

COLLECTIVE AGREEMENT

Between

TNT Logistics North America Inc.
(London)

And

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters

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COLLECTIVE AGREEMENT

Between

TNT Logistics North America Inc.
(London)

And

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters,

ARTICLE 1 **GENERAL PURPOSE**

Section 1.01. The general purpose of this Agreement is to establish and maintain mutually satisfactory collective bargaining relations between the Employer and its employees within the bargaining unit, to provide for the prompt disposition of grievances, to assure the continuous, harmonious, efficient, economical and profitable operation of the Employer, and to obtain the highest level of employee efficiency and performance, and to establish and maintain mutually satisfactory working conditions, hours of work and wages all of which are set out in this Agreement for all employees within the bargaining unit.

ARTICLE 2 **RECOGNITION**

Section 2.01. The Employer recognizes the Union as the sole collective bargaining agent for all employees employed by TNT Logistics North America Inc., at 847 Highbury Ave., London, Ontario N5Y 5B8 save and except supervisors, persons above the rank of supervisor, office and clerical staff.

Section 2.02. The Union recognizes the Employer's responsibility to meet the requirements of its customers who furnish the source of employment for the Employer's employees. The Union will cooperate with the Employer's attempts to satisfy its customers where possible, and will cooperate with the Employer's efforts to improve the efficiency of its workforce.

Section 2.03. Where the masculine pronoun is used in the Agreement it shall be deemed to include the feminine and vice-versa, where the contract so requires.

Section 2.04. Where the singular pronoun is used in this Agreement it shall be deemed to include the plural and vice-versa where the contract so requires.

Section 2.05. It is understood that if TNT expands its operation within the City of London, Ontario, all employees will be recognized as defined in section 2.01 of this agreement. Should the Company relocate its existing business within a 80-mile radius, this agreement will remain in full force and effect in the new location. In the event of such a move, the employees will be offered the opportunity to transfer to the new location in order of seniority. Such employees will retain all seniority and benefits.

ARTICLE 3 **NO DISCRIMINATION**

Section 3.01. The Employer and the Union agree that there will be no intimidation, discrimination, interference, restraint or coercion exercised or practiced by either of them or by any or their representatives or members because of any employee's membership in the Union because of his/her activity of lack of activity in the Union.

Section 3.02. It is further agreed that there shall be no other Union activity on the premises of the Employer except as permitted by this Agreement or specifically authorized by the Employer in writing.

Section 3.03. In Accordance with the Canadian Human Rights Act, the Employer and the Union agree there will be no discrimination based on race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, disability and conviction for which a pardon has been granted.

ARTICLE 4 **UNION SECURITY**

Section 4.01-Maintenance of Membership. It is agreed that all Union members shall maintain their Union membership in good standing for the duration of this Agreement as a condition of employment.

Section 4.02 All employees hired, including probationary employees, prior to the date of signing of this Agreement must, as a condition of their continued employment, authorize the Employer to deduct from their pay on the pay day the Local Union's dues deductions are made, an amount equal to the Local Union's monthly dues for the duration of the Agreement as their financial contribution to the Local Union, The Employer agrees that it will deduct once per month, a sum equal to regular Union dues from each employee, including probationary employees, in the bargaining unit. The Employer agrees that it will remit the total amount of such deductions to the head office of the Local Union not later than the 15th day of each month following the month the deductions were made, The remittance shall be accompanied by a list of names and social insurance numbers of those employees for whom deductions have been made.

Section 4.03. The Employer agrees to include the annual total of dues deducted on each employee's T-4 slip.

Section 4.04- Initiation Fee Deductions. All employees shall, as a condition of continued employment, authorize the Company to deduct the amount equal to the Local Union's Initiation Fees in installments of \$25.00 (twenty-five dollars) per week after the completion of the probationary period. This deduction shall continue until the Initiation Fee is paid in full. The Company agrees to remit such monies so deducted to the head office of the Local Union along with a list of the employees from whom the money was deducted at the same time as the Union dues are remitted.

Section 4.05. The Union will advise the Employer in writing of the amount of its regular dues and initiation fees. The amount so advised shall continue to be deducted until changed by further written notice to the Employer.

Section 4.06. The Union agrees to save the Employer harmless and to indemnify the Employer with respect to any claim made against the Employer by any employee or any group of employees arising out of the deduction of Union dues as herein provided so long as the Employer has been notified by the Union in writing with respect to the deduction of Union dues.

Section 4.07. The Union will notify the Employer in writing of any arrears in dues caused for any reason and the Employer will immediately commence deductions in amounts prescribed by the Local Union in such written notice and forward such monies to the Local Union along with the monthly dues as provided for above, Such notice of arrears served on the Employer shall prescribe payroll deductions of not more than the equivalent of one month's dues at the appropriate Local Union's rate. The Union will refund directly to the employee any such monies deducted in error along with confirmation of such refund to the Company.

Section 4.08-Checkoff Lists

The Union check-off form may be:

- (a) A Union provided form
- (b) A pre-billing method which shall provide a column for "Dues", "Arrears in Dues", "Initiation" and "Re-Initiation Fees"

Section 4.09-Forms to be Signed by New Employees. The Union will supply the Company with Initiation Deduction Authorization Forms, Application for Membership Forms, and Dues Deduction Authorization Forms, all of which shall be signed by all new employees on the day of hire. It will be the responsibility of the Company to ensure that all completed Application for Membership Forms are returned to the Union. All forms shall be returned to the Union within seven (7) days from the date of hire.

Section 4.10. All new employees eligible for membership in the Union shall, as a condition of their employment, join the Union upon completion of their probationary period.

ARTICLE 5
MANAGEMENT RIGHTS

Section 5.01. The Union recognizes that the management of the operations and the direction of the employees are fixed exclusively in the Employer and shall remain solely with the Employer except as expressly limited by the clear and explicit language of some other provision of this Agreement and, without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Employer to:

- (a) maintain order, discipline and efficiency;
- (b) hire, assign, retire, promote, demote, classify, transfer, direct, lay off, recall and to suspend, discipline or discharge employees who have successfully completed their probationary period for just cause provided that a claim by an employee who has successfully completed his/her probationary period that he/she has been disciplined, suspended or discharged without just cause may be the subject of a grievance and dealt with as hereinafter provided;
- (c) determine in the interest of efficient operation and high standards of service, the hours of work, work assignments, methods of doing the work, and the working establishment of the service, and all other matters concerning the Company's operation and not otherwise specifically dealt with elsewhere in this Agreement;
- (d) determine the nature and kind of business conducted by the Employer, the kinds and locations of operations, equipment and materials to be used, the methods and techniques of work, the number of employees to be employed, the extension, limitation, curtailment of cessation of operations or any part thereof, and to determine and exercise all other functions and prerogatives which shall remain solely with the Employer except as specifically limited by the express provisions of this Agreement;
- (e) make, enforce and alter from time-to-time reasonable rules and regulations to be observed by the employees which are not inconsistent with the provisions of this Agreement;
- (f) it is expressly understood and agreed that a breach of any of the Employer's rules or of any of the provisions of this Agreement, shall be conclusively deemed to be sufficient cause for discipline or dismissal of an employee, provided that nothing herein shall prevent an employee, who has successfully completed the probationary period, from going through the grievance procedure.

ARTICLE 6
UNION REPRESENTATION

Section 6.01 – Stewards. The Employer agrees to recognize one Steward per shift per client, one alternate Steward on dayshift, as well as one alternate Steward on the afternoon or midnight shift. Stewards shall be appointed or elected by the Union from amongst employees in the bargaining unit and, once selected, the Union shall be required to notify the Employer of the

name of the Steward in writing and the Employer shall not be required to recognize any such Stewards until it has been so notified.

Section 6.02- Negotiating Committee. The Employer acknowledges the right of the Union to appoint or select a negotiating committee. The Employer agrees to recognize a bargaining committee consisting of up to two (2) employees from the bargaining unit, plus the Union Representative for the purpose of amending or renewing the present Agreement. The Union will notify the Employer of the names of such committee members as far in advance of negotiations as possible.

Section 6.03. No employee shall act in the capacity of Steward, or committee member, as referred to in this Article, until after he/she has successfully completed his/her probationary period.

Section 6.04. The Union acknowledges and agrees that Stewards and other employee committee members, as prescribed in this Article, have regular duties to perform in connection with their employment.

Section 6.05. For meetings that are scheduled during the employee's regularly scheduled hours of work, such employee will first obtain his/her supervisor's permission before leaving the work place to attend such meeting and will advise the supervisor upon his/her return to active duty. In accordance with this understanding, it is agreed that:

- (a) The Griever will be given the opportunity to attend his/her non-policy grievance meeting, (except in cases of discharge or meetings held during a grievor's suspension). The Steward in attendance during the grievance procedure and the grievor (except in cases of discharge or meetings held during a grievor's suspension) shall receive their regular scheduled straight time pay for all hours lost due to attendance at such grievance meeting with representatives of the Employer to a cumulative total maximum of three (3) hours, at regular hourly rate, up to but not including attendance at the arbitration hearing.

In the event that no Steward is working on the shift when the grievance meeting is held, and in the event that a Steward who is not scheduled for work on that shift attends at work for the sole purpose of the grievance meeting, it is agreed and understood that such time spent while attending the grievance meeting is not to be considered time worked for the purposes of this Collective Agreement, however the Employer agrees to pay such Steward up to a maximum of two (2) hours at the regular straight time hourly rate for such attendance.

- (b) The members of the negotiating committee shall receive their regular pay for all regularly scheduled straight time working hours lost due to attendance at negotiating meeting with the Employer, up to but not including conciliation.
- (c) All other meetings, attended either during or outside of working hours, shall be without pay, unless provided otherwise by law or specified in the Agreement.

Section 6.06. It is understood that the Business Representative of the Union shall be allowed to enter the Employer's premises to deal with the administration of the Agreement. Upon entering the Employer's premises, the Business Representative shall notify the plant manager or his/her designate and it is agreed that such visits shall not interfere with the Employer's operations.

Section 6.07. The Employer agrees to notify the Union in the event of the dismissal of any employee.

Section 6.08. The Stewards will have second man status pertaining to lay off and/or plant closure.

Section 6.09. The Employer shall make available on its premises a specific location for placement and storage of reasonable quantities of Union literature.

ARTICLED 7 **NO STRIKES OR LOCKOUTS**

Section 7.01. The Union agrees that there will be no strike, picketing, slow down, boycotts, sympathy strikes, sit downs, walk outs, or stoppage of work, either complete or partial, or other collective action which will stop or interfere with the Company's business of any nature for any reason whatsoever. Should any such action take place, the Union will repudiate forthwith and require its members to return to work. In addition, the Company shall have such rights and recourse as the law may provide.

Section 7.02. The Employer agrees that it shall not lock out employees during the term of this Collective Agreement.

Section 7.03. It shall not be a violation of this Agreement for employees covered hereunder to refuse to cross a picket line where such crossing would result in a personal injury or damage to the vehicle.

Section 7.04. The Union recognizes the right of the Company to protect its business and the property of its customers.

Section 7.05. Each party recognizing the rights of the other in this regard agrees that the Union will notify the Employer of any strike or picket line activity and that the Employer will notify the Union if, in their opinion, such strike or picket line is illegal or is unduly prejudicial to the interest of the Employer, its employees or the Union.

Section 7.06. In such cases, a meeting will be held in order to mutually agree on a policy. In the event that the Employer and the Union cannot agree, each party reserves the right to take whatever action it deems necessary and appropriate.

ARTICLE 8

GRIEVANCE PROCEDURE

Section 8.01. For purposes of the Agreement, a grievance is defined as a difference arising between the parties relating to the interpretation, application, administration or alleged violation of this Agreement, including any question as to whether a matter is arbitrable.

Section 8.02. It is the mutual desire of the parties hereto that complaints of employees shall be adjusted as quickly as possible, and it is understood that an employee has no grievance until he/she has first given his/her immediate supervisor the opportunity of adjusting his/her complaint. If an employee has a complaint, such complaint shall be discussed with his/her immediate supervisor within five (5) calendar days after the circumstances giving rise to the complaint have originated or occurred. If the immediate supervisor is unable to adjust a complaint to their mutual satisfaction within three (3) calendar days, the employee may proceed with the grievance procedure within three (3) calendar days following the decision of the immediate supervisor. "Immediate supervisor" for the purposes of this Collective Agreement means the first level of supervision outside of the bargaining unit.

Section 8.03. The grievance of the employee properly arising under this Agreement must be adjusted and settled as follows:

Step 1: The employee must submit a written grievance, signed and dated by the employee to his/her immediate supervisor. The nature of the grievance, the specific remedies sought, and the section or sections of the Agreement, which are alleged to have been violated, must be set out in the grievance. The immediate supervisor will deliver his/her decision in writing within three (3) calendar days after receipt of the grievance in writing. Failing settlement, the next step of the grievance procedure may be taken.

Step 2: Within three (3) calendar days following the decision under Step 1, the employee must submit the written grievance to the manager or his/her designate. Within three (3) calendar days of the receipt of the grievance by the Employer (or the Union in the case of a policy grievance) a meeting shall be held to discuss the grievance. The grievor must be present at this meeting (in a group grievance, a representative grievor must be present), unless the grievor is hospitalized and it is impractical to delay the meeting until the grievor is available. A decision in writing shall be delivered by the party receiving the grievance within five (5) calendar days after the meeting at which the grievance was discussed. Failing settlement, either party may submit the matter to arbitration within ten (10) calendar days after the reply at Step 2 is given. If no written request for arbitration is received within such ten (10) calendar day period, the grievance must be deemed to have been abandoned.

Section 8.04- Policy Grievance. A grievance arising directly between the Employer and the Union concerning the interpretation, application or alleged violation of the Agreement must be originated under Step 2 within five (5) calendar days of the event giving rise to the grievance. The nature of the grievance, the remedy sought, and the section or sections of the Agreement,

which are alleged to have been violated, must be set out in the grievance. Failing settlement under Step 2 within ten (10) calendar days, it may be submitted to arbitration in accordance with Article 9. However, it is expressly understood, that the provisions of this paragraph shall not be used by the Union to institute a complaint or grievance directly affecting an employee which such employee could himself/herself institute and the regular grievance procedure shall not be thereby by passed. A policy grievance will not result in a compensatory remedy with the exception of a remedy pursuant to Articles 4 or 7.

Section 8.05 – Discharge Grievance. A grievance involving the discharge of an employee, who has successfully completed his/her probationary period, must be reduced to writing and originated under Step 2 within five (5) calendar days of the employee being notified of his/her discharge. The nature of the grievance, the remedy sought, and the section or sections of the Agreement, which are alleged to have been violated, must be set out in the grievance which shall be signed by the employee. Notwithstanding anything in this Agreement, a probationary employee may be disciplined or discharged at the sole discretion of and for any reason satisfactory to the Employer. The parties agree that the discipline or dismissal of a probationary employee, as noted herein, does not constitute a difference between the parties and is therefore not subject to the grievance and arbitration procedures.

Section 8.06. All agreements reached under the grievance procedure between the representatives of the Employer and the representative of the Union shall be in writing and shall be final and binding upon the Employer and the Union and the employee or employees involved.

Section 8.07. No Union representative or Steward may solicit grievances from employees during the course of their normal duties.

Section 8.08. All monetary grievances that are mutually agreed upon shall be paid within two (2) pay periods of such agreement by separate cheque.

ARTICLE 9 **ARBITRATION**

Section 9.01. If the Employer or the Union request that a grievance be submitted to arbitration, as herein before provided, it shall make such request in writing addressed to the other party to this Agreement and at the same time name a nominee. Within five (5) calendar days thereafter, the other party shall name a nominee provided however, that if such party fails to name a nominee as herein required, the Ministry of Labour shall have power to effect such appointment upon application thereto upon the party invoking the arbitration procedure. The two nominees shall attempt to select, by agreement, a chairperson of the arbitration board. If they are unable to agree upon such a chairperson within a period of fourteen (14) calendar days, they shall then request the Ministry of Labour to appointing a chairperson. At the option of either party, a sole Arbitrator may be substituted for a Board of Arbitration.

In the event of such mutual agreement, the parties shall exchange names of potential chairpersons in an effort to reach agreement within a period of fourteen (14) calendar days. If such agreement is not forthcoming within such time limit, they shall then request the Ministry of Labour to appoint a chairperson.

Section 9.02. No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle the grievance.

Section 9.03. No matter may be submitted to arbitration, which has not been properly carried through all requisite steps of the grievance procedure.

Section 9.04. The Board of Arbitration shall not have any power to amend, alter, modify or add to any provisions of this Agreement or to substitute any new provision for any existing provisions, or to render any decisions inconsistent with the terms and provisions of this Agreement. The function and purpose of the Arbitrator is to determine disputed interpretation of the express terms of this Agreement, or to determine disputed facts upon which the application of those express terms depend. An Arbitrator shall not have authority, nor shall he or she consider it his or her function to include the decision of any issue not submitted. Past practice of the parties in interpreting or applying terms of the Agreement can be relevant evidence to the extent that it does not restrict the terms of this Agreement and an Arbitrator shall not have jurisdiction to determine that the parties, by practice or implication, have amended or supplemented any of the written terms of this Agreement.

Section 9.05. The proceedings of the arbitration board will be expedited by the parties hereto and where there is no majority, the decision of the chairperson will be final binding upon the parties hereto and the employee or employees concerned.

Section 9.06. Each of the parties hereto will bear the expense of the nominee appointed by it and the parties will share equally the fees and expenses, if any, of the chairperson of the arbitration board.

Section 9.07. The time limits set out in both the grievance and arbitration procedures herein are exclusive of Saturday, Sundays, plant shut-downs, and paid holidays. Such time limits are mandatory and the failure to comply strictly within such time limits, except by the written agreement of the parties, shall result in:

- (a) if the grievance has not been processed by the Employer within the prescribed time limit, the grievance may be advanced to the next step by the grievor (or the Union in the case of a policy grievance) within the time limit as prescribed;
- (b) if the grievance has not been processed by the grievor in accordance with all of the time limits prescribed, the grievance must be deemed to have been settled and/or abandoned and the parties agree that the Arbitrator has no jurisdiction to extend the time limits pursuant to the Collective Agreement and that there is no difference between the parties with respect to this issue.

Section 9.08. The Board of Arbitration shall not have the power to substitute its judgement for that of the Employer on any issue involving the exercise of discretion by the Employer under the terms of this Agreement, however an arbitrator shall have the power to vary or set aside discipline imposed.

Section 9.09. An employee is entitled to Union representation in the form of a Steward or designated alternate at all stages of the grievance/arbitration procedures if he/she asks for it.

ARTICLE 10 **SENIORITY**

Section 10.01. An employee hired directly will be considered on probation until after he/she has completed ninety (90) calendar days of employment. In the case of employees who have achieved four hundred (400) hours, through an agency, these employees will be considered on probations until after he/she has completed thirty (30) days. If the Employer decides to terminate an employee at any time during the employee's probationary period, for any reason whatsoever, such action by the Employer shall not be subject to the grievance or arbitration procedures and does not constitute a difference between the parties.

Section 10.02. Upon successful completion of such probationary period, the employee's name will be placed on the seniority list and credit shall be given since the date of last hire. Seniority rights, as created by this Agreement, exist only to the extent expressed herein and do not survive beyond the terms of this Agreement. Seniority shall not prohibit the Company from discontinuing its operation, in whole or in part. It will also not prohibit the Company from discontinuing a job classification or rearranging duties within a classification. The purpose of seniority is to provide a policy governing job postings, transfers, overtime selection, lay-offs and recalls.

Section 10.03. Within one (1) month of signing this Collective Agreement, and every three (3) months of each year thereafter, the Employer shall prepare and post seniority lists of all regular employees showing the employee's seniority according to the records of the Employer, a copy of such list will be sent to the Union Business Representative. Seniority, as posted, shall be deemed to be final and not subject to complaint unless such complaint is made in writing within fifteen (15) calendar days from the current date of posting.

Section 10.04- Loss of Seniority & Employment Rights. An employee shall lose all service and seniority and shall be deemed to have terminated if he/she:

- (a) quits, resigns, or is discharged and such discharge is not contested by the employee or reversed through the grievance and arbitration process;
- (b) has been laid off for the length of employee's seniority, or eighteen (18) calendar months, whichever is less, and it is understood and agreed that there is no responsibility or obligation for re-employment of probationary employees who are laid off during the probationary period.

- (c) is absent for any reason (other than vacation or approved leave of absence pursuant to this Collective Agreement) for a period of the employee’s length of seniority or twelve (12) calendar months, whichever is less;
- (d) is absent from scheduled work for two (2) or more consecutive scheduled work days without providing a reason that in the Employer’s opinion is satisfactory;
- (e) fails to return to work upon the expiration of a leave of absence, or utilizes a leave of absence for a purpose other than that for which it was granted;
- (f) fails upon being notified of a recall to signify his/her intention to return within forty-eight (48) hours after he/she has received a notice of recall or such further period of time as may be agreed upon by the parties. It is the employee’s responsibility to ensure that his/her home address and telephone number are current at all times. If the employee fails to do this, the Employer will not be responsible for failure to notify;
- (g) reaches age 65 or retires earlier.

Section 10.05-Retention of Seniority After Promotion. Employees promoted to a position outside the bargaining unit will continue to accrue seniority for up to one hundred eighty (180) calendar days from the date of such promotion. If the employee returns to the bargaining unit within one hundred eighty (180) calendar days, their seniority shall continue unbroken. Following one hundred eighty (180) calendar days outside the bargaining unit, the employee shall lose all seniority. This Article shall be applied only once for any employee during the term of this Agreement. It is understood and agreed that from the date of such promotion, such employee forfeits any and all recourse to the grievance and arbitration procedures.

Section 10.06. Any written discipline placed on an employee’s file will be removed in accordance with the following time lines:

Verbal	Removed in six (6) months
Written	Removed in nine (9) months
Suspensions	Removed in twelve (12) months

Section 10.07. When referring to any Article in the Collective Agreement, unless otherwise specifically stated, seniority will be the governing factor.

ARTICLE 11
LAY-OFF AND RECALL

Section 11.01. Seniority shall be defined as continuous service with the Employer since the last date of hire into the bargaining unit inclusive of vacations and consistent and governed by the following factors.

When the Employer decides that a lay-off is necessary or a recall to a position is available, the following factors shall be considered:

- (a) The skill, ability, experience and qualifications.
- (b) The Employer must have the flexibility to have the proper personnel in place in the event of a lay-off. The Employer may require a maximum of two (2) days to recall any laid off employee. If training is required it shall be done within the two (2) day period.
- (c) Seniority

When, in the judgment of the Employer, the factors in (a) or (b) are relatively equal, seniority shall govern.

Section 11.02. In the event of a lay-off or termination of employment, the final pay will be made available within two (2) pay periods.

Section 11.03. Any employee laid off for a period of longer than ten (10) scheduled shifts, shall receive all his or her accrued vacation pay upon request.

ARTICLE 12 **LEAVES OF ABSENCE**

Section 12.01. The Employer may grant a leave of absence without pay for a period of thirty (30) days or less to any employee who has successfully completed the probationary period for legitimate personal reasons provided the employee can be spared having due regard for the proper and efficient operation of the Employer and the needs of the Employer. Any personal leave of absence granted hereunder must not exceed thirty (30) calendar days. Application for such leave shall be made in writing to the Employer as far in advance as possible, but in any event at least four (4) weeks prior to commencement of the leave. The four (4) week period will be waived in circumstances where such notice in advance would be impossible. The employee will accumulate service and seniority during such leave. The Employer will continue the employee's premiums for the balance of the month in which the absence begins.

- (a) No bargaining unit employee will be compelled to use his or her vacation entitlement during a leave of absence.

Section 12.02-Child Care Leave

- (a) Child care leave will be granted in accordance with the provisions of the Canada Labour Code.
- (b) When persons are hired to replace employees who are on approved child care leave, the period of employment of such persons will not exceed the child care leave. The release or discharge of such person shall not be the subject of a grievance or arbitration.

Section 12.03 – Bereavement Leave. In the event of a death in an employee’s family, (that is death of father, mother, sister, brother, husband, wife, children, mother-in-law, father-in-law, grandchildren, grandparents, step-parents, and step-children), all related employees shall be entitled to be absent from work for a period of up to three (3) consecutive working days, without loss of pay. All related employees shall be entitled to be absent from work for one (1) day to attend the funeral of a sister-in-law, brother-in-law, son-in-law, daughter-in-law, niece, nephew, aunt, uncle, and grandparents-in-law, without loss of pay for the (1) day. If the employee requires additional unpaid time off up to twenty (20) days, the Employer will grant the request

Section 12.04-Jury Duty. If an employee is required to serve as a juror in any court of law, or is subpoenaed to attend a court of law as a crown witness, the employee shall be protected against loss of regular straight time pay for scheduled hours to a maximum of eight (8) hours per day, for twenty (20) consecutive working days in a calendar year, provided that the employee:

- (a) notifies the Employer immediately on an employee’s notification that he/she will be required to attend court in either capacity;
- (b) presents proof of service requiring the employee’s attendance;
- (c) deposits with the Employer the full amount of compensation received excluding mileage, travelling and meal allowance, and an official receipt thereof.

Section 12.05 – Effect of Leave of Absence. In the event of an employee’s absence without pay for any reason including lay-off, the Employer will continue the employee’s benefit premiums for the balance of the month in which the absence begins.

ARTICLE 13 **PAID HOLIDAYS**

Section 13.01. The Company agrees that following ninety (90) calendar days for employees hired directly, or following thirty (30) days for employees who have achieved four hundred (400) hours through and agency, and subject to all qualifiers set out in the Canada Labour Code, all hourly rated employees shall receive the following holidays off, with holiday pay on the basis of eight (8) hours of pay at the employee’s respective regular straight time hourly rate:

Section 13.01

New Year’s Day	Thanksgiving Day
Good Friday	* Christmas Eve Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Labour Day	Friday before Labour Day

- * Recognized by agreement of the parties as a designated replacement of Remembrance Day pursuant to the Canada Labour Code.

Section 13.02. The exact dates upon which each of the above noted holidays will be scheduled and recognized to the extent that such days differ from the actual day, will be subject to employees being notified in as far advance as possible, but no less than one week's notice. The day, so designated, will then take the place of the actual day. The parties agree to this arrangement in accordance with the terms of the Canada Labour Code.

Section 13.03. If an employee is required to work on one of these holidays, as designated, he/she will be paid in accordance with the Canada Labour Code. Paid holidays will be used in computing an employee's eligibility for overtime.

Section 13.04. To be eligible for holiday pay, the employee must work on his/her nearest scheduled work day, both preceding and following the holiday, unless the Company, at its sole discretion, agrees otherwise. Probationary and part-time employees who have not worked fifteen (15) days in the preceding four (4) weeks are not entitled to holiday pay. Employees on vacation when a holiday occurs will receive an extra day of paid vacation.

ARTICLE 14 **VACATIONS**

'Section 14.01. The vacation year is July 1st through June 30th.

Section 14.02. Employees working for the Employer shall be entitled to vacation days computed on the following basis as of the cut off day of June 30th in each year:

- (a) Employees who have completed less than one (1) year of continuous service as of June 30th shall be entitled to an annual vacation of .833 days for each complete calendar month of service.
- (b) All employees with one (1) year's service, but less than five (5) years service, shall be given two (2) weeks vacation with pay. Vacation pay for such employees will be paid on the basis of 4% of gross earnings since their last computed vacation pay period, (including any vacation pay paid during that period). Vacation pay will be paid at the time of the employee's scheduled vacation, as long as one (1) week vacation time has been accrued, and the Company has been given at least two (2) weeks written notice.
- (c) Employees with five (5) years service shall be given three (3) weeks vacation with pay. Vacation pay for such employees in the first year of entitlement will be paid on the basis of 4% of gross earnings from their computed vacation pay period to their employment anniversary date. In subsequent years, employees will be paid on the basis of 6% of gross earnings since their last computed vacation pay period, (including any vacation pay paid during that period).

Employees with fifteen (15) years service shall be given four (4) weeks vacation with pay.

Section 14.03. Vacation shall not be accumulative from year to year. It shall be compulsory for all employees to take their vacations, and they must be taken in the current calendar year.

Section 14.04

- (a) Vacation pay shall be based upon the employee's regular hourly rate at the end of the vacation year and shall be paid at the rate of four (4) percent of total wages paid to the employee during the vacation year for employees with less than six (6) years of continuous service and at the rate of six (6) percent of total wages for employees with six (6) or more years of service paid to the employee during the vacation year as of June 30th. "Total wages" excludes fringe benefits, discretionary bonuses, expenses, travel allowances and previous year's vacation pay. Vacation pay shall be paid by the Employer to the employee on the first full pay period in July of each year by separate cheque.
- (b) Employees who have qualified for two (2) weeks vacation and who sever or have severed their employment after they have become qualified for two (2) weeks vacation, shall receive at the date of the severance, or as soon as reasonably possible thereafter, the vacation pay computed at the rate of four (4) percent of their earnings since the termination of their last computed vacation pay. Employees who have qualified for three (3) weeks vacation and who sever or have severed their employment after they have become qualified for three (3) weeks vacation, shall receive at the date of the severance, or as soon as reasonably possible thereafter, the vacation pay computed at the rate of six (6) percent of their earnings since the termination of their last computed vacation pay.

Section 14.05. The Employer shall schedule vacations in accordance with the following guidelines:

- (a) The Employer shall make the sole determination as to the number of employees that can be absent on vacation at any one time.
- (b) Employees must submit their choice of vacation by no later than March 1st of each year.
- (c) Vacation lists shall be finalized and posted by no later than April 1st of each year.
- (d) The time of vacation for each employee each year will be mutually arranged between the employee and the Employer, taking into account proper coverage for servicing our customers.
- (e) If there is a dispute over vacation days between employees, seniority of an employee shall be the governing factor, provided that the senior employee's vacation request was submitted in accordance with the requirements of the Collective Agreement.

- (f) In addition, should the parties be unable to mutually agree upon the time for taking vacations by April 15th in any year, the decision will be that of the Employer.
- (g) Vacation must be completed by October 30th in the year following the vacation year in which the credited service occurred and must be taken in increments of at least one (1) week or in the case of employees with less than one (1) week vacation entitlement all vacation must be taken at one time.
- (h) Notwithstanding all of the above, one (1) week of the vacation period must be scheduled during the plant shut-down each year with the exception of any needs the Employer may require to schedule during this period. The plant shutdown shall be observed as to coincide with our customer's shutdown.

In the event that the Employer elects to schedule employees to work during the shut down period in order to meet the needs of the Employer, the selected employees shall signify their new vacation request to the Employer within five (5) calendar days of being selected to work during the shut down period. Failure to do so will result in the revised vacation being scheduled by the Employer.

- (i) Employees while on vacation cannot be called into work except by mutual agreement. Any calls will be by seniority where the work is available. In the event of such mutual agreement, the vacation time not used shall be scheduled at a later date by mutual agreement.
- (j) Vacation pay shall be issued to the employee on the Thursday before he/she starts vacation with suitable notice. This is only applicable for employees being on vacation for a full week or more. Also in order to receive vacation pay the employee must have worked enough hours to have earned the vacation. In order for the employee to receive the advance payment of his/her vacation pay he/she must have scheduled their vacation as per Section 14.05 (a) to (h) of this Agreement. If the employee changes vacation plans at the request of the Employer and because of this change, required by the Employer, the employee will not be able to follow Section 14.04 (a) to (g), then the Employer will accommodate the employee and get his vacation pay on the Thursday before he/she departs for vacation.

Minor shortages in vacation pay will be paid the following pay period when brought to the attention of the Employer. Shortages in excess of fifty dollars (\$50.00) in vacation pay will be paid the following business day if the employee notifies the Employer of the shortage by 10:00 a.m. on Thursday. Notice of shortage after 10:00 a.m. Thursday will delay payment of the vacation pay shortage until the following pay period.

- (k) The Company agrees to continue the current practice with respect to disclosure of vacation time on each employee's stub. However, the Company agrees to provide vacation data to employees within a reasonable time when so requested.

ARTICLE 15
HOURS OF WORK

Section 15.01

- (a) The Employer does not guarantee any hours of work per day or work per week with respect to any employee covered by this Agreement, nor shall any of the following provisions be construed as a guarantee of work.
- (b) The scheduling of shifts, starting and stopping times, shall be determined by the Employer to meet varying production demands.
- (c) It is understood and agreed that the Employer reserves the right to schedule the work, including, where necessary, overtime and to assign employees to perform such work as the Employer deems necessary. Overtime as defined as hours exceeding 40 compensable hours:

Saturday overtime at 1.5 x hourly rate

Sunday overtime at 2 x hourly rate

Statutory Holidays at 2x hourly rate

- (d) It is understood and agreed that overtime is mandatory, when required by the Employer, for up to forty-eight (48) hours per person per week. If overtime is deemed mandatory, it will be offered on seniority basis (within each working area) to employees working in one of the four work areas by area, by client and by shift. In any week the Employer can only require a maximum of two (2) hours overtime per person per day for a maximum of four (4) days in any week. This clause applies only to overtime during the normal workweek (NOT weekends). Overtime premiums shall only be paid when specifically required by the Employer and scheduled by management.

When the Employer determines that more than eight (8) hours of overtime per person is required in any work area during the normal work week and/or when overtime is required during the weekend or on a statutory holiday; it will be offered to employees on a seniority basis, based upon complex-wide seniority for employees. Overtime premiums shall only be paid when specifically required by the Employer and scheduled by management.

- (e) Overtime at the rate of one and one-half (1 ½) times the regular hourly rate for every hour worked in excess of forty (40) hours in one (1) payroll week and after eight (8) hours per day, or ten (10) hours per day when working our (4) day weeks, shall be paid when required by management. The exceptions to this will be that the hourly rate of pay to be paid for working on Sunday or on a Statutory holiday (as defined in Section 13.01 of this Agreement), when requested by management, will two (2) times the regular hourly rate.

- (f) When management determines that it is necessary to schedule overtime over forty-eight (48) hours per person per week, management will ask for volunteers from the top of the seniority list down. If there are insufficient volunteers, the Employer will have the right to select employees for overtime from the bottom of the seniority list up.
- (g) Employees shall receive a thirty (30) minute unpaid lunch break, between the fourth and sixth hour.
- (h) There shall be no pyramiding of overtime or premium pay.
- (i) The Company and the Union agree that there will be no rotating shifts.

Section 15.02. All employees shall report to work at the beginning of their designated shift, to be determined by the Company. Any deviations from the regular schedule will be communicated to the employee as soon as possible. There will be no minimum or maximum guaranteed number of hours other than the daily call in guarantee as defined in 15.05.

Section 15.03 – Break Periods. All employees will be allowed two (2) fifteen (15) minute breaks each day. In the event of overtime, there will be one (1) additional fifteen (15) minute break prior to the commencement of the overtime, provided the overtime to be worked is in excess of one (1) hour. The scheduling of breaks will be at such time as to least interfere with production, with one (1) in the first four (4) hours of the day and one (1) in the second four (4) hours of the work day whenever possible.

Section 15.04 – Pay Periods

- (a) The interval between pay dates shall be no longer than two (2) weeks and in the event that the Employer changes from a one (1) week pay period to a two (2) week pay period, three (3) clear months notice shall be given by the Employer. Advances shall be made to employees on request, to assist during the adjustment period, and such adjustment period shall not exceed three (3) months. All exchange costs on cheques to be paid for by the Employer. At the time that an employee receives his/her pay cheque, the Employer shall not retain possession of more than one (1) week's accrued wages, except by agreement with the employees expressed, if necessary, by a majority vote of the employees affected.
- (b) The Employer shall issue pay cheques in individual envelopes in such a manner that all employees shall have at least one (1) full banking day prior to a Saturday or a general holiday. Employees must provide written authorization if someone other than the employee is to pick up the pay cheque,
- (c) Minor shortages will be paid the following pay period when brought to the attention of the Employer. Shortages in excess of fifty dollars (\$50.00) will be paid the following business day if the employee notifies the Employer of the shortage by 10:00 a.m. on Thursday and if the shortage is due to an error by the Employer. Notice of shortage after 10:00 a.m. on Thursday will delay payment of the shortage until the following pay period.

- (d) The Employer shall be permitted to recover any excess or overpaid amounts of pay, payments, bonus or vacation pay, provided such recovery is made no later than ninety (90) days from the original overpayment.
- (e) The Employer has implemented direct deposit for the convenience of all employees. Direct deposit will be mandatory for all new employees upon their date of hire.
- (f) Vacation pay shall be issued to the employee on the Thursday before he/she starts vacation. This is only applicable for employees being on vacation for a full week or more. Also in order to receive vacation pay, the employee must have worked enough hours to have earned the vacation. In order for the employee to receive the advance payment of his/her vacation pay he/she must have scheduled their vacation as per Section 14.05 (a) to (h) of this Agreement. If the employee changes vacation plans at the request of the Employer and because of this change, required by the Employer, the employee will not be able to follow Section 14.04 (a) to (g), then the Employer will accommodate the employee and get his vacation pay on the Thursday before he/she departs for vacation.

Minor shortages in vacation pay will be paid the following pay period when brought to the attention of the Employer. Shortages in excess of fifty (\$50) dollars in vacation pay will be paid the following business day if the employee notifies the Employer of the shortage by 10:00 a.m. on Thursday. Notice of shortage after 10:00 a.m. on Thursday will delay payment of the vacation pay shortage until the following pay period.

Section 15.05. Any employee reporting for a scheduled shift assignment will be guaranteed four (4) hours work, or if no work is available anywhere at the discretion of the Employer, will be paid four (4) hours at the regular straight time hourly rate. This reporting allowance will not apply:

- (1) to safety meetings where employees shall be compensated in accordance with legislative requirements;
- (2) if an employee has received prior notice not to report for work;
- (3) where work is not available due to no electricity, fire, flood, weather conditions or any other act of God.

Section 15.06. The Company will, where possible, give employees two (2) days notice of lay-offs.

Section 15.07. Attendance

- (a) Absence from work without reasonable explanation will result in the following disciplinary action:
 - 1st offense- reprimand
 - 2nd offense- reprimand
 - 3rd offense- 3 days off
 - 4th offense- subject to dismissal

- (b) Reporting late for work, or leaving work before the end of one's scheduled shift without reasonable explanation will result in the following disciplinary action:

1st offense- reprimand
 2nd offense- reprimand
 3rd offense- 3 days off
 4th offense- subject to dismissal

- (c) Employees who volunteer for overtime but fail to report to work without notice render themselves ineligible for overtime for three (3) consecutive weeks.

ARTICLE 16

SHIFT/JOB POSTING

Section 16.01. When a permanent vacancy exists within the bargaining unit, a notice shall be posted at all locations in the workplace for seven (7) calendar days. A permanent vacancy exists if work is performed regularly for a period of time greater than sixty (60) days unless otherwise agreed by the parties. The postings will be for all positions on any shift. This process will limit the moves within the bargaining unit to one (1) bump.

For the purpose of job posting, the complex will be divided into four areas (work categories) for each client (GD and GM Locomotive), (*replaces building (CCC and DDD)*) and for each shift. This will give us a potential of 24 job categories, (*replaces 16*).

The areas are:

<u>Work Areas</u>	<u>Client</u>	<u>Shift</u>
1. SPO / R & O	1. G.M. Locomotive	Days
2. Put Away	2. G.D.	Afternoons
3. Shipping / Picking		Midnights
4. Audit		

Replaces: Picking, Put-away, Shipping, and Audit in DDD and in CCC for each shift.

Areas included in each major work category are:

SPO / R & O includes:

All activities related to SPO and R & O, including but not limited to SPO woodshop, SPO packaging and consolidation, excluding receiving and put away, as well as individual quality control and general housekeeping.

Put-Away includes:

Receiving, cross-dock, and any jobs locating parts within the warehouse as well as individual quality control and general housekeeping.

Shipping / Picking Includes:

Vouchers, Associates (includes the building of the crates and packing of the order), line kits (includes the preparation and packing of the order), shorts, premiums, GM coordinator and any other activity that includes picking parts and preparing the part for shipment as well as individual quality control and general housekeeping. All activities that move parts out of the facility.

Audit includes:

Stock keeping, and all formal audit processes which includes but is not limited to all Customer contractually mandated audits. All movement of material associated with performing audits as well as individual quality control and general housekeeping..

The Employer makes no guarantee of jobs in any particular area of the operation. The level of work required in any given area is determined by the Employer's customer and the demands the customer places on Employer. The Employer and Union agree that work levels do vary from day-to-day in these categories. For efficiency it will be necessary for the Employer to move employees from one job category to another on any given day. If the Employer must move an employee from one area to another to accommodate daily swings in activity level, the Employer will move from one job category to another job category, the employee with the least total seniority who, in the opinion of the Employer, has the skill and ability to do the job.

Section 16.02. In assessing the applicants the Employer shall consider the following factors:

- (a) Skill, ability, experience, competence and qualifications
- (b) Seniority with the Employer
- (c) Any opening will be posted to all bargaining unit employees no matter how the opening has been created. Section 16.01 will govern the determination of when an opening exists.

When, in the judgement of the Employer, the factors in (a) are relatively equal, seniority shall govern.

Section 16.03. An employee selected as a result of a posted vacancy shall not be considered for a further permanent vacancy for a period of up to six (6) months from the date of his/her selection.

Section 16.04. The Employer will provide the Union office with a copy of all job postings.

ARTICLE 17
HEALTH & WELFARE

Section 17.01. The Employer agrees to pay for current non-probationary employees as of October 1, 2004 , \$180.00 per month, plus tax, for the first year of this Agreement, \$185.00 per month, plus tax for the second year, \$190.00 per month plus taxes in the third year and \$195.00 per month, plus tax in the fourth year, providing a health card and vision care are established for all non-probationary employees, to the TEAMSTERS LOCAL 879 HEALTH AND WELFARE TRUST FUND (the “Teamster Health Plan”). It is understood that funding for all such employees will be made by the Company no later than October 1, 2004 and that coverage under the Teamster Health Plan will begin for all such employees on October 1, 2004.

For all current employees hired on or before October 1, 2004, who are on probationary status on October 1, 2004, the Company agrees to provide the same level of funding as follows: funding will be made by the Company on the 15th day of the month following completion of probationary status and coverage under the Teamster Health Plan will begin for such employees on the first day of the month following the start of funding by the Company. In order to qualify for benefit payment to the Teamster Health Plan, the employee must work one (1) day during the month for which payment is provided.

- (a) In providing such funding to employees, the Company and the Union agree that all benefits previously offered by the Company to employees in the bargaining unit are eliminated. The Company does not guarantee or warrant any level of benefit coverage or the existence of any benefit coverage under the Teamster Health Plan.
- (b) The Company agrees to institute a group RRSP plan for effective January 1, 2006. The Company will match by fifty percent (50%) the amount contributed by the employee up to a maximum of six percents (6%) of the employee’s salary.

ARTICLE 18
HEALTH & SAFETY

Section 18.01. The Employer agrees to establish a Health & Safety Committee with equal representation from the Employer and the Union.

Section 18.02. The Health & Safety Committee will meet during regular working hours once per month to review safety and health matters of mutual concern. The committee will make periodic tours of the plant for safety inspections. In the event the plant tour is to be conducted by an Industrial Safety Officer from the Ministry of Labour, one Union committee member will accompany the officer on the tour.

Section 18.03. The Employer shall continue to make reasonable provisions for the health and safety of its employees in accordance with the Health & Safety Code during the hours of their employment. The programme of the Safety Committee shall have the support of the Union and the Committee and will welcome the suggestions with regard to the safety of the employees.

Section 18.04. The Employer agrees to provide a separate bulletin board for health and safety matters and the minutes from the monthly health and safety meetings exclusively.

Section 18.05. The Employer will provide protective devices and apparel should the need warrant under the Health and Safety Code.

Section 18.06. The Employer agrees to pay employees at their regular shift rate for time spent in monthly Health and Safety Committee meetings in accordance with the legislative requirements.

Section 18.07 – Medical Examinations

- (a) Where an employee feels he/she has been adversely affected by a medical examination required by the Employer, he/she may be re-examined by a physician of his/her own choice at his/her expense. Where the result of the examination is in dispute or question, the employee may proceed with the grievance procedure Step No. 2.
- (b) In the case of a workplace accident during working hours, the Employer agrees to supply transportation to and from the hospital or family physician, and to the employee's home if necessary, and the Employer will pay the employee's normal wages as required by the Workers' Compensation Act.
- (c) The Company will pay for the cost of a doctor's note or physician's statement when the Company requests such a note from the employee.

Section 18.08 – First Aid. The Employer agrees that the persons with current first aid certificates will be posted on the health & safety bulletin board.

Section 18.09. The Employer agrees to provide a Certificate First Aid Course to at least four (4) employees, on a volunteer basis, in each year of this Agreement. This programme will be paid by the Employer

Section 18.10. The Employer agrees to comply with WSIB.

Section 18.11. The Employer agrees to supply basic first aid supplies on the premises.

Section 18.12. When a forklift or any equipment is red tagged, the Company will not move or touch it until a certified mechanic has fixed it and declared it safe for operation.

ARTICLE 19
MISCELLANEOUS

Section 19.01 – Bulletin Boards. The Employer agrees to permit posting any notices of Union meetings or functions on a bulletin board conspicuously placed and provided for that purpose, provided they are authorized and signed by an officer of the Local Union.

Section 19.02 – Safety Shoe Allowance, The Employer will require all employees to wear CSA approved safety shoes. The Company will reimburse the employee up to \$110.00 (one hundred and ten dollars) once each calendar year upon the employee turning in the receipt for the new shoes. New employees will be reimbursed after the completion of their ninety (90) day probationary.

ARTICLE 20

CASUAL HELP – WAREHOUSE

Section 20.01. Casual help is defined as a person(s) employed by the Employer or engaged through an agency (not an employee) as needed by the Employer, or to fill an absence created by a warehouse employee who is absent from work for any reason.

Section 20.02. Employees who are absent must give the Employer two (2) hours notice in advance of the scheduled time for this Article to apply. In the event of such notice, the Employer will make one (1) offer to the most senior available employee who has the necessary skill and qualifications to do the work, before using casual help. This shall not trigger any overtime or premium payments.

Section 20.03. Laid off warehouse employees, who have ‘the skill and qualifications to do the work, shall be given the first opportunity for casual work.

Section 20.04. All casuals shall be required to punch a time card. Casuals’ time cards will be made available upon request from the Steward and/or Business Representative of Teamsters Union Local 879.

Section 20.05. The Employer shall deduct from all casuals from their first pay, and each month thereafter, an amount equal to the Union monthly dues and such monies shall be forwarded to the appropriate Local Union as outlined in Article 4, and the Employer shall indicate “casual” on the check-off form. In the event the Employer utilizes casuals employed by outside agencies, the Employer shall remit an amount equal to the Union monthly dues with respect to all such persons.

Section 20.06. Apart from the provision of this Article, casual help is not subject to the terms and conditions of the Collective Agreement.

Section 20.07. The Employer agrees that he will use casual labor person for a maximum of fifty (50) business days for a total of four hundred hours. Once the casual laborer has reached this fifty (50) day (400 hour) of service, the casual labor person will be automatically entered on the rolls as a TNT employee and will join the Union as per Section 4 of the Agreement.

ARTICLE 21 - WAGES

WAREHOUSE & DRIVERS

<u>Effective</u>	<u>Rate Per Hour</u>
July 1, 2004	\$ 15.00
July 1, 2005	\$ 15.50
July 1, 2006	\$ 16.00
July 1, 2007	\$ 16.50

PROGRESSIVE RATES

For all employees hired after **August 1, 2004**, the following progression shall apply:

Start Rate	85% of full rate
After 6 months	90% of full rate
After 12 months	95% of full rate
After 24 months	100% of full rate

For all employees hired on or before **August 1, 2004**, the following progression shall apply:

Start Rate	85% of full rate
After 6 months	90% of full rate
After 12 months	95% of full rate
After 18 months	100% of full rate

ARTICLE 22 DURATION OF AGREEMENT

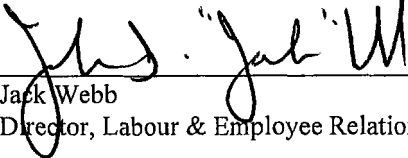
Section 22.01. Unless changed by mutual consent, the terms of this Agreement shall come into full force and effect on September 22, 2004, until July 31, 2008.

Section 22.02. This Agreement shall remain in effect up to and including July 31, 2008. Notice to bargain shall be sent to the other party within ninety (90) days of the termination date of this Collective Agreement.

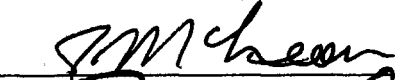
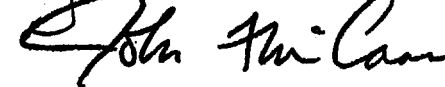
Dated at London, Ontario this 22nd day of September, 2004.

TNT Logistics North America Inc.
(London)

TEAMSTERS LOCAL UNION NO. 879



Jack Webb
Director, Labour & Employee Relations

ARTICLE 23
TEAMSTER LOCAL UNION NO. 879 ADVANCEMENT FUND

The Teamsters Local Union No, 879 Advancement Fund (the “Fund”) shall be for the enhancement of all persons dependent upon any industry represented by the Teamsters. The Company shall make a contribution of five cents (\$.05) per hour for which wages are payable hereunder, for each employee and independent contractor covered by this Collective Agreement. Payment of such funds shall be made to Teamsters Local Union No. 879 Advancement Fund on or before the 15th day of the month following that to which they refer. The payment to the Fund shall be independent and separate from any other payment made to the Local 879.

Letter of Understanding #1

(To form part of the Collective Agreement)

Between

TNT Logistics North America Inc.
(London)

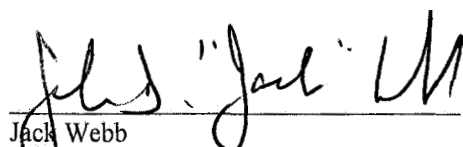
And

TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters

It is understood, if at anytime during this Agreement, that TNT Logistics N.A., brings on drivers who are required to have a Commercial Driver's License with a minimum A-Z requirement, they will become part of this Agreement under the same wage scale as set forth in Article 21- Wages. If applicable, at the expiration of this Agreement, TNT Logistics reserves the right to negotiate a separate bargaining agreement for these drivers.


Dated at London, Ontario this 12th, day of October, 2004.


TNT Logistics North America Inc.
(London)



Jack Webb
Director, Labour & Employee Relations.

TEAMSTERS LOCAL UNION NO. 879





Letter of Understanding #2

(To form part of the Collective Agreement)

Between

**TNT Logistics North America Inc.
(London)**

And

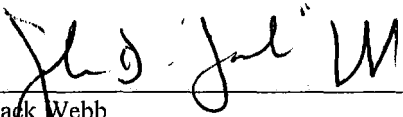
**TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters**

The Company and the Union mutually agree that, given certain restrictions on permissible assignment of work duties, employees who were previously moved from former bid position will remain in their current position subject to the bidding procedure. Seniority will transfer to the new position. In the event that amendments are made regarding the current ITAR restrictions and designated areas, employees with seniority, displaced under this legislation, will be allowed to return to their previously posted position, retaining their seniority.

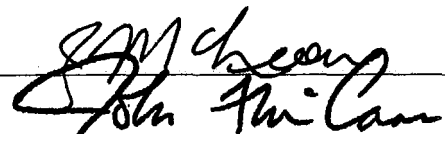
Dated at London, Ontario this 12th day of October, 2004.

TNT Logistics North America Inc.
(London)

TEAMSTERS LOCAL UNION NO. 879



Jack Webb
Director, Labour & Employee Relations



Letter of Understanding #3

(To form part of the Collective Agreement)

Between

**TNT Logistics North America Inc.
(London)**

And

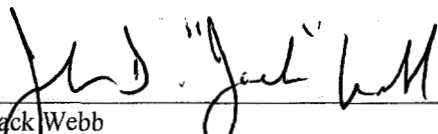
**TEAMSTERS LOCAL UNION NO. 879
Affiliated with the
International Brotherhood of Teamsters**

The parties agree that joint training will take place within the duration of this contract. This training could include, but not be limited to, Steward/Supervisory training, a Labour-Management Committee workshop and/or a Grievance Effectiveness program. There will be a Labour-Management committee formed to address concerns and issues brought forward by employees. The Company will, over the life of the collective bargaining agreement, work with the Union in an effort to promote additional training for bargaining unit employees, including but not limited to, forklift certification and, where necessary, hazmat, safety and cross-training.

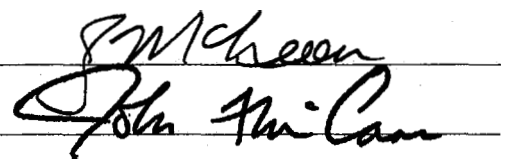
Dated at London, Ontario this 12th day of October, 2004.

TNT Logistics North America Inc.
(London)

TEAMSTERS LOCAL UNION NO. 879



Jack Webb
Director, Labour & Employee Relations



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