company's officers or sales staff shall not perform the work of Owner Operators, except in an emergency situation where no members of the Union are readily available to be called to perform such work. After an emergency wherein salaried staff were employed on bargaining unit work, management will advise and discuss with the Union upon request.

1.17 The Company shall not contract out any bargaining unit work or use any lease operator, or lease vehicle, with respect to existing Company-operated facilities on the date of ratification.

1.18 The Company agrees not to enter into any Agreement or contract with the Owner Operators, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement will be null and void.

ARTICLE 2 - MANAGEMENT RIGHTS

2.01 The Union recognizes that it is the Company's right and exclusive function to manage and generally direct and operate its business activities to include:

- (i) The right to enter a Business Agreement with, re-route, or terminate the Business Agreement in accordance with the Owner Operator Addendum or for breach of contract.
- (ii) The right to maintain order, establish and reasonably enforce service standards governing the conduct of Owner Operators.
- (iii) The right to determine the products handled and the methods of handling and processing and related scheduling of operations.

2.02 The Company agrees that these functions will be exercised in a manner consistent with the provisions of this Agreement.

2.03 The above clauses shall not deprive Owner Operators of the right to exercise the grievance procedures as outlined in the Agreement.

ARTICLE 3 - GRIEVANCE PROCEDURE

3.01 It is the intention of the parties that this procedure shall provide a just and peaceful method of adjusting grievances and the parties agree to act in good faith in the settlement of grievances in accordance with the provisions of this Article.

3.02 Any complaint, disagreement, or difference of opinion between the Company and the Union or the Owner Operators covered by this Agreement which concerns the application or interpretation of the terms and provisions of this Agreement, shall be considered a grievance.

3.03 Any Owner Operator, the Union or the Company may present a grievance and a grievance concerning the termination of a Business Agreement shall be submitted at Step 2. Any grievance which is not presented within five (5) working days following the event giving rise to such grievance shall be forfeited and waived by the aggrieved parties. A policy grievance filed on behalf of the Union or the Company shall be submitted at Step 2 of the grievance procedure.

3.04 An Owner Operator having a complaint may orally discuss the matter with a Service Manager. Should such discussion not result in a satisfactory resolution of the problem, the following steps will be followed.

The time limitations prescribed in this Article may be extended, but only by mutual consent of both parties, in writing.

Step 1: The Owner Operator and his/her shop steward shall submit his/her formal grievance in writing to the appropriate Branch Manager or Customer Service Manager; who shall give his/her reply in writing within five (5) working days. If a satisfactory settlement cannot be reached, then ...

Step 2: Within twenty-one (21) working days of receiving the decision under Step 1, an accredited representative of the Union, or his/her designate, may appeal, orally or in writing, to the District Manager or the designate officer of the Labour Relations Office of the Company, who shall give his/her reply in writing within seven (7) working days and failing a satisfactory settlement, the grievance may then be referred to a Board of Arbitration, as established in Article 4 of this Agreement.

3.05 Any Owner Operator subject to corrective action for a contract violation will receive the assistance of the Union representative of their choice on duty in their depot. The Union representative will be required to sign, to acknowledge receipt of the corrective action letter. The Local Chairperson will be given a copy of all notices of corrective action. Any notice of corrective action unsigned by the Union representative will be null and void.

3.06 Any Owner Operator shall be allowed to inspect his/her own file in the presence of the Company, during normal business hours. Any officer of the Union, on behalf of the Owner Operator, may accompany the Owner Operator to inspect his/her file, subject to written authorization of the Owner Operator.

3.07 A copy of all correspondence concerning corrective actions will be withdrawn from the Owner Operator's file after one (1) year, except if there is a recurrence of a same or similar infraction within that year. Documents concerning a criminal or civil matter, or the Owner Operator's driving record, which may affect the continuation of the Business Agreement, will be retained as a matter of record.

3.08 Any contract violation which is not addressed within five (5) working days from the date of knowledge will be deemed null and void.

3.09 Any grievance not answered within the prescribed time limits will be forfeited in favour of the grievor/Company (subject to Article 3.04).

3.10 All monetary grievances that are mutually agreed upon, will be paid the following deposit period.

3.11 Owner Operators whose Business Agreement is terminated for breach of contract shall have the reasons confirmed in writing. These Owner Operators as well as those who voluntarily terminate their Business Agreement shall have all monies owing them paid no later than the next scheduled deposit period, provided all decals have been removed in accordance with Article 7.01.

ARTICLE 4 - ARBITRATION

4.01 Failing a satisfactory settlement of a grievance at Step 2 of the grievance procedure, either party may request that the matter be re-

ferred to Arbitration. Such notification must be made in writing within twenty-one (21) working days of the decision being given at Step 2.

4.02 A single Arbitrator will be designated by mutual agreement of the Company and the Union.

4.03 Failing agreement on the selection of an Arbitrator within seven (7) working days, or such longer time period as may be agreed between the parties in writing, the matter shall be referred to the Department of Labour, who shall appoint the Arbitrator.

4.04 No person involved directly in the controversy under consideration shall be the Arbitrator.

4.05 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as the Arbitrator deems essential to a full understanding and determination of the issues involved. In reaching a decision, the Arbitrator shall be governed by the provisions of this Collective Agreement. The Arbitrator shall not be vested with the power to change, modify, or alter any of the terms of this Collective Agreement.

4.06 The findings and decision of the Arbitrator on all arbitrable questions shall be binding and enforceable on **all** parties.

4.07 The expense of the Arbitrator shall be borne equally by the Company and the Union.

ARTICLE 5 - HEALTH & WELFARE

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

- Provincial Medical
- Major Medical (extended health benefit)
- Dental Plan
- Vision Care
- Life Insurance
- Accidental Death and Dismemberment Insurance

Should an Owner Operator choose to participate in the above plan; they will be provided with current details and information at the time of their commencement in the program.

5.02 The Company will make available to all Owner Operator a group accident insurance plan for those who voluntarily enroll and who continue to pay the required monthly premiums.

5.03 If an Owner Operator chooses to participate in the above benefits plans, he/she must participate in the plans for a minimum of twenty-four (24) months. Should an Owner Operator terminate participation in the plans, the Owner Operator shall not be eligible to re-join the plans for a period of twenty-four (24) months from the date the coverage was terminated. In this event, life insurance coverage shall be subject to medical evidence of insurability to the insurance carrier.

In the event of a change in status under a spousal benefit plan, the twenty-four (24) month waiting period will be waived. Evidence of prior coverage will be required.

ARTICLE 6 - OWNER OPERATOR SENIORITY, BIDDING, REDUCTIONS

6.01 The purpose is to provide a policy governing bidding, reductions and recalls. Seniority of an Owner Operator means the duration of continuous service for the Company, since his/her last start date.

6.02 The Company shall post, on the Union bulletin board, an up-to-date seniority list showing name, initials of the Owner Operator, date of service and will ensure that this list is maintained and kept up-to-date. The seniority list will be posted on or about 31st March, 30th June, 30th September and 31st December of each year.

6.03 (a) When a vacancy occurs for any reason, the Company will post within five (5) days at the appropriate depot or branch. Said vacancy will remain posted for three (3) working days in order that Owner Operators may bid for the vacancy in writing. Such notice shall provide information regarding the route number and service area, and fee schedule. Selection will be on the basis of seniority and qualifications. Seniority will be by branch or depot only. The senior quali-

field applicant will be awarded the position within ten (10) working days. The Company will endeavour to place the successful applicant in the position within ten (10) working days.

- (b) The Company agrees to provide the Local Chairperson with all new Owner Operator route postings three (3) days prior to posting.
- (c) No Owner Operator shall voluntarily and successfully apply for more than two (2) vacancies in a one (1) year period.
- (d) Only job postings that require work to be performed in the Province of Quebec will be posted as bilingual. A committee will be struck where both parties will meet to discuss and determine any routes in the Province of Ontario that will be posted as bilingual.

6.04 Eligible Owner Operators who apply for posted route vacancies shall be notified of the name of the successful bidder, in writing.

6.05 For the purpose of route postings, the depots of St. Catharines / Burlington / Hamilton Airport and Peterborough / Scarborough will be considered as one (1) location.

In the event that St. Catharines and/or Peterborough become a legitimate branch with its own branch manager, this article does not apply.

6.06 The Company and the Union accept the principle of seniority in reductions and reinstatement and agree that if the Owner Operator possesses the required qualifications and ability that length of continuous service will govern. JOF.1.

6.07 When adding to the number of Owner Operators covered by this Agreement, those previously reduced will be recalled on the basis of seniority.

6.08 (a) The Company will notify such Owner Operators at their last known address by registered mail. If such Owner Operators fail to report within five (5) working days from date of receipt, the standing as an Owner Operator of any such person failing to report within five (5) days will be forfeited.

(b) It shall be the responsibility of every Owner Operator to keep the Company and the Union informed of any and all changes of address or telephone numbers. Such information will be supplied within three (3) working days of such change.

10c 6.09 (a) In the event that a branch or depot closes or a decision by the Company to transfer any routes from one branch to another or should any route be wholly discontinued, each affected Owner Operator may exercise his/her seniority to obtain a junior route in any other branch or depot covered by this Agreement. Once a route is posted at the new location then this Owner Operator may post on the route using his/her seniority.

(b) The Company will not delay making this change for an unreasonable period of time.

(c) The entire provision will apply only to the filling of the original vacancy and the next vacancy thus created.

(d) Should an Owner Operator's route be cancelled, the Owner Operator will be able to exercise their seniority.

For the purposes of Article 6, Owner Operators in the bargaining unit will be divided into the following four (4) seniority groups:

1. Driver (A License)
2. Driver (D License)
3. Pick Up and Delivery (G License)
4. Walkers

Provided that the Owner Operator possesses the required license and ability, he or she may exercise their seniority in the following manner:

- 10d
- (i) to displace a junior Owner Operator within the senior Owner Operator's seniority group and depot or, if no such displacement is possible;
 - (ii) to displace a junior Owner Operator or a junior employee in any seniority group in any depot which is subject to the Collective Agreement.
- (e) Affected Owner Operators who are entitled to displace another Owner Operator in the same depot will have three (3)

- * working days after being provided with the necessary information to make an informed decision as to whether they wish to assume the position or terminate their Business Agreement. When the Owner Operator's option is outside the depot, the time period shall be extended to five (5) working days.
- (f) For the purposes of Article 6.09(d), the provision will apply only to the original displacement and the next two (2) displacements thus created, provided it takes place in the originating depot. The fourth and/or last Owner Operator displaced may exercise their seniority to displace the junior Owner Operator or a junior employee in their depot.
- (g) For the purposes of displacement only, Burlington, St. Catharines, Hamilton Airport, Scarborough and Peterborough will be considered separate depots.
- (h) Any pick up and delivery Owner Operator who must bump the junior Owner Operator in a branch, will not be required to bump into a Lyreco route, but can bump the junior pick up and delivery Owner Operator in the branch.
- (i) If the Owner Operator cannot maintain like revenue, due to a major restructuring of their route through no fault of their own, they may exercise their seniority to any other junior position in any branch.

ARTICLE 7 - EQUIPMENT

7.01 The Company assumes responsibility for the supply and installation of the decal kit. Where the Company is changing the required colour scheme, the Company assumes the full cost of painting in accordance with the painting price available to the Company at an accredited CAA shop. Based on the above prices the Owner Operator is free to get his/her work done elsewhere as long as it is done satisfactorily.

The Owner Operator is responsible for any cost incurred in removing the decals on termination, which is a requirement.

7.02 The Company reserves the right to refuse to sign Business Agreements, or terminate present Business Agreements with Owner

Operators whose equipment does not meet appearance standards, as set by the Company. Reasonable standards to apply. The Company must first give the Owner Operator not less than ninety (90) days written notice to meet appearance standards.

7.03 All Owner Operators shall be required to submit a security deposit for the use of Loomis owned communication equipment or other equipment required in the performance of their services in the amount of two hundred dollars (\$200.00).

Such security deposit shall be forfeited in the event of **loss** or damage to such equipment resulting from the negligence of the Owner Operator. A further security deposit shall be required with respect to any replacement equipment.

The security deposit shall not apply to Owner Operators who have a contract for service with Loomis Courier Service as of December 2, 1999.

7.04 All Owner Operators shall be required to submit a security deposit for use of Loomis owned scanning equipment required in the performance of their services in the amount of eight hundred dollars (\$800.00).

Such security **deposit** shall be forfeited in the event of loss or damage to such equipment resulting from the negligence of the Owner Operator. A further security deposit shall be required with respect to any replacement equipment.

This security deposit shall not apply to Owner Operators who have a contract for services with Loomis Courier Service as of December 2, 1999.

7.05 The Company will reimburse Owner Operators for expenses related to obtaining C.V.O.R. licenses if required by the Company or the Ministry of Transportation.

7.06 Placard **holders to** be installed and paid for by the Company, if required.

7.07 If safety boots are deemed necessary by the Joint Health and Safety Committee, the Company will refund up to a maximum of eighty dollars (\$80.00) towards the cost of such boots or shoes on submission of a sales receipt.

Effective Nov. 1, 2000, the amount will be increased to ninety dollars (\$90.00).

Effective Nov. 1, 2001, the amount will be increased to one hundred dollars (\$100.00).

ARTICLE 8 - UNIFORMS

8.01 The Company will pay for new uniforms when such uniforms are required. All uniforms are and will remain the sole property of the Company but the Owner Operators will be expected to properly care for and keep same in good repair and condition at the Owner Operator's expense. All uniforms will be returned to the Company upon termination of the contract, and when requesting replacement as required.

General Issue

- (5) Shirts
- (3) Trousers
- (1) Tie (if employee wishes)
- (1) Cap (if employee wishes)
- (2) Prs. Shorts

Seasonal Items

- Winter Parka or
- Bomber Style Jacket
- Summer Coat

8.02 As a condition of the Collective Agreement, it is agreed that the issued uniforms will be worn while on duty.

8.03 Women will be provided women's clothing.

7al/p

ARTICLE 9 - TRAINING

9.01 From time to time, Owner Operators will be required to attend training and/or educational meetings outside their schedule and these hours shall be paid at straight time at the hourly driver rate. Two (2) weeks advance notice will be given.

9.02 The Company will ensure that all Owner Operators are properly trained as to their full responsibilities and duties.

9.03 The Company may require an Owner Operator to attend a defensive driving course at the Company's expense.

ARTICLE 10 - MEDICAL EXAMINATIONS

10.01 Any medical examination requested by the Company shall be promptly complied with by the Owner Operator, provided however, that the Company shall pay for such an examination.

2F/P
10.02 (a) When a medical examination is required by the Company, other than a medical for pre-employment or WSIB, the Owner Operator shall be paid for the actual time involved, not to exceed four (4) hours. The Company will pay for medical forms required by insurance companies or the Company, but does not include return to work notes from doctors, except as provided for in Article 11.10(e).

(b) In addition to the above procedure on Company required medical examinations, the Company agrees that, where an Owner Operator takes a medical examination to verify his/her right to drive a motor vehicle under the regulations of the Province of Ontario, and that such an examination not paid for under the Provincial Health Plan will be paid for by the Company.

10.03 If, following a Company requested medical examination, an Owner Operator is deemed physically incapable of carrying out his/her regular duties, the following procedure shall be followed:

- (a) The Company shall notify the Owner Operator of the medical findings in respect to the Owner Operator. Should the Union or the Owner Operator disagree with said findings, the Owner Operator, at his/her own expense, shall have the right to be examined by his/her personal physician.
- (b) Where there is no agreement between the Company's physician and the Owner Operator's physician on the condition of the Owner Operator, the two (2) physicians shall select a medical consultant to examine the Owner Operator with respect to the dispute.
- (c) The findings of the consultant shall be final and binding on all parties.
- (d) The remuneration of the consultant shall be borne by the Company if such costs are not covered under the Provincial Health Plan.

- (e) Should the consultant deem the Owner Operator to be capable of carrying on with his/her duties, then the Owner Operator shall not suffer any loss of revenue while the matter was under review.

10.04 Should an Owner Operator be reclassified as a result, he/she will be paid at the then existing rate of pay of his/her new classification. In the event that no position can be identified to accommodate the Owner Operator, he/she will:

- (a) be placed on layoff status (medical leave); or
- (b) exercise any benefits under WSIB or other insurance programs to which he/she may be entitled.

10.05. Furthermore, the Company shall advise the Owner Operator at least two (2) working days in advance, wherever possible, of such medical examination, the time and date of examination to be mutually agreed upon.

ARTICLE 11 - MISCELLANEOUS

11.01 In the event an Owner Operator's Business Agreement is cancelled for other than breach of contract, and he/she cannot exercise his/her seniority, the Owner Operator will receive the thirty (30) day notice in the Business Agreement and receive a severance of one week (1) per year of service with the Company, including time served as an hourly employee.

11.02 The Owner Operators and the Company will be able to negotiate individual rates above the minimum. The Union will be present for these meetings.

11.03 The Owner Operator's Business Agreement will have a renewal date consistent with the Collective Agreement, but will have yearly anniversary dates for the Company and the Owner Operator to discuss issues of licensing, equipment needs and increases in compensation. The Union will be present at these discussions.

11.04 The local chairperson will be present during the Owner Operator Business Agreement negotiation and be given a copy of the signed Agreement.

11.05 In the event of a major expenditure for business purposes, the Company will assist all Owner Operators by extending credit to all Owner Operators up to one thousand, two hundred dollars (\$1200.00). Repayment within twelve (12) months of having received funds will be agreed to by the Owner Operator and the Company on an interest free basis.

11.06 If requested by the Company and the Owner Operator agrees, the Company will reimburse the Owner Operator up to half the cost (maximum \$500) for the painting of his/her vehicle.

11.07 If the Company changes its corporate colours, the Company will pay for the full cost of repainting in accordance with the painting price available to the Company at an accredited CAA shop. Based on the above prices the Owner Operator is free to get their work done elsewhere as long as it is done satisfactorily.

11.08 The Company will pay, if requested by the Owner Operator, their membership in the Canadian Owner Operator's Co-Op up to a maximum of fifty-three dollars and fifty cents (\$53.50) per year.

11.09 In the event a reroute is required to enhance or retain service levels on an Owner Operator route, the following will apply:

If the reroute is a result of too much business in order to maintain service levels, and the decision is to transfer revenue from the existing Owner Operator, the existing Owner Operator will receive a one (1) time payout to compensate for lost revenue. This payment will be calculated as follows:

$$\begin{array}{r} \text{Pre-Reroute Income/day} \\ \text{For previous} \\ \text{10 Working Days} \end{array} - \begin{array}{r} \text{Post-Reroute Income/day} \\ \text{10 Days} \\ \text{After Reroute} \end{array} \times 30 = \text{Payout}$$

The onus will be on the Company to prove the need to remove work from an Owner Operator's route due to failing service levels subject to the Union's right to grieve in the event of a dispute arising. The Company and the Union agree to meet to discuss the matter prior to any route being changed.

Replacement Drivers

11.10 (a) When an Owner Operator must be absent for emergency purposes it will be the responsibility of the Owner Opera-

tor to supply a relief driver. If the Company must supply a driver and a truck, the Company will retain the revenue for the relief period.

- (b) Should an Owner Operator be absent from their route with an illness or family emergency, and not supply a relief driver he/she must supply a doctor's note or documentation to substantiate the validity of the absence, or corrective action may be taken.
- (c) Should an Owner Operator have a vehicle breakdown while coming to work, and not supply a relief driver, he/she must supply valid documentation to substantiate that the breakdown occurred on the date of their absence. If the repairs take more than one day to complete, the onus will be on the Owner Operator to ensure that the route is covered beyond the first day of the vehicle breakdown. If the above terms are not met, the Owner Operator will be subject to corrective action.
- (d) The death of an immediate family member will be considered a bona-fide emergency.
- (e) The Company will provide a relief driver up to a maximum of four (4) occurrences per calendar year. Any doctor's note required by the Company will be paid, to a maximum of thirty dollars (\$30.00) per calendar year.

11.11 If an Owner Operator is a member of the Executive or a Steward and is required to be absent for Union business, the Company will cover the route for the number of days required, if requested.

11.12 Part-time unassigned will be available to the Owner Operator. The use of the part-time unassigned is approved if the part-time unassigned calls his supervisor to inform the supervisor of his intention to take the Owner Operator assignment, and has not already accepted another assignment. If the part-time unassigned is scheduled to relieve an Owner Operator, the Company will not be able to schedule the part-time unassigned.

11.13 The Company will provide the necessary dangerous goods training for relief drivers of Owner Operators.

11.14 All Owner Operators will have their invoices paid by direct deposit. The payment records will be distributed at the end of day on Thursday every second week. Any shortages in excess of seventy-five dollars (\$75.00) will be paid within forty-eight (48) hours of the Company being notified.

11.15 The Company agrees that the Union Executive Members who would have normally been on route during contract negotiations shall suffer no loss of earnings while involved in negotiations.

ARTICLE 12 - MANDATORY CONVERSIONS

In a mandatory conversion an hourly driver will have thirty (30) days to make his/her intention known. Should they elect to become an Owner Operator, they will be afforded the following program:

12.01 The new Owner Operator may purchase a Company vehicle of his/her choice at less than fair market value. The loan, if desired, can be financed over a period of time acceptable to the Owner Operator and the Company, interest free.

12.02 For the first six (6) months, the Company will agree to take the former Company vehicle hack for any reason except negligence, in the event the Owner Operator decides not to continue for any reason.

12.03 For any repairs during the trial period over three hundred dollars (\$300.00), the Company will be liable for seventy percent (70%) net of tax.

12.04 The newly converted Owner Operator will be afforded a credit limit of one thousand, two hundred dollars (\$1200.00) to defray start up expenses, for maintenance costs, or as a contingency fund for the first four (4) months of business, to be paid back to the Company, within the first twelve (12) months of having received any monies, in payment installments to be arranged by the Owner Operator and the Company, interest free.

12.05 The Company will reimburse the new Owner Operator up to two hundred and fifty dollars (\$250.00) for financial counseling with an accountant of their choice.

12.06 If the employee elects to become an Owner Operator, he/she will be entitled to a six (6) month trial period as an Owner Operator. If at the end of the trial period, he/she or the Company believes it will not work out, the following options apply:

- (a) Exercise his/her seniority into an hourly position that their seniority and qualifications will allow.
- (b) Receive a severance and termination payment equal to two (2) weeks per year of service.

ARTICLE 13 - DURATION OF AGREEMENT

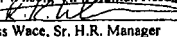
This Agreement shall be in full force and effective from and including November 1, 1999, up to and including October 31, 2002 and shall ~~continue in full force and effect from year to year thereafter~~, subject to the right of either party to this Agreement and within four (4) months immediately prior to the expiry date in any year thereafter by written notice to require the other party to commence collective bargaining with the view to conclusion or renewal of a Collective Agreement or a new Collective Agreement.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF December, 1999.

FOR THE COMPANY


Stephen Barr, V.P., Eastern Region

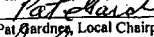

Ken Wilson, V.P., Human Resources


Ross Wace, Sr. H.R. Manager

FOR THE UNION


William Fook, President, Local 4457


Mike Peane, V.P., Local 4457



Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lindo


Lloyd Sewell


Dave Tifley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

Fuel Escalation for Linehaul Owner Operators Only

Linehaul Tractor Mileage 51 cents to 60 cents / A fuel escalation of 3/4 cent per mile for every 1 cent increase per Litre in fuel.
Linehaul Tractor Hourly

5 Ton Straight Truck Mileage 51 cents to 60 cents / A fuel escalation of 1 cent for every 2 cent increase per litre in fuel.
5 Ton Straight Truck Hourly

All increases above 60 cents To be negotiated.

The above fuel clause is based on Owner Operators providing receipts, and the Owner Operator will be dealt with individually based on where each individual's fuel is bought (gross cost including GST).

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

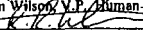
FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wece, Sr. H.R. Manager


FOR THE UNION



William Felt, President, Local 4457



Mike Deane, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon



Patty Harrington



Linda Morgan



Owen Lindo



Lloyd Sewell

— 20 — Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and


NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

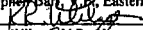
Seniority List

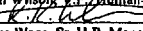
Notwithstanding the provisions of the Owner Operator Addendum, for the purposes of seniority and job bidding and reductions in the workforce, there shall be one (1) integrated seniority list to include both hourly employees and Owner Operators.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

FOR THE COMPANY

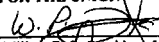



Stephen Barr, V.P., Eastern Region


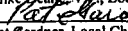
Ken Wilson, V.P., Human Resources



Ross Wacs, Sr. H.R. Manager


FOR THE UNION




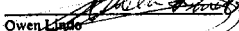
William Fink, President, Local 4457


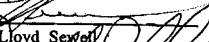
Mike Pearce, V.P., Local 4457



Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lingo


Lloyd Sewell


Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

7dl
LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 • CAW CANADA**

Paid Education Leave

Effective November 1, 1998, the Company agrees to pay into a special fund eight cents (\$0.08) per service day per Owner Operator for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union, CAW and sent by the Company to the following address:


CAW Paid Education Leave Program, 205 Placer Court, North York, Ont. M2H 3H9

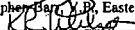
The Company further agrees that members of the Bargaining Unit, selected by the Union to attend such courses, will be granted a temporary absence for twenty (20) days' class time, plus travel time where

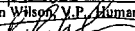
necessary, said absence to be intermittent over a twelve (12) month period from the first day of absence.

DATED AT MISSISSAUGA, ONTARIO THIS 2ND DAY OF DECEMBER, 1999.

FOR THE COMPANY

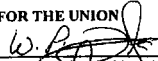



Stephen Barr, V.P. Eastern Region



Ken Wilson, V.P. Human Resources


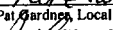
Ross Wace, Sr. H.R. Manager

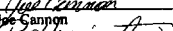
FOR THE UNION





William Ford, President, Local 4457



Mike Evans, V.P., Local 4457



Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lingo


Lloyd Sewell


Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and


NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

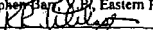
Paid Union Time


Effective November 1, 2000, the Company agrees to pay eight cents (\$0.08) per service day per Owner Operator for the purpose of providing paid union time. Such monies will be paid to Local 4457 on a quarterly basis.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

FOR THE COMPANY

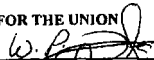



Stephen Barr, V.P., Eastern Region


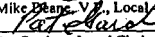
Ken Wilson, V.P., Human Resources


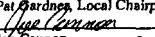
Ross Wace, Sr. H.R. Manager

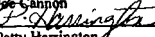
FOR THE UNION





William Firth, President, Local 4457


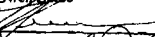
Mike Deans, V.P., Local 4457


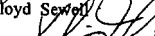
Pat Gardner, Local Chairperson


Joe Cannon


Patty Harrington


Linda Morgan


Owen Lingo


Lloyd Sewell


Dave Tiley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA**

Daily Minimum Allowances

The parties signatory hereto, agree to the following with respect to all Owner Operators, (including linehaul and walkers). The daily minimum allowance agreed to, in the Owner Operator's schedule of fees (Schedule A) is exclusive of mileage allowances and weight payments, (unless otherwise specified in the Owner Operator's Schedule A relating to a specific customer).

The parties agree that mileage and weight allowances will be paid over and above the daily minimum allowance, (again, unless otherwise specified in the individual Business Agreement).

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

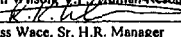
FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

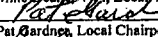
FOR THE UNION



William Fink, President, Local 4457



Mike Deane, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon



Patty Harrington



Linda Morgan



Owen Lindo



Lloyd Sewell



Dave Tilley, National Representative

LETTER OF UNDERSTANDING

Between

LOOMIS COURIER SERVICE
(hereinafter referred to as the "Company")

and

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
LOCAL 4457 - CAW CANADA

M.B.R.'D Owner Operators

The Owner Operators who are listed below are M.B.R.'D (Maintained Base Rate):

George Harper Peter Lee Hoy Barry Grant
Bob Finnie Danny Brawn Jose De Romana

Should any of the listed Owner Operators decide to exercise their overall service date established with the Company for another route, he shall forfeit his protected M.B.R.'D rate.

DATED AT MISSISSAUGA, ONTARIO THIS 2nd DAY OF DECEMBER, 1999.

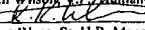
FOR THE COMPANY



Stephen Barr, V.P., Eastern Region



Ken Wilson, V.P., Human Resources



Ross Wace, Sr. H.R. Manager

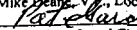
FOR THE UNION



William Fink, President, Local 4457



Mike Beane, V.P., Local 4457



Pat Gardner, Local Chairperson



Joe Cannon



Patty Harrington



Linda Morgan



Owen Lindo



Lloyd Sewell



Dave Tisley, National Representative

BUSINESS AGREEMENT

AGREEMENT ENTERED INTO AT THE CITY OF _____
ON THIS _____ DAY OF _____, 200__.

BETWEEN: **LOOMIS COURIER SERVICE**

A division of Mayne Nickless Transport Inc., having its head office at
90 Matheson Boulevard West, Suite 111, Mississauga, Ontario, L5R
3R3;

Hereinafter called the "M.N.T.I."

AND:

(full name)

(address and postal code)

Hereinafter called the "Owner Operator"

WHEREAS M.N.T.I., is a common carrier by motor vehicle which, in
the regular course of its operations, requires the services of Owner
Operators;

WHEREAS the Owner Operator has applied to M.N.T.I. to enter into
an agreement to supply transportation services with his/her own equip-
ment on the terms and conditions hereinafter set out;

WHEREAS the Owner Operator warrants that he/she has the permits,
equipment, skills and expertise necessary to operate commercial mo-
tor vehicles for the benefit of M.N.T.I.

THE PARTIES DO MUTUALLY AGREE AS FOLLOWS:

TERM

1. This agreement shall take effect on the date of its signature
and shall continue in **full** force and effect until terminated
by either party as a result of a breach of contract.
2. This agreement may also be terminated, at the reasonable
discretion of either party, **by** serving a written notice to that
effect, thirty (**30**) days in advance.

FEES

3. The schedule of fees is attached to this agreement as Schedule A. Deposits shall be made to the Owner Operator every two (2) weeks.
4. The remuneration paid to the Owner Operators includes an indemnity for vacation, indemnity for fringe benefits, funeral leaves and statutory holidays. It is the responsibility of the Owner Operator to pay such an indemnity as required by law.

PURPOSE OF THE AGREEMENT

5. This agreement outlines the terms and conditions related to the provision of services in relation to customers of M.N.T.I., to ensure that those services will be sufficient and to the satisfaction of M.N.T.I. and its customers.

OWNER OPERATOR'S OBLIGATIONS

6. The Owner Operator agrees to:
 - a) Maintain at all times valid permits and licenses as required by law, and abide by and operate within the limits of all related provincial and federal laws and regulations.
 - b) Accept sole responsibility for the operation and use of any and all vehicles in the provision of services as described in this Agreement, claims, fines, costs and legal expenses related to any infraction to the applicable laws.
 - c) Accept sole responsibility for the freight handled and claims related to such freight provided however, that in order for the Owner Operator to be held liable, it must be established the Owner Operator was negligent in the performance of their duties.
 - d) Obtain and maintain insurance coverage, as more fully described in Appendix A.
 - e) Promptly report any accident and any claim which could involve M.N.T.I. to the appropriate insurance carrier and

to M.N.T.I. and fully cooperate with M.N.T.I. and any other person or persons appointed by 'or on behalf of M.N.T.I. in the investigation and settlement of any insurance claim.

- f) Ensure that the best interests of M.N.T.I. and its customers are maintained through a safe, efficient and professional operation.
 - g) Provide, on a consistent and reliable basis, safe equipment and sufficient and satisfactory services to meet the business requirements of M.N.T.I. and its customers.
 - h) Make every reasonable effort to meet established delivery times unless otherwise prevented by severe weather, operational or other extraordinary circumstances beyond the control of the Owner Operator.
 - i) Where a replacement driver is employed, provide at all times, licensed, competent, qualified personnel and make appropriate deductions and payments, as required by law, including deductions at source.
 - j) Recognize the right of M.N.T.I. to modify areas of service from time to time, where necessary for service or efficiency in accordance with the Owner Operator Addendum.
7. The Owner Operator agrees that, in the performance of this contract, especially where he/she collects monies on behalf of M.N.T.I., he/she shall assume all the legal obligations of a person charged with administration of the property of others.

GENERAL

8. It is expressly agreed between the parties that M.N.T.I. shall, in no way, be responsible to the Owner Operator or to third parties, for any services and/or supplies provided to the Owner Operator. In the event of a claim resulting from supplies or services so provided, the Owner Operator agrees to indemnify M.N.T.I. and to plead in its stead.

9. M.N.T.I. may require, from time to time, proof that the Owner Operator abides by any and all of his/her obligations. The Owner Operator will, upon demand, provide M.N.T.I. a written authorization to verify his/her status and discharge of his/her contractual obligations with any government or person.
10. M.N.C.I. hereby grants to the Owner Operator a license to use its trade name, trademarks and logo types, within his/her area of service and for as long as this agreement will remain in force. The Owner Operator recognizes that he/she has no proprietary interest in same and where the equipment is withdrawn from service for any reason, all M.N.C.I. symbols, insignias, decals or other identification will be removed, prior to the release of final payments owing to the carrier.
11. The Owner Operator agrees that, during the term of this contract and in any case on termination thereof, he/she will not solicit any of M.N.T.I.'s customers, nor will he/she compete directly or indirectly with M.N.T.I., with respect to M.N.T.I.'s customers, for a period of three (3) months following termination.
12. The Owner Operator and any employee, partner or associate of the Owner Operator may not be entitled to any benefits or rights which would be afforded to an employee of M.N.T.I., including but not limited to benefits such as company pension, Governmental pension contributions, dental or medical insurance, life insurance, or unemployment or disability insurance.
13. M.N.T.I. and the Owner Operator hereby acknowledge and agree that this agreement is a contract for services and the Owner Operator shall, for all purposes of this agreement, be deemed a dependent contractor, solely for the purposes of the Canada Labour Code. This agreement shall not be

construed in any respect to create between M.N.T.I. and the Owner Operator, a legal relationship of partnership, employer and employee, **or** principal and agent.

SIGNED, SEALED AND DELIVERED:

LOOMIS COURIER SERVICE

A division of Mayne Nickless Transport Inc.

By:

WITNESS

Owner Operator:

WITNESS

Appendix A:

Liability and Damage Insurance:

The Owner Operator shall, at their own expense and without cost or expense to Mayne Nickless Transport Inc., obtain and maintain during the term of this Agreement the following insurance in respect to the vehicle and in relation to the performance of services under this Agreement:

- (a) Motor vehicle third party liability insurance in an amount of not less than two million dollars (\$ 2,000,000) per occurrence on any vehicle utilized by the Owner Operator in providing services to Mayne Nickless Transport Inc. under the terms of this Agreement together with any further statutory motor vehicle liability or other insurance which may be required under applicable laws or regulations;
- (b) Comprehensive general liability insurance in an amount not less than two million dollars (\$ 2,000,000) per occurrence against claims arising out of bodily injury **or** death **or** loss or damage to, or the destruction of property belonging to Mayne Nickless Transport Inc. or its customers, including the loss of use thereof covering such perils as Mayne Nickless deems necessary and in such amounts and with such terms and conditions are reasonably acceptable to Mayne Nickless Transport Inc. The Policy referenced herein shall contain an endorsement specifically covering the contractual liability of the Owner Operator under the terms of this Agreement.
- (c) Cargo liability insurance on terms and conditions reasonably satisfactory to Mayne Nickless Transport Inc. in an amount of not less than twenty-five thousand dollars (\$ 25,000).

The foregoing insurance must be placed with an insurer reasonably acceptable to Mayne Nickless Transport Inc. The Owner Operator must further provide Mayne Nickless Transport Inc. with a Certificate of Insurance evidencing the foregoing insurance's prior to services being commenced. Said Certificates of Insurance evidencing the coverages herein shall also contain the following provisions;

- 1) Mayne Nickless Transport Inc. will be added to said policies as an additional insured but only with respect to liability that may result from the performance of the Agreement,
- 2) the Owner Operator and the insurers further agree to waive all rights of subrogation as against Mayne Nickless Transport Inc.,
- 3) the policies shall contain severability of interest and cross liability clauses,
- 4) the Insurers will provide Mayne Nickless Transport Inc. with thirty **(30)** days prior written notice of any cancellation or material change in the policies.

SCHEDULE "A" • FEES

Name: _____ Route # _____

The Owner Operator shall be paid for the performance of services during the term, subject to early termination as per the Business Agreement, as follows:

RURAL FORMULA

1. The Owner Operator shall receive a daily minimum allowance of \$ _____, plus \$0.015 per billable pound, (commencing at the first pound, excluding bulk stops where indicated).

This is based on:

_____ Stops Per Day

- Effective Nov. 1, 1999, \$0.815 each additional stop over base
- Effective Nov. 1, 2000, \$0.831 each additional stop over base
- Effective Nov. 1, 2001, \$0.848 each additional stop over base

_____ W/Bs Per Day

- Effective Nov. 1, 1999, \$0.815 each additional w/b's over base
- Effective Nov. 1, 2000, \$0.831 each additional w/b's over base
- Effective Nov. 1, 2001, \$0.848 each additional w/b's over base

\$ 0.10 Mileage Allowance (per km over 200 kms/day)

(Excluding Bulk Stops where indicated.)

2. For Bulk Stops listed below, you will be paid at the listed rate:

Client	Rate of Pay	Weight Payout Extra (Y/N)	Service

3. Owner Operators to be advised of any invoice changes within 48 hours.

4. Cash Collects will be paid at \$1.00.
5. Dangerous Goods will be paid \$1.00 per shipment.
6. Residential pick ups and deliveries will be paid \$0.50 per completed pick up or delivery.
7. 9:00 AM labeled deliveries will be paid \$1.00 per shipment.

11/07
10/1

Should other new premium time sensitive product offerings that attract a surcharge, be introduced, they will also attract this premium.

Owner Operators will be expected to make every effort to perform 9:00 AM deliveries where such deliveries will not affect service to other customers on their route. If it is determined that the Owner Operator cannot perform said delivery within the service requirements, they will be required to advise the appropriate manager that alternate arrangements will need to be made for said delivery. The premium shall apply only to deliveries completed prior to 9:00 AM.

8. Christmas Slowdown - Beginning on the day before Christmas and the 9 working days subsequent to Christmas day, the daily guarantee will be \$100.00, whichever is greater.

The proportionate amount of revenue will be relative to the Owner Operator's normal daily minimum allowance. For example, if a route has a base of fifty (50) stops and the route does forty (40) stops on a day during this period, the route will be paid eighty percent (80%) of their normal daily minimum allowance plus weight, and the applicable waybill rate for any waybills above their normal base levels.

Owner Operators driving in excess of 200 km/day will be exempt from this provision.

9. Owner Operators shall receive \$ 20.00 per hour for the performance of work that would otherwise be normally performed by the warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator's route responsibilities.

10. Maximum rate per stop, unless negotiated otherwise will be:
- (a) The stop rate plus 25 waybills will be the cap for bulk stops.
 - (b) The Company reserves the right to establish special rates with the Owner Operators **for** customers who exceed the volume established by the cap.
 - (c) The Owner Operators understand that the Company will ask for special arrangements to avoid losing money on large distributions and, if not successful on negotiating special arrangements on repeat large distributions, the Company will either:
 - (i) Reroute to another route, or
 - (ii) Evaluate purging the customer.

11. W.S.I.B premiums to be paid by the Company.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Mayne Nickless _____ Date _____

Transport Inc.

SCHEDULE "A" - FEES

Name: _____ Route # _____

The Owner Operator shall be paid for the performance of services during the term, subject to early termination as per the Business Agreement, as follows:

CITY FORMULA

1. The Owner Operator shall receive remuneration at a rate of:

This is based on:

_____ Dollars per Stops

- Effective Nov. 1, 1999, Stop Rate (1998) X 1.02
- Effective Nov. 1, 2000, Stop Rate (1999) X 1.02
- Effective Nov. 1, 2001, Stop Rate (2000) X 1.02

_____ Dollars per Waybill

(excluding bulk stops where indicated)

- Effective Nov. 1, 1999, \$0.54
- Effective Nov. 1, 2000, \$0.55
- Effective Nov. 1, 2001, \$0.56

\$ 0.10 Mileage Allowance (per km over 200 kms/day)

(Excluding Bulk Stops where indicated.)

2. For Bulk Stops listed below, you will be paid at the listed rate:

Client	Rate of Pay	Weight Payout Extra (Y/N)	Service

3. The Owner Operator shall receive a minimum of _____ dollars per day for the performance of services in respect of Route.

4. Owner Operators to be advised of any invoice changes within 48 hours.

5. Cash Collects will be paid at \$1.00.
6. Dangerous Goods will be paid \$1.00 per shipment,
7. Residential pick ups and deliveries will be paid \$0.50 per completed pick up or delivery.
8. 9:00 AM labeled deliveries will be paid \$1.00 per shipment.

Should other new premium time sensitive product offerings that attract a surcharge, be introduced, they will also attract this premium.

Owner Operators will be expected to make every effort to perform 9:00 AM deliveries where such deliveries will not affect service to other customers on their route. If it is determined that the Owner Operator cannot perform said delivery within the service requirements, they will be required to advise the appropriate manager that alternate arrangements will need to be made for said delivery. The premium shall apply only to deliveries completed prior to 9:00 AM.

9. Christmas Slowdown - Beginning on the day before Christmas and the 9 working days subsequent to Christmas day, the minimum daily guarantee will be \$100.00, plus weight. Owner Operators driving in excess of 200 km/day and Lyreco Owner Operators will be exempt from this provision.
10. Owner Operators shall receive \$ 20.00 per hour for the performance of work that would otherwise be normally performed by the warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator's route responsibilities.
11. Maximum rate per stop, unless negotiated otherwise will be:
 - (a) The stop rate plus 25 waybills will be the cap for bulk stops.
 - (b) The Company reserves the right to establish special rates with the Owner Operators for customers who exceed the volume established by the cap.
 - (c) The Owner Operators understand that the Company will ask for special arrangements to avoid losing money on large distributions and, if not successful on negotiating special

arrangements on repeat large distributions, the Company will either:

- (iii) Reroute to another route, or
- (iv) Evaluate purging the customer.

12. W.S.I.B. premiums **to** be paid by the Company.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Mayne Nickless _____ Date _____

Transport Inc.

SCHEDULE "A" — FEES

Name: _____

The Owner/Operator shall be paid for the performance of services during the term, subject to early termination as aforementioned as follows:

LINEHAUL FORMULA

1 The Owner/Operator shall receive remuneration as outlined below:

	Origin	Destination	Scheduled Departure	Scheduled Arrival	Mileage One Way	Rate per Mile	in switches	Stop
1.0								
1.1								
1.2								
1.3								
1.4								
1.5								
1.6								
1.7								
1.8								
1.9								
1.10								
1.11								
1.12								
1.13								
1.14								
1.15								

2 The Owner/Operator shall receive additional remuneration at a rate of

2.1 Pin Switches \$ _____ per switch.

2.2 Pick Up & Delivery
Stops en Route \$ _____ per stop.

2.3 Specials \$ _____ per special.

2.4 Yard Shunting \$ _____ per shunt.

- 3 Loomis Courier Service will be entitled to deduct the following expenses from the Owner Operator each invoice period:

DEDUCTIONS

3.1	Gross Total	\$
3.2	Plus Fuel Tax Credit	
3.3	Plus Permit Credit	
3.4	Less Fuel Tax Owing	
3.5	Less any Debt Repayments	
3.6	Sub Total	\$ _____
3.7	Union Dues	
3.8	NET TOTAL PAYABLE	\$ _____

OWNEWOPERATOR
SIGNATURE

Fuel Costs Must Have Onion Slips.

The Company will pay the full cost of road tolls where no reasonable alternate route is available.

W.S.I.B. premiums to be paid by the Company, unless otherwise specified.

4.0 Western Inter-Provincial Linehaul Routes

- 4.1 The Company agrees to provide trailers upon completion of the Owner Operator's current trailer leases, the routes rates will be reduced by \$0.05 per mile at that time.
- 4.2 W.S.I.B. premiums will be the responsibility of the Owner Operator.
- 4.3 The Owner Operator shall reimburse the Company for any additional costs at competitivemarket rates which the Company may incur in relation to any round trip.
- 4.4 Each Owner Operator will have one or more helpers, but will drive his own tractor at least 50% of the time.
- 4.5 Owner Operators and helpers must arrive at their departure ter-

minimal at least thirty (30) minutes before the scheduled departure time; the Owner Operator must notify the receiving branch of any delay or potential delay.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Mayne Nickless _____ Date _____

Transport Inc.

SCHEDULE "A" — FEES

Name: _____ Route # _____

HEAVY EQUIPMENT CITY FORMULA

- The Owner/Operator shall be paid for the performance of services during the term, subject to early termination as aforementioned **as** follows:

Stop Rate	_____ per stop	Pin Switches	_____
Waybill Rate	_____ per way up to 100 waybills	Shunts	_____
Call Ins	_____		
Subsidy (if applicable)	_____	Trailer Drops	_____

- For specials listed below, the owner/operator will be paid at the agreed upon rate:

Customer	Address	To	Rate
1.			
2.			
3.			

- The Owner Operator shall receive a minimum of _____dollars per day for the performance of the services in respect to Route # _____ in the province of Ontario.
- W.S.I.B. premiums will be paid by the Company.
- Christmas Slowdown - Beginning on the day before Christmas and the nine (9) service days subsequent to Christmas day, the minimum daily guarantee will be \$200.00 per day. Owner Operators driving in excess of 200km per day are exempt from this provision.
- Loomis shall be entitled to deduct from the fees owing to the Owner Operator **at** any time in addition to any amounts Loomis may elect to set off and deduct pursuant to the Agreement, the following expenses:

- (a) A vehicle rental charge of \$ _____ per ____ .
(b) Short term vehicle insurance \$ _____ per ____ .
(c) Vehicle licenses of \$ _____ per ____ .

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ **Date** _____

Mayne Nickless _____ **Date** _____

Transport Inc.

SCHEDULE "A" - FEES

Name: _____ Route # _____

Days of Operation: _____

SECURITY EXPRESS PICK UP AND DELIVERY ROUTE FORMULA

The Owner Operator shall be paid for the performance of services during the term, subject to early termination as per the Business Agreement, as follows:

1. The Owner Operator shall receive remuneration at a rate of

Dollars per stop \$ _____

- Effective Nov. 1, 1999, Stop Rate (1998) X 1.02
- Effective Nov. 1, 2000, Stop Rate (1999) X 1.02
- Effective Nov. 1, 2001, Stop Rate (2000) X 1.02

Rate per Kilometre for Pick Up and Delivery Routes (for all kms.)
\$ 0.255

- Effective Nov. 1, 2000, Rate per Kilometre, \$ 0.260
- Effective Nov. 1, 2001, Rate per Kilometre, \$ 0.265

Rate per Kilometre **for** Linehaul Routes (for all kms.) \$ 0.430

- Effective Nov. 1, 2000, Rate per Kilometre, \$ 0.435
- Effective Nov. 1, 2001, Rate per Kilometre, \$ 0.440

Overweights (per billable pound, \$ _____
Commencing at the first pound,
Where applicable)

Rate per Shipment (where applicable) \$ _____

2. For the Special Stem stops listed below, the Owner Operator will be paid at the listed rate:

<u>Special Stem Type</u>	<u>#of Stems</u>	<u>Rate of Pay</u>	<u>Weight Pay Out (Y/N)</u>	<u>Service</u>	<u>Client Details</u>
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3. W.S.I.B. premiums will be paid by the Company.
4. Security Express shall be entitled to deduct from the fees owing to the Owner Operator at any time in addition to any amounts Security Express may elect to set off and deduct pursuant to the Agreement, the following expenses:
 - (a) Temporary vehicle rental charge, where applicable, of \$ _____ per day.
 - (b) Short term vehicle insurance \$ _____ per day.
 - (c) Other expenses as agreed to of \$ _____

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Mayne Nickless _____ Date _____

Transport Inc.

SCHEDULE "A" - FEES

Name: _____ Route # _____

The Owner Operator shall be paid for the performance of services during the term, subject to early termination as per the Business Agreement, as follows:

LYRECO FORMULA

1. The Owner Operator shall receive a daily minimum allowance of \$ 195.00 for the performance of all services related to the Lyreco account, inclusive of weight and mileage.

In addition, Owner Operators shall receive \$ 0.25 per packing slip.

Effective Nov. 1, 2001, the daily minimum allowance will be increased to two hundred dollars (\$200.00).

2. Any additional pick up and delivery work performed on behalf of Loomis Courier Service and its other customers will be paid on the following basis:

_____ Dollars per Stops

- Effective Nov. 1, 1999, Stop Rate (1998) X 1.02
- Effective Nov. 1, 2000, Stop Rate (1999) X 1.02
- Effective Nov. 1, 2001, Stop Rate (2000) X 1.02

_____ Dollars per Waybill
(excluding bulk stops where indicated)

- Effective Nov. 1, 1999, \$0.54
- Effective Nov. 1, 2000, \$0.55
- Effective Nov. 1, 2001, \$0.56

(Excluding Bulk Stops where indicated.)

3. For Bulk Stops listed below, you will be paid at the listed rate:

Client	Rate	Weight Payout Extra (Y/N)	Service

4. Owner Operators to be advised of any invoice changes within 48 hours.
5. Cash Collects will be paid at \$1.00.
6. Dangerous Goods will be paid \$1.00 per shipment.
7. Residential pick ups and deliveries will be paid \$0.50 per completed pick up or delivery.
8. 9:00 AM labeled deliveries will be paid \$1.00 per shipment.

11/07/01

Should other new premium time sensitive product offerings that attract a surcharge, be introduced, they will also attract this premium.

Owner Operators will be expected to make every effort to perform 9:00 AM deliveries where such deliveries will not affect service to other customers on their route. If it is determined that the Owner Operator cannot perform said delivery within the service requirements, they will be required to advise the appropriate manager that alternate arrangements will need to be made for said delivery. The premium shall apply only to deliveries completed prior to 9:00 AM.

9. Owner Operators shall receive \$ 20.00 per hour for the performance of work that would otherwise be normally performed by the warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator's route responsibilities.
10. Maximum rate per stop, unless negotiated otherwise will be:
 - (a) The stop rate plus 25 waybills will be the cap for bulk stops.
 - (b) The Company reserves the right to establish special rates with the Owner Operators for customers who exceed the volume established by the cap.
 - (c) The Owner Operators understand that the Company will ask for special arrangements to avoid losing money on large distributions and, if not successful on negotiating special arrangements on repeat large distributions, the Company will either:

- (v) Reroute to another route, or
- (vi) Evaluate purging the customer.

12. W.S.I.B. premiums to be paid by the Company.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Mayne Nickless _____ Date _____

Transport Inc.