

Collective Agreement

Between



and

The Canada Council of



Teamsters

Expires December 31, 2007

Teamsters Local Unions 31, 69, 91, 213, 395, 855, 879, 880, 927, 931,
938, 979, 987

affiliated with the International Brotherhood of Teamsters

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Article 1. PREAMBLE

1.01 Purpose

The purpose of the present Collective Agreement is to establish orderly relations between the parties, to set wage rates, hours of work and other working conditions for the employees and Owner/Operators covered by this Collective Agreement, as well as to promote good relations and a climate of cooperation between the Company and its employees and Owner/Operators represented by the Union.

Article 2. RECOGNITION

2.01 Certification and Recognition

The Company recognizes the Union as the one and only bargaining agent for the employees and Owner/Operators covered by the bargaining certificates issued by the Canada Labour Relations Board on February 2, 1995.

2.02 Exclusive Agreement

No particular agreement relating to working conditions other than those provided for in the present agreement, between an employee and the Company, is valid unless it has received the written approval of the officers duly mandated by the Union and the Company.

2.03 Provisions Pertaining to Owner/Operators

The provisions applying to Owner/Operators covered by the bargaining certificate are outlined in Appendix E, M, N and O forming part of this collective agreement. No other provision in the collective agreement applies to Owner/Operators unless it is expressly stated that the provision applies.

Article 3. MANAGEMENT RIGHTS

3.01 Acknowledged Right

The Union recognizes the exclusive right of the Company to operate its establishment, machinery and equipment and to manage its undertakings as it sees fit, subject only to the restrictions imposed by law or by the provisions of the present Collective Agreement.

Without limiting the generality of the foregoing, the Union recognizes that it is the Company's right:

- a) To administer the Company, including the right to study and introduce new methods, to increase or reduce its personnel, to modify its route structures as well as its schedules of work;
- b) To demote, discharge, reprimand, suspend and discipline with just cause;
- c) To maintain order, discipline, productivity and output;
- d) To hire or transfer.

In the exercise of its management rights, the Company shall comply with the provisions of the present agreement and the paragraphs above shall not deprive employees or the Union of the right to have recourse to the grievance and arbitration procedure provided for in the present agreement.

Article 4. CONTINUITY OF THE OPERATIONS

4.01 Strike - Lock-out

It is agreed that for the duration of the present agreement, there shall be no strike nor lockout, nor work slow-down, nor total or partial stoppage of work, nor study session.

The parties agree not to counsel nor encourage the above mentioned actions.

Article 5. GENERAL PROVISIONS

5.01 Regulations and Policies

- a) The Company has the exclusive right to make, modify and implement regulations, policies and procedures to be observed by the employees; such regulations, policies and procedures must not be inconsistent with the provisions of the present agreement. Furthermore, where in the present agreement it is provided that a policy is maintained, such policy remains in force and may not be modified by the Company for the duration of the present agreement;
- b) The Union Business Agent and stewards will be advised, in writing, of any new regulations or policies or modifications thereof, at least seven (7) days in advance of the implementation date. The Company is committed to take the necessary measures available to it to advise the employees of any such new or modified regulation or policy, including potentially distributing written notices with the employees' pay cheques. A notice will also be posted on the employee bulletin board.
- c) The Company agrees to provide the Union with its current Company policies upon request.

5.02 Work Performed by Non-Bargaining Unit Employees

The Company agrees that the function of managers is the management of employees. The work of managers will not include assignments to work normally performed by

employees in the bargaining unit except for the purpose of training and demonstration or to prevent service failures.

Non-bargaining unit employees will not perform bargaining unit work until after all reasonable efforts have been made to have the work covered by qualified bargaining unit employees.

Managers will not perform bargaining unit work. However, where it is necessary for management to perform bargaining unit work, as referenced in this clause, local management will so advise the local steward present.

5.03 Discrimination

The Company and the Union agree that there shall be no discrimination practiced against any person covered by the Collective Agreement, the whole subject to their obligations contracted under the present agreement and by law.

5.04 Gender-Sex

The masculine gender includes the two (2) sexes unless it results from the context of a provision that it be only applicable to one of the two (2).

5.05 Nullity

The nullity of a provision of the present agreement does not affect the validity of other provisions of the agreement. Any provision of the agreement which is or which becomes a violation of applicable laws, will be null and void. In such a case, the parties will enter into bargaining to arrive at a mutually satisfactory replacement for the void provision. If the parties cannot agree, the clause(s) affected shall be amended in conformity with the law.

5.06 Headings and Sub-Headings

All headings and sub-headings in the present Collective Agreement are utilized for reference purposes only and have no bearing whatsoever on the interpretation of the agreement.

5.07 Interpretation of the Words Employer or Company

Unless otherwise specified in the present Collective Agreement, or if the context specifies another meaning, the words Employer and Company mean Purolator Courier Ltd.

5.08 Interpretation of the Word Union

Unless otherwise specified in the present Collective Agreement, or if the context specifies another meaning, the word Union means the Canada Council of Teamsters.

Article 6. UNION SECURITY

6.01 Maintenance of Membership

All employees hired must maintain membership in good standing in the Union for the duration of the present agreement, as a condition of continued employment. Employees must pay all arrears owed as per Clause 6.04 in order to maintain membership.

6.02 Union Membership

Any employee hired after the signing of the present agreement must, as a condition of employment, become a member of the Union within thirty (30) calendar days after his date of hiring.

6.03 Union Dues

The Company agrees for the duration of this agreement, to deduct the regular dues from the pay cheque of any employee under the scope of this agreement at the rate and frequency prescribed by each Local Union. The remittance of such monies so deducted will be made to the Head office of the Local Union along with a list of the employees from whom the monies were deducted, not later than the fifteenth (15th) day of the month following the date upon which such monies were deducted. The check-off list will include social insurance numbers and names.

Moreover, within the thirty (30) calendar days following the date of hiring of a regular employee, the Company shall deduct from the employee's pay an amount equal to the initiation fee(s) in such amounts and instalments as prescribed by each Local Union. Furthermore, the Company agrees to deduct from the employee any other assessor charges as levied against him in accordance with the constitution and by-laws of the Union of which he is a member and so indicated on the check-off list as provided by the Union to the Company.

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. Such deductions shall be made at a rate and frequency so prescribed by each Local Union.

6.04 Arrears

The Union will notify the Company in writing of any arrears in dues, initiation or re-initiation fees and/or charges levied by the Union for any reason and the Company 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 Company shall prescribe payroll deductions generally of not more than the equivalent of one month's dues at the appropriate Local Union's rate.

6.05 Authorization Forms

The Union will supply the Company with Initiation Deduction Authorization Forms, Application for Membership Forms, Dues Deduction Authorization Forms and Health and Welfare Enrolment Forms, all of which shall be signed by all new employees on the date of hire. The Company will forward all completed Application for Membership Forms and Health and Welfare Forms to the Union. All forms shall be returned to the Union within thirty (30) calendar days from the date of hire.

6.06 Remittance of Dues

The checkoff and cheque for the Union dues deducted must be in the office of the Local Union not later than the fifteenth (15th) day of the month following the month in which the monies were deducted.

6.07 Probationary Employees

The deduction of Union dues shall be made from every employee including, but not limited to probationary employees. In the event that a probationary employee fails to complete his probationary period, Union dues will be deducted from his final pay cheque.

6.08 Compensation for Claims

The Union agrees to indemnify and hold the Company harmless from any claims and/or liability that may arise out

of action taken by the Company for the purpose of withholding the dues as provided for in this article.

6.09 Inscription of Union Dues on Tax Forms

For income tax purposes, the Company indicates on the income tax slips the Union dues deducted.

Article 7. UNION REPRESENTATION

7.01 Bulletin Board

The Company will make available to the Union, in each establishment covered by the present agreement, a bulletin board upon which the Union may post its official notices and communiques which must be signed by a representative of the Union, and which may not contain any matters of a political or prejudicial nature with respect to the Company, its agents or mandatories.

7.02 Negotiation Committee

In the four (4) months preceding the expiration of the Collective Agreement, the parties agree to determine the number of employees to be allowed to absent themselves from their work, without loss of salary and benefits, for the negotiation sessions with the Company for the purpose of renewing the present agreement, until the right to strike or lock out has been obtained. Such payment of salary will continue to be effected on the condition, however, that the said bargaining sessions take place during the regular scheduled shifts of work for the said employees.

7.03 Shop Steward

The distribution will be effected as follows:

Depots with 75 or more employees:

A chief steward and two (2) stewards

Depots with less than 75 employees:

A chief steward

Notwithstanding the above the Union may appoint a minimum of one (1) steward per shift per facility.

It is understood that the Union can elect alternate shop stewards. These alternates may be appointed to replace shop stewards who are absent due to full-time paid work for the Union, sickness, work or non work-related accidents, or any other absence provided for in the agreement. In such a case, the Union must advise the designated person in the Human Resources Department, in writing, at least three (3) working days prior to the replacement.

Shop stewards may inquire about any grievance originating from their depot and assist any employee who wishes to make one. However, a steward must, prior to leaving his position of work, obtain the authorization of his supervisor which shall not be unduly refused. The supervisor will authorize the period of time during which the shop steward may be absent from his work to inquire about the grievance.

Shop stewards shall not suffer a loss in regular pay as a result of their participation in the Grievance Procedure.

The parties agree that in the case where any employee, other than the shop steward, is involved in the inquiry concerning a complaint or a grievance, any such meeting or inquiry must be held outside the working hours of the employee concerned.

7.04 The Union Business Agent

- a) The Union Business Agent may participate in any joint meeting held between the Union and the Company.
- b) After notifying a member of depot management, the Union Business Agent shall have the right to meet in

the establishment any employee, Union steward or officer, without interrupting normal operations.

These meetings will be conducted outside of the working hours of the employee concerned and/or the Union steward.

7.05 Labour Relations Meetings

Labour Relations meetings will be held to discuss any questions of mutual interest other than those being the object of a grievance or those being the jurisdiction of the Health and Safety Committee. These meetings shall occur at least every three (3) months.

7.06 Union Leave of Absence

In the event that the Union requires the services of one or more of its members as Business Agent, the employee(s) chosen shall have the right to a leave of absence without pay for the duration of the Collective Agreement. The Union must advise the Company, in writing, at least five (5) working days in advance, of the date on which the employee will be commencing his leave. The terms of this leave of absence will be automatically renewed for the term of each subsequent Collective Agreement. The employee(s) shall continue to accumulate seniority during such a leave. An employee on such leave must advise the Company, in writing, at least ten (10) days in advance, of the date on which he will be returning to work as a regular employee.

An employee returning from such a leave will exercise his bumping options in accordance with the applicable bumping provisions of the Collective Agreement.

Article 8. GRIEVANCE PROCEDURE

8.01 Definition of Grievance

The term "grievance" refers to any disagreement relating to the interpretation, application or alleged violation of the present Collective Agreement.

8.02 Verbal Step

Any employee having a problem concerning his working conditions which may give rise to a grievance, must discuss it first with his immediate supervisor or designate, accompanied by an available Union steward if he so desires and subject to the steward obtaining permission from his supervisor, which permission will be granted at a time convenient for operational purposes, to attend said meeting in order to attempt to settle it. The supervisor or designate will give his answer as soon as possible, but no later than five (5) working days following the discussion.

8.03 Written Step

The employee concerned and/or a steward must submit the grievance in writing to the person designated by the Company within the ten (10) working days following knowledge of the facts or the decision leading to the grievance. The grievance form must be signed by the employee.

In the event where a grievance is submitted to the written step in conformity with the present clause, and where the verbal step was not completed, the employee must ensure that he complies with the verbal step in the two (2) working days following notification by the Company. During these two (2) working days, the time limits set out in the written step will be suspended.

At a monthly meeting established between the parties, the Company will meet with the Union to discuss and attempt to resolve the grievance. The Company will give its written response to the grievance to the Business Agent in the ten (10) working days following the meeting or the expiry of the time limit set to hold such meeting. A copy of said response shall be submitted to the employee and the chief steward concerned.

In the case of an unsatisfactory answer, the Union will inform the Company in writing of its intention to submit the grievance to arbitration in the twenty-five (25) working days following the written response of the Company.

The monthly meeting will be held on a mutually agreed upon predetermined date. It is understood that this meeting will be held in the depot where the grievance originated or at a site mutually agreed upon. Subject to operational needs, the Union may request the presence of more than one (1) steward, who is involved in the grievances to be discussed, at the monthly grievance meeting. Such stewards will be paid at their regular hourly wage rate for the time spent meeting with the Company.

8.04 Suspension or Dismissal

In cases of disciplinary suspension or of disciplinary or administrative dismissal, a grievance may be filed at the written step of the grievance procedure by submitting it to the person designated by the Company within the ten (10) working days following imposition of the suspension or the dismissal.

8.05 Union Grievance

The Union may make and submit a grievance, commencing at the written step, in the name of a group of employees or

the whole of the employees, or on behalf of the Union as such.

The parties agree that individual grievances of the same or of a similar nature may be studied collectively at a meeting held between the Company and the Union, and may equally be made the object of a collective answer on the part of the Company.

8.06 Company Grievance

Any grievance submitted by the Company will be filed at the written step of the grievance procedure by submitting it in writing to the Union Business Agent, or in his absence, the principal officer of the said Union, within the ten (10) working days following knowledge of the fact giving rise to the grievance. Within the ten (10) working days following receipt of the grievance by the Union, the Union shall meet with the Company to discuss and attempt to settle the grievance. The Union must give its response to the grievance in writing within the ten (10) working days following the said meeting or the expiry of the time limit set to hold the said meeting.

In the case of an unsatisfactory answer or in the absence of an answer, the Company will inform the Union in writing, of its intention to submit the grievance to arbitration within the twenty-five (25) working days following the meeting with the Union.

8.07 Written Statement of the Grievance

a) Written Statement

The written statement of the grievance shall briefly summarize the facts in order to identify the problem raised and the solution sought.

b) **Rejection of a Grievance**

No grievance may be rejected by reason of defect in form or technical error in the written statement.

8.08 Mutual Agreement in Writing

- a) All decisions taken by mutual agreement in writing and signed between the designated representatives of the Company and the Union, at any time during the grievance and arbitration procedures, shall be final and binding upon the Company, the Union and the employees.
- b) In the event a written grievance is withdrawn or resolved by a steward, such grievance will be signed by the steward, grievor and Company and the Local Union so involved will be notified in writing by the Company.

8.09 Extensions and Time Limits

The time limits provided for in the present article are mandatory and may only be prolonged by mutual agreement in writing between the Company and the Union.

8.10 Trip Sheets and Time Cards

For the purpose of investigating a specific grievance, Business Representatives and Stewards shall, upon request, have relevant trip sheets and time cards made available to them within a five (5) working day period.

This provision shall not be used to gather information to solicit grievances.

8.11 Payroll Changes

Where it is necessary to alter time cards or trip sheets resulting in a reduction of payment of wages, the supervisor

must notify the affected employee at the time of change unless it would result in delaying the processing of payroll. In such cases the employee affected will be notified the next working day or as soon as possible thereafter.

8.12 Payment of Grievance Settlement

- a) In cases where a grievance settlement involves a payment to an employee, such payment will be made to the employee no later than the second pay day following the settlement of the grievance, with an indication on the pay stub.
- b) In the event an employee is collecting WCB/CSST, disability or Employment Insurance benefits, the payment of the grievance settlement will occur no later than the second pay day upon his return to active status unless the employee requests in writing such payment during his absence. This payment will be made no later than the second pay day following the request.
- c) The senior employee(s) filing the grievance shall be paid the grievance if grievance succeeds.

8.13 Working Day

For the purposes of Article 8 of the present agreement, the term "working day" does not include Saturday, Sunday, nor general holidays as agreed upon by the present Collective Agreement.

Article 9. ARBITRATION

9.01 Notice of Arbitration

Where the Union or the Company wishes to submit a grievance to arbitration, it must do so by notice in writing to

the other party within the time limit provided for in Article 8.

Any grievance is prescribed and is not arbitrable if it has not been submitted to the grievance procedure in the manner provided for in Article 8 of the present agreement. Moreover, any grievance is prescribed and is not arbitrable if it has not been processed through all the steps provided for in the grievance procedure within the time limits there indicated, or if it has not been submitted to arbitration in the manner and within the time limits provided for in the present Collective Agreement.

9.02 Appointment of an Arbitrator

The grievance shall be submitted to a sole arbitrator chosen by mutual agreement.

If the parties fail to agree upon a neutral arbitrator within fifteen (15) working days (excluding Saturday, Sunday and General Holidays) after either party has served written notice on the other party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

In cases whereby several cases of a disciplinary nature are the subject of grievances for an employee or a group of employees, the parties may agree to have them heard individually by the same arbitrator.

9.03 Decision within Thirty (30) Days

The arbitrator must render his decision within the thirty (30) days following the final date of the hearing. However, at the request of the arbitrator, this time period may be prolonged by agreement between the two (2) parties.

9.04 Final and Binding Decision

The arbitrator's decision shall be final and bind the Company, the Union and the employees concerned. The arbitrator shall not be authorized to alter, modify or amend any part of this agreement, nor to render any decision incompatible with the provisions of this agreement, nor to consider any matter not pertaining to the present agreement.

9.05 Fees and Expenses

The parties will bear equally the fees and expenses of the arbitrator.

9.06 Disciplinary Measures

Except in the case of dismissals or of measures taken in application of the road accident policy provided for in Appendix "J" to the present agreement, and except in the cases provided for in Article 11.04, the arbitrator may, in the case of discharge or of disciplinary measures imposed on employees having acquired seniority rights, confirm, modify or annul the decision of the Company, or, as the case may be, substitute any other sanction which appears to him to be just and reasonable under the circumstances.

9.07 Burden of Proof

In the case of disciplinary measures or of administrative dismissal being the object of a grievance, the Company shall bear the burden of proof.

9.08 Internal Arbitration Process

The Company and the Union agree to promote good relations and a climate of co-operation, and that such co-operation requires efficient and effective dispute resolution mechanisms.

The parties hereby agree to an Internal Arbitration Procedure.

1. During the term of this Collective Agreement, the parties will undertake to utilize the Internal Arbitration Procedure for any grievance that remains unresolved after passing through all the steps of the formal grievance procedure with the exception of arbitration.
2. The internal arbitration process will consist of a single arbitrator to be decided by mutual consent by the Company and Local Union so involved.
3. The parties agree that the Internal Arbitration Procedure is an informal and accelerated dispute resolution mechanism to facilitate a speedy settlement of the grievance.
The function of a sole arbitrator is to hear disputes and to render decisions in accordance with the provisions of the Collective Agreement. The arbitrator has the same judicial powers as an outside Board of Arbitration established under the Collective Agreement and a decision rendered by a sole arbitrator is final and binding.
4. Either party can request the Internal Arbitration Procedure within twenty-five (25) working days following the written response of the Company as referred to in Clause 8.03. The request must be in writing to the other party.
5. In order for a grievance to be heard via this procedure, both parties must provide their consent. Failing such agreement, the grievance will be processed through the normal arbitration process outlined in the Collective Agreement.
6. When a single arbitrator is to be used to hear the grievance, the Company and the Local Union so

involved will mutually agree upon the selection of such arbitrator.

7. The rules which apply to a sole arbitrator are as follows:
 - a) A sole arbitrator shall not decide a dispute without a hearing.
 - b) The decision of a sole arbitrator shall be confined to the grievance referred to him and must be consistent with the provisions of the Collective Agreement, a sole arbitrator shall have no power to alter, modify or amend any part of the Collective Agreement.
 - c) The decision of a sole arbitrator shall only apply to the case before him and shall not constitute a precedent or be used by either party as a precedent for any future cases.
 - d) The sole arbitrator's decision shall be final and binding upon the Company, the Union and the grievor represented by the Union.
8. The arbitrator retains all powers vested by the Canada Labour Code.

Without limiting the generality of the arbitrator's discretion he may become involved in seeking agreement between the parties with respect to the facts to whatever extent the arbitrator deems appropriate and may make whatever determinations are necessary in respect of such matters as time allocation, the need to hear witnesses and the accessibility of documenting evidence without the necessity of formal proof.
9.
 - a) In all discharge and discipline cases, the initial onus of proof lies with the Company to substantiate the penalty.

- b) In all cases involving a Company grievance, the initial onus of proof lies with the Company to substantiate the remedy sought.
 - c) In all other cases, the initial onus of proof rests with the Union to substantiate the grievance.
 - d) After all evidence is presented by the parties, they will then present their closing arguments.
10. The arbitrator will render a verbal decision immediately upon the completion of the hearing or at the latest within five (5) working days. A brief written decision of no more than three (3) pages will be forwarded to the parties within ten (10) working days from the end of the hearing.

9.09 Dismissal

The Company and Union recognize the importance of handling dismissal grievances without unreasonable delay. In all cases of disciplinary or administrative dismissals that are referred to arbitration the parties agree to begin the hearing as soon as reasonably possible. In the event the arbitrator that has been selected is unavailable, which would lead to unreasonable delays, the parties can mutually agree on another arbitrator.

Article 10. DISCIPLINARY MEASURES

10.01 Disciplinary Measures

- a) It is recognized that the imposition of discipline is the exclusive right of the Company.
Written reprimand, suspension and discharge are the disciplinary measures susceptible of being imposed

depending upon the gravity or the frequency of the infraction in question.

- b) In the event an employee is suspended for disciplinary purposes, he may choose one of the following at the time the discipline is dispensed:
 - i) accept and serve the suspension. An employee choosing i) will be deemed to have forfeit his rights under Articles 8 and 9;
 - ii) grieve the suspension and remain on the job until the grievance is resolved. The discipline will be considered to be imposed at the time dispensed however the employee choosing ii) will serve the suspension (if a suspension has been maintained) once the grievance is settled in accordance with the settlement or the grievance has been abandoned by the Union. The Union agrees it will not delay the processing of such cases. If the Union delays the processing of the case, the Company shall have the right to impose the suspension.

The above does not apply in cases of discharge.

10.02 Time Limit for Imposition of a Disciplinary Sanction

The decision to impose a disciplinary sanction shall be communicated, in writing, to the employee within the five (5) working days of the employee's regular schedule following the incident or knowledge of such incident by the Company; otherwise, this sanction shall be rendered invalid and illegal for the purposes of the present agreement. Nonetheless, this time period can be extended to ten (10) working days of the employee's regular schedule, following notice by the Company to the permanent representative of

the Union to the effect that additional time is required to complete its inquiry.

In the case of a criminal investigation (for example theft, drugs, fraud), the time period does not commence until all conclusions have been drawn from the investigation.

All suspensions accepted/resolved shall be imposed commencing within five (5) working days after the date the discipline was accepted or the grievance was resolved. However, in instances where multiple suspensions are to be scheduled in the same location, there may be a requirement to extend the time limit outlined in this clause.

10.03 Contents and Delivery of the Confirmation of Discipline

A written confirmation of discipline addressed to the employee concerned must state the reasons for the disciplinary sanction with a copy transmitted simultaneously to the Union Business Agent and to the Chief Steward and the Steward concerned.

Moreover, the employee concerned must sign a statement attesting receipt of the said confirmation. His signature does not constitute an acceptance of the disciplinary measure, but only receipt of the written confirmation.

10.04 Presence of a Union Steward

Any employee covered by this agreement who is called into the Company's office for any discussions pertaining to disciplinary or administrative measures or during an investigation by the Loss Prevention department which could result in disciplinary measures for the employee shall be informed of his right to be accompanied by a steward.

10.05 Prescription

A disciplinary measure becomes null and void twelve (12) months after the date of the imposition of the discipline. Any disciplinary measure becoming null and void is withdrawn from the file of the employee.

10.06 Consultation of the Employee's File

An employee who has completed his probationary period may, after having made an appointment two (2) working days in advance, consult his file in the presence of a representative of the Company, accompanied by his steward if he so wishes. The two (2) working days may be extended by the Company in order to process multiple requests from one location or requests from remote areas.

Article 11. SENIORITY

11.01 Definition of Seniority

Seniority is the total length of "continuous service" by an employee in the employ of the Company, within the bargaining unit. The purpose of seniority is to provide the order of work preference, lay offs, recalls, and vacation selection.

Unless otherwise specified, seniority is calculated separately for Owner/Operators and hourly employees, and is not transferable. Owner/Operators who wish to become an hourly employee will have seniority from date of hire as an hourly employee, and hourly employees who wish to become an Owner/Operator will have seniority from date of hire as an Owner/Operator. There will be no requirement for the employee to fulfil any further probationary period if the employee has previously completed his probationary period.

11.02 Loss of Employment and Seniority

An employee loses his seniority rights and his employment is terminated in the following cases:

- a) If he resigns;
- b) If he is discharged and not reinstated subsequent to a grievance or an arbitration award;
- c) If he is laid-off and not recalled for a period of twelve (12) consecutive months, unless the employee has five (5) or more years of seniority at the time of lay-off in which case recall rights will continue for eighteen (18) consecutive months;
- d) If he is absent from work for three (3) or more consecutive working days without the authorization of his immediate supervisor;
- e) If he does not reply to a notice of recall to work after more than three (3) working days following receipt of such notice or if he does not return to work within the delays therein provided, without valid reason.
The notice shall be sent to the employee by registered letter or union courier service forwarded to his last known address and a copy of the said notice shall be sent simultaneously to the Union. It will be the employee's sole responsibility to immediately advise the Company of any temporary or permanent change of address. The Company's obligation to advise the employee of a recall to work will be entirely fulfilled upon sending a registered or couriered letter to his last known address;
- f) He takes employment other than that declared and agreed upon for a leave of absence.

11.03 Position Outside the Bargaining Unit

An employee who accepts a position outside the bargaining unit accumulates his seniority during a period of ninety (90) calendar days from the effective date of his move into the new position. During this period, the employee may return to his position within the bargaining unit. At the end of this period of ninety (90) calendar days, the employee loses his seniority and all rights and advantages provided for in the present agreement. An employee shall not avail himself of the provisions of this article more than once in any two (2) year period.

11.04 Loss of Driving Permit

- a) Where the driving permit of an employee whose employment requires a valid driving permit is suspended or revoked for a maximum period of twelve (12) months, such an employee will be granted a leave of absence without pay for the duration of the suspension/revocation as well as any additional time required for the administrative renewal of the driving permit. Such leave of absence shall be granted to an employee only once within any period of three (3) years.

Any such employee whose driving permit has been suspended or revoked, must immediately advise his immediate supervisor or an employee above the rank thereof, failing which he will be discharged. The employee shall continue to accrue seniority while he is on leave of absence.

An employee whose driving permit has been suspended or revoked, may apply for permanent non-driving positions, providing he notifies the Company, in writing, prior to his leave, indicating

his interest in other work. The employee's seniority during his time of driving permit suspension, will be considered to be the lowest within the depot. An employee who loses his driving permit will not have the option to work as a casual employee.

In the event that an employee elects to perform work in a non-driving position as a result of the provisions of this clause, and returns to a driving position following the reinstatement of his driver's permit, he will be deemed to have the same number of months of seniority for wage purposes in the driving classification as when he left his previous driving position.

- b) An employee who has his driving permit permanently revoked by the respective Motor Vehicles Department as a result of medical inability to continue driving may elect to exercise his bumping rights in non-driving classifications as outlined in this Collective Agreement providing he possesses the required skills and qualifications.

11.05 Seniority Lists

A seniority list for each depot shall be revised every three (3) months following the signing of the Collective Agreement and shall be posted permanently in the depot concerned. A revised copy is simultaneously transmitted to the Union.

Within the thirty (30) working days following the posting of the revised seniority list, in accordance with the present clause, an employee in disagreement with his seniority appearing thereon must indicate his disagreement in writing to his immediate superior. Within the five (5) following working days, the immediate superior shall respond to the employee with respect to the problem raised. Failing an

agreement, the employee may submit a grievance in accordance with Articles 8 and 9 of the present Collective Agreement and the time limits provided for therein shall be calculated from the response given by the immediate superior or from the expiry of his time limit to respond.

In case of identical seniority dates:

- i) For employees hired on or before the date of ratification (July 25, 1996) the last names of the employees concerned and following that, their first names, will be entered on the seniority list, in alphabetical order,
- ii) For employees hired after July 25, 1996 the seniority date ranking shall be established by random draw.
- iii) Existing employees of a specific depot will be entered on the seniority list ahead of other employees moving to that depot with the identical seniority date.

11.06 List of Employees

The Company shall remit to the Local Union, subsequent to the signature of the Collective Agreement and every three (3) months thereafter, a list containing the following information:

- a) The name of the employee included in the bargaining unit represented by the Local Union;
- b) The functional group and the classification of the employee;
- c) The depot of the employee;
- d) The hours scheduled in the position of the employee;
- e) The address and telephone number of the employee, unless the employee has requested in writing that this information be kept confidential.

Article 12. PROBATIONARY PERIOD

12.01 Probationary Period

Probationary periods are outlined in Appendices E, K, L, M, N and O.

12.02 Coverage Under the Collective Agreement During the Probationary Period

During the probationary period provided for in Clause 12.01, an employee is entitled to the advantages provided for in the present Collective Agreement, except as otherwise provided. However, it is acknowledged that in the case of discharge, an employee on probation may not avail himself of the grievance and arbitration procedure.

12.03 End of Probation - Seniority List

Upon completing his probationary period, an employee shall have his name entered on the seniority list, effective from the first day of his probationary period, and may exercise his seniority rights in the manner provided for in the present Collective Agreement.

Article 13. JOB POSTINGS

13.01 Provisions

Job posting provisions are outlined in Appendices E, K, L, M, N and O.

13.02 Request for Transfer

An employee may submit a request for transfer from his depot to another depot. The request for transfer for a permanent position only shall be valid as of the first (1st) of the month following the receipt thereof.

An employee shall have his name struck from the list of requests for transfer in the event he refuses to accept a vacant position in the same classification and with the same schedule of work as that indicated in his request for transfer. A transferred employee shall retain all seniority rights upon his transfer.

Upon request a copy of the transfer list will be provided to the steward.

Article 14. TEMPORARY VACANCIES

14.01 Provisions

Temporary vacancy provisions are outlined in Appendices E, K, L and M.

14.02 Temporary Assignment

When an employee is temporarily assigned to a classification other than his own for a period of greater than two and a half (2 1/2) hours per week, he is remunerated for the duration of such an assignment according to the wage rate of his regular classification or that of the classification to which he is assigned, whichever is highest.

Article 15. LAY OFFS AND RECALLS

15.01 Provisions

Lay off and recall provisions are outlined in Appendices E, K, L, M, N and O.

Article 16. HOURS AND WORK WEEK

16.01 Full-Time and Part-Time Work Week

- a) An employee will be considered to be a full-time employee if his regular weekly scheduled hours of

work are thirty (30) hours or more. The normal work week for full-time employees shall be based on their daily and weekly schedules. The sole exception to this are employees in the Utility Courier classification who shall have only a weekly schedule.

Employees who are regularly scheduled for less than thirty (30) hours per week are considered part-time employees. The normal work week for part-time employees shall be based on their daily and weekly schedules. The sole exceptions to this are employees in the Relief classification (and part-time Utility Couriers in the province of Quebec) who shall have only a weekly schedule. It is understood and agreed that there shall be no Relief employees in the province of Quebec.

The normal work week from Monday to Friday includes weeks beginning on the Sunday night and terminating on the Friday morning, as well as beginning on the Monday night and terminating on the Saturday morning.

Full-time and part-time employees will be considered to be regular employees.

- b) Where the Company modifies a position such that the normal schedule of work for the said position is no longer from Monday through Friday, the said employee may accept the position comprising such a new schedule of work or exercise bumping rights, as the case may be. Additionally, the Company may create new positions which fall outside the normal work week.
- c) Except in the case of a fortuitous event, an employee who presents himself at work at the request of the Company for his scheduled shift of work and for

whom no work is available, shall be paid for his regularly scheduled hours of work for the said day.

In such a case, it is recognized that the Company may choose to assign the said employee to work normally performed by an employee in another classification, while maintaining the wage rate of the classification which the employee is presently in.

- d) With mutual consent of the Company and the Union, extended hour days and/or four (4) day work weeks may be established.

16.02 Meal Period

The time allotted for the meal period can vary between thirty (30) and sixty (60) minutes for all full-time employees, according to the needs as determined by the Company.

The meal periods hereinabove are not remunerated and should normally be taken towards the middle of the work day i.e. between the third and fifth hours of work, at a time authorized by the immediate supervisor. It is understood that the Company will respect a certain regularity as far as the duration and time of the meal period is concerned and that it is in exceptional circumstances only that the above parameters will not be met.

An employee in the functional group of Drivers must take his meal at a place situated along his route.

Part-time employees required to work six (6) hours or more shall be entitled to a meal period of up to thirty (30) minutes, unless the taking of such meal period will adversely affect operations, at a time authorized by the immediate supervisor.

16.03 Break Period

- a) All full-time employees in the functional groups of Depot and Garage are entitled to a paid break period of fifteen (15) minutes for each regularly scheduled period of four (4) consecutive hours of work.
All part-time employees in the functional group of Depot and Garage who work more than four (4) consecutive hours, are entitled to a paid break period of fifteen (15) minutes. Should a part-time employee fill a full-time work shift of two (2) periods of four (4) consecutive hours, he will be entitled to two (2) paid break periods of fifteen (15) minutes.
Such break periods will be taken at a time agreed upon with the immediate supervisor. The parties agree that the schedule of break periods may be modified as required in order to meet its operational needs and requirements.
- b) Couriers regularly scheduled for five (5) or more hours in a day are entitled to a paid break period of fifteen (15) minutes to be taken on route. Service standards must be met.
Such break periods will be taken at a time agreed upon with the immediate supervisor. The parties agree that the schedule of break periods may be modified as required in order to meet its operational needs and requirements.

16.04 Split Shifts

- a) The Company maintains its practice of minimizing split shifts to the extent that its operations allow it to do so.
- b) Where a manager intends to modify an employee's position in such a way as to create a split shift or

increase the length of a split shift, the manager will first explain the reasons for the creation/increase of the split shift to the employee affected. The employee will be given an opportunity to provide input which could lead to the elimination of the need for the split shift or a reduction in the length of the split shift, recognizing the need to optimize service and productivity.

If, after following the above procedure, the employee is still dissatisfied, he will immediately advise his steward and District Manager of his concerns. The District Manager will review the employee's concerns and determine if the split shift should be created or increased and will advise the employee and the steward of his decision. The District Manager will make such decision within five (5) working days from the request. If the District Manager decides the created or increased split shift is necessary, he will implement the change at the time of the decision.

If the employee and Union still remain dissatisfied after the decision of the District Manager, the Business Agent must immediately request the District Manager to contact the Managing Director responsible for that depot to request a final review.

- c) The Company shall not create split shifts of greater than two (2) hours. Compensation for split shifts are outlined in Appendix "A" 1.06 of the Collective Agreement.

16.05 Hours Bands and Extra Work

All schedules shall be based on hour bands, except for Utility Couriers and Relief positions. An hour band is defined as a base number of hours per day plus up to one

additional hour of work per day. Employees who are in an hour band may be required by the Company to regularly work any daily hours which fall in that specific band, i.e.: a Courier in the eight (8) hour band may be required to work between eight (8) and nine (9) hours per diem.

- a)
 - i) For the courier classification only, there will be five (5) bands defined as follows: A four (4) hour band, a five (5) hour band, a six (6) hour band, a seven (7) hour band and an eight (8) hour band.
 - ii) For other classifications, there will be six (6) bands defined as follows: A three (3) hour band, a four (4) hour band, a five (5) hour band, a six (6) hour band, a seven (7) hour band and an eight (8) hour band.
- b) For the purposes of this clause and Clause 16.01:
 - i) Employees in the eight (8) hour band shall be scheduled for eight (8) hours per day and forty (40) hours per week.
 - ii) Employees in the seven (7) hour band shall be scheduled for seven (7) hours per day and thirty-five (35) hours per week.
 - iii) Employees in the six (6) hour band shall be scheduled for six (6) hours per day and thirty (30) hours per week.
 - iv) The remaining hour bands shall be scheduled on the same basis as above.
- c) Once a driver has returned to the depot and additional work is required to be performed, it will be offered on a voluntary basis. Such voluntary additional work will be offered by seniority to those employees who are qualified and available, and who have placed their name on the availability list. Where there is not a sufficient number of employees

available to perform the additional work by proceeding in the above-mentioned manner, the Company shall have the right to assign the additional work to the qualified employee(s) having the least seniority and who is/are present at the depot.

- d) The following applies to all employees except drivers:
 - i) Where additional work is required to be performed it will first be offered by seniority amongst the employees working in the same classification and on the same shift of work where the need occurs, and who have signed the availability list.
 - ii) Where there is not a sufficient number of employees available to perform the additional work required by proceeding in the above-mentioned manner, the Company shall have the right to assign the additional work to the employee(s) having the least seniority within the classification concerned and working on the shift of work concerned.
- e) A quarterly hours review will take place for each depot. These reviews are intended to determine if new positions should be created or if existing positions should be increased in hours. The Company will not wait for the quarterly hours review to create a new position or increase hours on an existing position in cases where it is clear that there is an immediate and ongoing need for the creation of a position or increase of hours in an existing position. The quarterly review will take place by the 15th of January, April, July, and October. Within five (5) working days following the review, the new positions and increased hours

positions will be posted. It is understood that in the January review anticipated reductions in volume shall be taken into account.

The local Union must contact the Company designate at the end of each quarter in order to schedule a meeting date prior to the results of the review being released. The Company agrees to meet with the chief steward or designate to share and discuss the Company's findings. Should a concern arise during the initial review of the report the Company will utilize supporting documentation in the form of timecards or FMR data to determine hours worked.

The procedures for the quarterly hours review are as follows:

- i) **For Driving Classifications:**
A route which, on a daily basis over a period of a full quarter, has one (1) or more hours of work above the scheduled band for the route will be posted for the appropriate hours band.
- ii) **For Depot Classifications:**
An employee who, on a daily basis over a period of a full quarter, works one (1) or more hours beyond the band in which he is scheduled, shall have his position scheduled and posted for the appropriate hours band. Work performed as a result of the provisions of Article 14 in another classification or on another shift shall not be included in calculating the above hours.

iii) For Utility Couriers:

A Utility Courier who, on a weekly basis over a period of a full quarter, works five (5) or more hours beyond his weekly scheduled hours, shall have his position scheduled and posted for the appropriate higher weekly schedule. The Company will also review the hours worked by all Utility Couriers at that depot to determine if the distribution of work would allow the weekly schedules of the senior Utility Courier(s) to be increased.

iv) For Relief :

A Relief employee who, on a weekly basis over a period of a full quarter, works five (5) or more hours beyond his weekly scheduled hours, shall have his position scheduled and posted for the appropriate higher weekly schedule. The Company will also review the hours worked by all Relief employees at that depot to determine if the distribution of work would allow the weekly schedules of the senior Relief employee(s) to be increased.

The Company will review the driving hours worked by all Relief employees over the quarter at that depot to determine if the hours and distribution of work would allow a Utility Courier position to be created.

- f) Utility Courier positions will be scheduled solely on a weekly basis of thirty (30), thirty-five (35) or forty (40) hours (plus twenty-five (25) hours for Utility Couriers in the province of Quebec) and will have no regularly scheduled daily hours. Relief positions will be scheduled solely on a weekly schedule of twenty-five (25) hours or less and will have no regularly scheduled daily hours.
- g) In depots where an eight (8) hour band currently exists, it shall remain established for the life of this Collective Agreement.
- h) The Company will optimize operations by combining, re-organizing and balancing runs to create as many positions in an eight (8) hour band as practical in all depots. The decision to create such positions shall be based on optimizing service, productivity and employee satisfaction.
- i) The Company agrees that it will give serious and reasonable consideration to increasing the hour band in any case relating to 16.05 e) i) and e) ii) where the Union advises the Company that an employee or route has exceeded 90% of the criteria outlined in the clause.
- j) When hour reductions are required, the Company will firstly reduce such hours from non-eight hour positions in the affected classification. Should it not be feasible to remove the required hours from the non-eight hour positions, the Company will meet with the Union to discuss alternatives.

Article 17. OVERTIME

17.01 Overtime

- a) At the request of the Company and with its authorization, any employee, who works in excess of eight (8) hours in a day or forty (40) hours in a week shall be paid at one and one-half (1 1/2) times his regular hourly wage rate for such hours.

At the request of the Company and with its authorization, any employee performing work in the linehaul classification (117), who works in excess of nine (9) hours in a day or forty-five (45) hours in a week shall be paid at one and one-half (1 1/2) times his regular hourly wage rate for such hours.

- b) With the agreement of the Union and of the Company, the work schedule exceeding the hours mentioned above may be scheduled and will not be considered to be overtime.

17.02 Allocation

- a) The policy of the Company is to maintain overtime at the necessary minimum; however, the Union and the employees recognize that overtime may be necessary in order to attain the standards of the best service possible or to fulfill the needs of the client.

- b) Overtime work that may be required is assigned by the Company in the most economical and efficient manner possible and then in order of seniority. The Company will have extra work performed at straight time rates whenever possible.

In establishing the most economical manner, the employee's position on the wage scale shall not be considered as a factor.

17.03 Saturday, Sunday and General Holidays

1. For all areas excluding the province of Quebec

By exception to the rule established in 17.01, hours worked by an employee in the following cases is paid in the manner hereinafter provided:

- a) Any employee who is not scheduled to perform work on Saturday but who, at the request of the Company, does work on Saturday is paid at time and a half (1 1/2) his regular hourly wage rate for the first eight (8) or nine (9) hours worked depending on his functional group as provided for in Clause 17.01, and at two (2) times his regular hourly wage rate for all hours worked exceeding the first eight (8) or nine (9) hours worked, as the case may be;
- b) Any employee who is not scheduled to perform work on Sunday but who, at the request of the Company, does work on Sunday, is paid at two (2) times his regular hourly wage rate for all hours worked on the Sunday;
- c) Any employee who works on a shift which has been designated as a general holiday for that employee, as per the provisions of Article 18, shall be paid at time and a half (1 1/2) his regular hourly wage rate for the hours he actually works on the general holiday in addition to receiving his regular hourly wage rate for his regularly scheduled hours of work upon the said day.

2. For the province of Quebec
- a) All employees not scheduled to work on Saturday and who have worked beyond their regular work week, i.e. forty-five (45) hours per week for the functional group of Drivers, excluding the Foot Courier classification (forty (40) hours effective July 1, 2001 excluding 117), and forty (40) hours per week for any other functional group and for the Foot Courier classification, are paid at their regular hourly wage rate increased by one half (1/2) for the first eight (8) or nine (9) hours worked depending upon his functional group, and at double his normal hourly rate for all hours worked on Saturday exceeding the eight (8) or nine (9) first hours worked, as the case may be.
- Employees working on a Sunday and who have completed their regular work week as described hereabove are remunerated at double their regular hourly wage rate for the time worked on Sunday. In such a case, the Company guarantees the employee a minimum of four (4) hours of work at the said rate.
- For employees whose regular work schedule covers a five (5) day week which does not extend from Monday to Friday, the first (1st) day of the weekly period of rest corresponds to the Saturday and the second (2nd) day corresponds to Sunday, for the purposes of the present paragraph.
- b) The Company will designate the work shift to be considered as a statutory holiday. The employee required to work will then be remunerated at time and a half (1 1/2) for the hours worked on the said statutory holiday, in addition to receiving his regular hourly rate for his scheduled hours for the said day, as the case may be.

17.04 Call Back

- a) Any employee in a linehaul classification (117) who has worked nine (9) hours or more in a day or any other employee who has worked eight (8) hours or more in a day, and is subsequently called in to work without prior notice and after having left the Company premises, will be remunerated at the appropriate regular and/or overtime rate for the hours worked on such call back, but shall never receive less than the equivalent of four (4) hours at the overtime rate. In all cases, the minimum which must be paid upon such a call shall not apply to hours worked immediately preceding the beginning of the scheduled shift of the employee nor to hours worked immediately following the end of his scheduled shift of work.
- b) Any employee who has not worked eight (8) or nine (9) hours in a day as outlined in a) above, who has not placed his name on the availability list and is called in to work without prior notice after having completed his scheduled hours of work and after having left the Company premises, will be remunerated at the appropriate overtime rate for the hours worked on such call back, but shall never receive less than the equivalent of four (4) hours at the overtime rate. In all cases, the minimum which must be paid upon such a call shall not apply to hours worked immediately preceding the beginning of the scheduled shift of the employee nor to hours worked immediately following the end of his scheduled shift of work.
- c) Any employee who has not worked eight (8) or nine (9) hours in a day as outlined in a) above, who has

placed his name on the availability list and is subsequently called in to work is not eligible for call back pay and will be remunerated at the appropriate regular and/or overtime rate.

Article 18. GENERAL HOLIDAYS

18.01 General Holidays

The parties agree that eligible employees will be given a designated shift to observe as a general holiday and non-working day for each of the following days:

1. New Year's Day;
2. Good Friday;
3. Dollard or Victoria Day;
4. Canada Day;
5. Labour Day;
6. Thanksgiving Day;
7. Christmas Day;
8. Boxing Day;
9. Civic Day - Ontario, Alberta, Manitoba, Saskatchewan and B.C. ONLY;
10. Remembrance Day - Atlantic Provinces and B.C. ONLY;
11. La Fête National - Québec Province ONLY;
12. Excluding British Columbia, in addition to the above, a floating general holiday will be granted to all employees who are eligible as of January 2nd of that year. This floating holiday may be scheduled by the Company at a time which meets the operational needs of the Company. Should the Company not schedule a specific day to observe the floating holiday, it will be taken at a time

mutually agreed to by the Company and the employee.

As clarification to holiday number two (2.) above, in Quebec, Good Friday or Easter Monday will be given/assigned by seniority depending on the operational requirements of the Company, as determined in advance. In the functional group of Drivers, the employee may choose to keep his route, wherever applicable.

18.02 Special Provisions

If one or the other of the general holidays falls on a Saturday or a Sunday, it shall be observed on the working day which precedes or follows the said general holiday, according to the notice which shall be posted by the Company to this effect two (2) weeks prior to the said holiday.

Moreover, where a general holiday falls on a working day other than a Monday or a Friday, the Company shall post a notice two (2) weeks prior to the said general holiday in the event it decides that the said holiday shall be observed on a day other than that upon which it falls.

18.03 Payment of a Holiday

Subject to satisfying the eligibility requirements provided for in Clause 18.06:

- a) Payment for a holiday to a part-time employee will be based on 1/20 of his regular hours worked during the four (4) pay weeks preceding the day that payroll is calculated for the week wherein the general holiday occurs up to a maximum of eight (8) or nine (9) hours in the classification, unless otherwise agreed to, by a letter of understanding.

Payment for a holiday to a part-time employee regularly scheduled five (5) days a week is based on the normal remuneration for his regularly scheduled

hours for the shift which is designated as his general holiday, or the remuneration previously outlined in clause a), whichever is greater.

- b) Payment for a holiday to a full-time employee is based on the normal remuneration for his regularly scheduled hours for the shift which is designated as his general holiday, or the remuneration based on 1/20 of his regular hours worked during the four (4) pay weeks preceding the day that payroll is calculated for the week wherein the general holiday occurs, whichever is greater.

18.04 General Holidays During Vacation

Where one or more general holidays fall during the vacation period of an employee, such employee may prolong his vacation period by one (1) day for each such general holiday or be granted a paid holiday at another time mutually agreed upon between the employee and the Company.

However, where the employee wishes to prolong his vacation period in the above-described circumstances, his intention to this effect must accompany his vacation preference submitted to the Company in compliance with Clause 19.08 b).

When an employee submits his vacation request and a holiday is to be scheduled, it will be approved at the same time as his vacation.

18.05 Overtime Following a General Holiday

For the purpose of calculating overtime, the normal work week during which falls a general holiday with pay is reduced by one (1) day, provided that the employee is entitled to the payment of the said general holiday in compliance with Clause 18.06.

18.06 Conditions to the Payment of the General Holiday

An employee shall be paid for a general holiday upon which he would normally be scheduled to work were it not for the said general holiday, provided that:

- a) He has been in the employment of the Company for at least thirty (30) calendar days prior to the date of the general holiday;
- b) He has worked the complete working day immediately preceding the said general holiday as well as the complete working day immediately following the said general holiday, unless:
 - i) His failure to work one or the other of the said days has been the object of prior authorization from his immediate supervisor;
 - ii) His failure to work one or the other of the said days results from an absence by reason of illness or accident and that the employee remits at the Company's request and upon his return to work, a medical certificate indicating a visit to the doctor on the day of the absence;
 - iii) His absence from work on one or the other of the said days is in virtue of a right recognized under the present Collective Agreement.

18.07 Exceptions

- a) An employee shall not be paid for a general holiday which occurs during a leave without pay or a suspension unless the suspension is withdrawn through the grievance or arbitration procedure.
- b) Employees who are absent by reason of illness or accident or who are on lay-off when a general holiday falls, shall not receive payment for the said general holiday.

Article 19. ANNUAL VACATIONS

19.01 Annual Vacations

- a) The period during which an employee may take his annual vacation is from March 1 to February 28.
- b) It is understood that the current practice of not allowing employees to take vacation during the week of Christmas and the two (2) work weeks prior to the week of Christmas remains in effect. Subject to the provisions of Clause 19.05 and 19.09, all employees must take their entire vacation entitlement during the vacation year.

19.02 Vacation Pay

An employee will receive his vacation pay, on a separate pay cheque, two (2) pays prior to his scheduled vacation week so long as such request is made thirty (30) days prior to his departure. Failing thirty (30) days notice, the Company will make all reasonable efforts to process the request for vacation pay prior to departure of the employee.

19.03 Duration and Calculation of Vacation Time

The duration of vacation time to which an employee is entitled is calculated in the following manner:

- a) An employee who is hired between March 1st and August 31st, will be entitled to one (1) day vacation per completed month of continuous service at August 31st, up to a maximum of five (5) working days, which must be taken during the remainder of the vacation year of his hiring as set out in Clause 19.01; when an employee takes the vacation days he is so entitled to, he shall receive as vacation pay an indemnity of four percent (4%) of his earnings since his hiring date;

- b) An employee whose hiring date is between September 1st and February 28th, will be entitled to two (2) weeks vacation after having completed one (1) year of continuous service with the Company; such employee shall then receive as vacation pay an indemnity of four percent (4%) of his earnings since his hiring date;
- c) An employee having more than one (1) year but less than five (5) years of continuous service with the Company shall be entitled to two (2) weeks vacation; such employee shall receive as vacation pay an indemnity of four percent (4%) of his earnings, in the manner provided for in Clause 19.04;
- d) An employee having five (5) years of continuous service but less than ten (10) years of continuous service with the Company shall be entitled to three (3) weeks vacation; such employee receives as vacation pay an indemnity of six percent (6%) of his earnings, in the manner provided for in Clause 19.04;
- e) An employee having ten (10) years of continuous service but less than fifteen (15) years of continuous service with the Company shall be entitled to four (4) weeks vacation; such employee shall receive as vacation pay an indemnity of eight percent (8%) of his earnings, in the manner provided for in Clause 19.04;
- f) An employee having fifteen (15) years and more of continuous service with the Company shall be entitled to five (5) weeks vacation; such employee shall receive as vacation pay an indemnity of ten percent (10%) of his earnings, in the manner provided for in Clause 19.04.

- g) An employee having thirty (30) years and more of continuous service with the Company shall be entitled to six (6) weeks vacation; such employee shall receive as vacation pay an indemnity of twelve percent (12%) of his earnings, in the manner provided for in Clause 19.04.

19.04 Appropriate Percentage

Subject to what is provided for in the following paragraphs an employee receives prior to his departure for vacation the appropriate percentage, as provided for in Clause 19.03 of the present agreement, of his gross earnings since his last vacation.

However, where an employee reaches five (5) years of continuous service with the Company during a calendar year and takes his vacation during the said year after having so reached five (5) years of continuous service, he shall then receive vacation pay and indemnity of four percent (4%) of his gross earnings since his last vacation period up until the fifth (5th) anniversary of his hiring date and of six percent (6%) of his gross earnings since the fifth (5th) anniversary of his hiring date.

Similarly, the same procedure will apply when the employee reaches the tenth (10th) or fifteenth (15th) anniversary of his hiring date; i.e. where an employee reaches ten (10)/fifteen (15) years of continuous service with the Company during a calendar year and takes his vacation during the said year after having so reached ten (10)/fifteen (15) years of continuous service, he shall then receive as vacation pay an indemnity of six percent (6%)/eight percent (8%) of his gross earnings since his last vacation period up to the tenth (10th)/fifteenth (15th) anniversary of his hiring date and of eight percent (8%)/ten percent (10%) of his gross earnings

since the tenth (10th)/fifteenth (15th) anniversary of his hiring date.

19.05 Postponement of Vacation

Subject to what is provided for in Clause 19.09, an employee incapable of taking his vacation during the period provided for according to the schedule established as per Clause 19.08, either by reason of illness, accident or work-related accident having occurred before the beginning of his vacation period and attested to by way of a medical certificate, may postpone his vacation to a later date. However, the new vacation period to be chosen must receive the approval of the immediate supervisor. Moreover, such employee must advise his immediate supervisor as soon as possible before the date established for the beginning of his vacation period originally scheduled. The employee must remit the medical certificate attesting to his incapacity prior to his originally scheduled vacation period whenever possible, otherwise as soon as possible thereafter. It is understood that the selection of a new vacation period in such circumstances may not result in the bumping of vacation periods, once the vacation schedule has been finalized in the manner provided for in Clause 19.08 c).

An employee returning to work having been absent for four (4) or more months in the vacation year may request, in writing, to have their annual vacation entitlement pro-rated for the entire period of the absence.

19.06 Termination of Employment

In the case of termination of employment, the employee shall receive the balance of the vacation pay owing to him at the time of termination, within the proportions established in the present article.

19.07 Factors Considered in Scheduling Vacations

The vacation schedule shall be completed and approved by the Company, taking into account the whole of the following factors:

- a) The preference expressed by the employee;
- b) The seniority of the employee within his classification in his depot;
- c) The operational needs of the Company;
- d) From May 1st to September 30th a minimum of eight (8) percent of employees in each classification in each depot will be allowed to take vacation at any one time. This percentage may be increased if there are sufficient replacements available and service levels are not affected.

Separate vacation schedules for each shift will be established for the employees of the depot.

The whole in compliance with the provisions of Clause 19.08.

19.08 Vacation Schedule

- a) On the first working day in January, the Company shall post in each depot a memo notifying that employees must provide the Company with their vacation preference;
- b) By February 1st, all employees must submit their preference of all entitled weeks of vacation on a form provided by the Company;
- c) On March 1st, the Company shall post in each depot the final vacation schedule;
- d) The choice of vacation periods will be granted by seniority within each classification within each depot;

- e) No change may be considered after the final vacation schedule has been posted, unless there is a written request to this effect at least fifteen (15) days prior to the scheduled vacation dates of the employee and at least fifteen (15) days prior to the new dates proposed; in such a case, a change can only be made if arrangements may be made which receive the approval of the District Manager; the District Manager shall not unreasonably refuse to grant such approval. At no time will an employee who changes his vacation dates be able to displace the previously scheduled vacation of another employee;
- f) An employee has the right to take a maximum of two (2) weeks vacation during the period extending from May 1st to September 30th; these two (2) weeks may be consecutive:
However, an employee who is entitled to four (4) weeks vacation or more as per Clause 19.03 e) or f) may take a maximum of three (3) weeks vacation during the period extending from May 1st to September 30th; these three (3) weeks may be consecutive;
- g) With the Company's approval, an employee entitled thereto may take more than two (2) consecutive weeks vacation outside the period extending from May 1st to September 30th.

19.09 In Case of Incapacity

Vacations are not cumulative; i.e. the vacations earned may not be postponed from one year to the next and must be taken during the vacation year in which the employee is entitled to them, unless there is a written authorization given by the Company.

In case of incapacity as provided for in Clause 19.05 and where the employee is unable to reschedule his vacation during the current vacation year and does not have a written authorization to postpone them to the subsequent vacation year, the vacation pay relating to the vacation period originally scheduled shall be remitted to the employee at the time he chooses providing he gives prior notice in writing of two (2) weeks, but at the latest, before the vacation taken in the following calendar year.

Article 20. SPECIAL LEAVES

20.01 Bereavement Leave

- a) In the event of the death of his spouse, child, stepchild, mother, or father an employee has the right to a bereavement leave during the working days falling within the five (5) days immediately following that of the death;
- b) In the event of the death of any other member of his immediate family, an employee has the right to a bereavement leave during the working days falling within the three (3) days immediately following that of the death;
- c) An employee who has completed three (3) consecutive months of continuous employment with the Company and who has the right to a bereavement leave provided for in paragraphs a) or b), has the right to be paid for such leave at his regular hourly rate for his regular scheduled hours of work in his position;
- d) The expression "immediate family" means, in relation to the employee, his sisters, brothers, father-in-law, mother-in-law, grand-parents, son-in-law, and daughter-in-law, as well as any relative

- permanently residing in the employee's household or with whom the employee permanently resides;
- e) The Company may require that an employee provide satisfactory proof of death in order to establish his right to be paid for the bereavement leave;
 - f) An employee may request to extend the time allowed for bereavement leave. Such extensions shall be granted for a reasonable length of time, not to exceed ten (10) working days, as unpaid leave.
 - g) In the case where the day of the funeral does not fall within the time periods provided for in (a) and (b) and falls on one of the employee's working days, the employee shall have the right to bereavement leave if he has not been paid for the maximum number of working days applicable as determined in paragraphs (a) or (b), as the case may be.
 - h) Bereavement days are paid on the basis of the employee's daily regularly scheduled hours of work or on the basis of the average daily hours worked as determined by the Company in a quarterly review (as outlined in clause 27.03), whichever is greater.

20.02 Birth or Adoption

The Company shall grant to an employee a paid leave of one (1) working day at the time of the birth of his child by his spouse. In the case of adoption the employee will be granted a paid leave of one (1) working day on the day in which the child comes into the employee's care.

20.03 Jury Duty and Witness

- a) Where an employee has received a subpoena to appear as a witness in a case to which he is not a party or has been called upon to act as a juror during one of his scheduled working days, he shall receive

the difference between the indemnity paid to him as a witness or as a juror and the salary he would normally have earned if he had worked his regular scheduled hours on the said day.

- b) An employee summoned for jury duty, but who is not in fact chosen to sit as a juror, must present himself at work as soon as possible thereafter. Such employee may be required to establish that the duration of his absence was caused by the time necessary to wait, be chosen or set aside.

20.04 Child Care Leave

Employees are entitled to the Child Care Leave and Maternity-Related Reassignment and Leave provided for in the Canada Labour Code.

20.05 Leaves of Absence

- a) When the requirements of the Company's services will permit, any employee hereunder, upon written application to the Company with a copy of said application to the Union may, if approved by the Company, be granted a leave of absence for a maximum of thirty (30) calendar days.
- b) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing and seniority may accrue during such extensions.
- c) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.

- d) Any employee shall be granted a leave of absence for military or military reserve purposes. Such employees will continue to accrue seniority during such leaves.

Article 21. PAYMENT OF WAGES

21.01 Payday

- a) The normal payday shall be Thursday. Where Thursday coincides with a general holiday, the pay will be remitted to the employees on the Wednesday.
- b) The current method of pay distribution shall continue for the term of the Collective Agreement. Employees currently being paid by cheque may convert to direct deposit.

21.02 Pay-Stub

On the pay-stub, the Company indicates the name, given name or initial, the date and the pay period, the hours worked, the overtime, the deductions, the gross earnings and the net earnings, and the increments if any. Accrued monetary entitlement for vacation shall be shown on the employees' pay-stubs.

21.03 Error on the Pay Cheque (Shortage)

In the event of an error on the pay cheque of an employee of forty dollars (\$40.00) gross earnings or more, attributable to the Company, the Company will correct this error on the working day following notice, provided that the employee notified management of the error by 1:00 p.m. Eastern Standard/Daylight Savings Time. In the absence of such a request, the error is corrected on the next pay cheque of the employee.

In the case of any error inferior to the above-mentioned amount, the Company shall correct the said error on the next pay cheque of the employee.

21.04 Error on the Pay Cheque (Overpayment)

In the event the Company overpays on the pay cheque of an employee, the amount overpaid will be deducted, following notice to the employee, on the next pay cheque of the employee where it is possible to do so after discovery of the error or notice thereof by the employee to the Company, the whole according to the agreement reached between the Company and the employee concerned. Failing such an agreement, the Company will establish the provision of reimbursement, which shall be such that the employee will not have more than twenty percent (20%) of his gross salary deducted per pay, up until such time as the amount overpaid has been reimbursed to the Company. It is agreed that the employee will advise the Company immediately upon discovery of such an error.

21.05 Pay at Termination of Employment

The Company shall remit or send to the employee, at the pay period following the termination of his employment, a pay cheque covering the salary and benefits which are then due to him, accompanied by a statement of the calculations.

21.06 Withholding from Pay Cheque for Damage or Loss

No withholding shall be made from the pay cheque of an employee for the breakage, damage or loss of any article or object.

Article 22. HEALTH AND SAFETY AT WORK

22.01 Cooperation

The parties agree to cooperate in order to establish and maintain conditions conducive to ensuring proper health and safety at work for all employees.

22.02 Respect of the Law

The Company, the Union and the employees collectively undertake to respect the health and safety measures prescribed by applicable laws and regulations in order to ensure the health and safety of all employees.

22.03 Health and Safety Committee

In depots containing twenty (20) employees or more, the Health and Safety Committee will be composed of:

- two (2) members designated by the Union;
- two (2) Company representatives.

As for the other depots within the bargaining unit, the provisions contained in Part II of the Canada Labour Code will apply.

The Committee's functions are those provided for in Article 135(6) of Part II of the Canada Labour Code.

22.04 Committee Meetings

- a) The Health and Safety Committee shall meet on a monthly basis. Minutes of each meeting must be taken and remitted to each of its members and posted on the bulletin board along with a copy to the Local Union.
- b) Members of the Health and Safety Committee shall not be required to perform their normal functions during the time necessary to attend the said meetings

and shall not suffer any loss of regular wages by reason thereof.

- c) All time spent in such health and safety meetings shall be remunerated at the applicable regular or overtime rate.

22.05 Right of Refusal

An employee may exercise the right of refusal to perform work constituting an imminent danger, the whole in compliance with the provisions of Articles 128 and following of the Canada Labour Code.

22.06 Government Inspection

A Union member of the Health and Safety Committee in the depot concerned shall be present, during a governmental inspection in a matter of health and safety. All reports of such inspections or inquiries shall be remitted to all members of the Health and Safety Committee.

22.07 Safety Training

The Company agrees to meet any safety training requirements specified under Part II of the Canada Labour Code or any other legislation which may apply.

22.08 Safety Footwear

- a) Where the Company designates mandatory use of CSA safety footwear, employees who have completed their probationary period will be entitled to be reimbursed up to \$50.00 annually for the purchase of CSA safety footwear.
Where mandatory use of CSA safety footwear is not in effect, employees who have completed their probationary period will be entitled to be reimbursed

up to \$25.00 annually for the purchase of CSA safety footwear.

Where a voucher system is not in place, the employee must submit a receipt in order to be reimbursed.

- b) All Vehicle Mechanics as well as Sorters and Markers at the Toronto, Montreal, Boucherville and Quebec City Hubs who are eligible to a \$50.00 safety footwear reimbursement as per a) above, will be entitled to receive up to an additional \$25.00 reimbursement for safety footwear via the voucher or receipt system in place at their location.

22.09 Heavy Weights

The employer and Union agree that packages weighing over seventy (70) pounds or thirty-two (32) kg will be handled safely and according to proper methods as prescribed in the Heavy Weight Service Policy. As per the terms of the Policy, employees may request assistance from the Company and/or customer to handle such packages.

Article 23. WORKPLACE ACCIDENTS

23.01 Accident Report

The employees undertake to report any work accident immediately, or as soon as possible, to their immediate supervisor or to another Company representative within the depot. The Company undertakes to declare the work-related accident to the WCB/CSST and to fill out all necessary forms as required by law, within no later than seventy-two (72) hours (forty-eight (48) hours in Quebec) of the Company receiving written medical notification.

23.02 First-Aid

When an employee is injured at work, the Company undertakes to give him first aid and to provide him with transportation, at the Company's expense, to the closest hospital or medical clinic, if the gravity of the injury so requires.

23.03 Paid Regular Schedule

If a regular employee after starting work meets with a work related accident which incapacitates him from carrying out his duties, he shall be paid his regularly scheduled hours for that day, provided he is not in receipt of compensation from the Worker's Compensation Board for that day.

23.04 Modified Work

The Company agrees that when modified work is offered to an employee, it will be offered as close as possible to his regularly scheduled shift. However, the parties acknowledge that there may be exceptions in the offer of modified duties in order to ensure that productive work is offered and to meet any provincial Workers Compensation legislative obligation.

In the event of a workplace accident, modified duties may be offered to an employee based on the standard medical restrictions for the specific injury. An employee who chooses not to accept the offer of modified duties may or may not be eligible for wage loss benefits as determined by provincial workers compensation board.

Article 24. MEDICAL EXAMINATIONS

24.01 Medical Certificate - Return to Work

Subject to the exceptions listed below, an employee who is absent from work by reason of illness or accident other than a work accident, shall not be required to submit to the Company a medical certificate unless the absence is of a duration of three (3) consecutive working days or more.

The medical certificate shall be remitted to the Company upon the employee's return to work.

The sole exceptions to the above will be where a medical certificate is required as per Clause 18.06 of the present agreement, or where an employee's attendance is chronically poor and/or a pattern of single day absences exists. The Company shall bear the burden of demonstrating that chronic and/or pattern absences exist.

24.02 Medical Certificate -Work Accident

Any employee who is absent from work by reason of a work accident must provide the Company with a medical certificate the same day as his examination if possible, and not later than the day following the said examination.

24.03 Return to Work Notice

Any employee absent from work in excess of ten (10) working days by reason of illness or accident (including a work accident) must advise the Company of his return to work by means of a medical certificate as soon as possible, but at least one (1) full working day before the date foreseen for his return.

In the cases of absences of ten (10) working days or less, the employee must advise the Company of his return to work the working day preceding the said return.

24.04 Medical Examination

- a) Any employee must submit to a medical examination when required by the Company, and does so at the Company's expense and with the doctor it designates. However, the Company must advise the employee two (2) days prior to such examination, except in the case of a work accident.
In the case of a work accident, the Company may require an employee to submit to a medical examination, subject to the provisions of the Worker's Compensation Act and the Regulations on medical examinations provided for under the said Act.
- b) If following a medical examination under (a), the employee is dissatisfied with the decision of the doctor appointed by the Company, the employee may seek a decision from his personal doctor. Should the decision of the doctor appointed by the Company and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist whose specialty covers the disability. The doctor appointed by the Company and the employee's doctor, together, shall then select such a specialist, however, failing agreement within five (5) days, the College of Physicians and Surgeons shall be requested to make such appointment. The decision of the medical specialist shall be final and binding upon the parties.
- c) An employee who has been absent from work because of illness or accident shall not suffer a reduction in his regular wages if the Company requires a medical examination prior to the employee resuming his regular duties, provided the Company

medical examiner certifies the employee was fit to resume his regular duties as of his intended return to work date and that period of time is not covered by weekly indemnity, LTD, WCB or UIC benefits. In order to avail himself of this provision the employee must provide reasonable prior notice of his return to work.

24.05 Medical Examination - Remuneration

When a medical examination is required by the Company in accordance with Clause 24.04, the following conditions shall apply:

- a) If the medical examination occurs during the normal hours of work of the employee, he shall not suffer any loss of regular salary; if the examination continues after the end of his normal scheduled hours, the additional time required (until the departure from the clinic) is paid at his regular hourly rate;
- b) If the medical examination occurs outside his normal hours of work, the employee shall be paid for the time required at his regular hourly rate, beginning from the time of his arrival for his appointment up until his departure from the clinic, and this in addition to payment of costs for the most economical method of public transportation to and from the examination. This provision will not apply in cases where the employee is in receipt of WI, LTD or WCB benefits;
- c) No employee shall be required to submit to a medical examination during his weekly days of rest or during general holidays, unless the employee consents thereto.

24.06 Medical Examination (Linehaul) – License Requirement

Where an employee in the functional group of driver in the linehaul classification is required to submit to a medical examination for the purpose of renewing his license, the employee will be entitled to be reimbursed for the full cost of such medical examination provided the employee successfully renews the required license and submits the appropriate receipt for such examination.

Article 25. VEHICLE ACCIDENTS

25.01 Applications

The following provisions apply only to active hourly employees within the driving classifications.

25.02 Mutual Cooperation

The Company, the Union and the employees undertake to cooperate together in order to maintain vehicle accidents at a minimum.

25.03 Accidents Reports

- a) Any employee involved in a vehicle accident must immediately advise the Company. The written report of such accident must be remitted to the Company by the employee concerned on the day of the accident, unless the employee is prevented from doing so by circumstances beyond his control.
- b) The employee must complete the accident forms supplied by the Company.
- c) If the Company is advised that an employee has been involved in a vehicle accident or incident, the Company will request the employee involved to file

an accident report immediately or as soon as reasonably possible.

25.04 Copy of the Decision

A copy of the decision of the designated Company representative or of the Accident Review Board will be remitted to the members of the Review Board, to the employee and to the Union Business Agent within thirty (30) calendar days of the decision.

25.05 Employee Access to Credit or Demerit Points

An employee may at any time request to be advised of the number of credit or demerit points in his file.

25.06 Safe Driving Certificates

Active employees who are in a driving classification remain covered by the present policy of the Company regarding the awarding of safe driving certificates. The certificates are issued on the anniversary date of the employee's first day in a driving classification. Should an employee be involved in an accident, the certificates will be issued on the anniversary of the accident date.

25.07 Credit and Demerit Point System - Appendix J

Active employees who are in a driving classification shall accumulate credit or demerit points in accordance with the system provided for in Appendix J.

25.08 Employee Member of the Accident Review Board

Where applicable, an employee member of the Accident Review Board shall not be required to perform his normal functions during the time required to attend the meetings of the Accident Review Board for the purposes of hearing an appeal; he will be paid at his regular hourly rate for the

duration of the meeting without giving rise to payment of overtime.

Article 26. BENEFITS PROGRAM

26.01 General Points

- a) The Company agrees that the benefits program in force as outlined in the benefits booklet, at the date of signing of the present agreement, is maintained for the duration of the latter. The cost of such benefits program is paid for by the Company, with the exception of the optional plans offered by the Company for which the eligible employee pays the cost if such coverage is desired.

All full-time employees who have twelve (12) months or more of service will be eligible for the benefits program. All part-time employees who have eighteen (18) months or more of service and who are regularly scheduled for more than twenty (20) hours per week, shall be eligible for the benefits program.

The Company may improve the benefits and/or conditions of eligibility; in such a case, the Union is advised in writing of the change.

- b) Part-time employees who are regularly scheduled for twenty (20) hours or less per week but who average more than twenty (20) hours worked per week over a specified quarter, will be eligible for benefits for the subsequent specified quarter providing they meet the remaining eligibility requirements as outlined in 26.01a). The specific benefits to which such employees are eligible are Dental and Health Care benefits. Benefits such as Weekly Indemnity, Long

Term Disability, Life Insurance and AD & D do not apply to such employees.

By the fifteenth (15th) day of January, April, July and October of each year (i.e. quarterly) the Company will review the actual hours worked for each such employee in the previous quarter, to determine benefit eligibility for the new quarter.

- c) Employees becoming eligible for benefits under 26.01b), shall only be reimbursed through receipt submission.

26.02 Pension Plan

- a) The existing pension plan at the date of signing of the present agreement is maintained for the duration of the Collective Agreement; however, the Company may improve the benefits.
Membership in the pension plan is voluntary.
- b) The B.C. hourly employee group joins the Purolator Hourly Pension Plan for future service only effective January 1, 1997. All terms and conditions of eligibility for the Hourly Pension Plan must be met in order for an employee to become a member.
- c) Effective January 1, 2004 the monthly pension benefit will be \$52.00 per month for each year of credited service for future service only for all eligible hourly employees.
Effective January 1, 2005 the monthly pension benefit will be \$54.00 per month for each year of credited service for future service only for all eligible hourly employees.
Effective January 1, 2006 the monthly pension benefit will be \$56.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective January 1, 2007 the monthly pension benefit will be \$58.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective October 1, 2007 the monthly pension benefit will be \$60.00 per month for each year of credited service for future service only for all eligible hourly employees.

- d) For the life of the present Collective Agreement, employees who retire during the present Collective Agreement will receive a lump sum retirement payment of \$15,000.00.

26.03 Brochures

Explanatory brochures of the benefits program shall continue to be made available to the employees in both English and French.

Annual pension statements will be made available in both French and English.

Article 27. PERSONAL DAYS

27.01 Calculation of Personal Days

On January 1st of each year, each regular employee having eighteen (18) months or more of service and regularly scheduled for more than twenty (20) hours per week, will be granted a credit equivalent to five twelfths (5/12) of one (1) personal day, paid at his regular hourly rate, for each complete month worked as an eligible employee during the year, to a maximum of five (5) personal days per calendar year.

An absence by reason of a leave provided for in the present Collective Agreement does not interrupt the "complete month of work".

In the case of an absence from work by reason of illness or accident (including a work related accident) for a period not exceeding two (2) continuous months during a calendar year, an employee shall retain his right to the maximum number of personal days hereinabove provided for in the said calendar year.

27.02 Utilization of Personal Days

Such personal days may be used in a case of absence on account of illness or for personal reasons.

An employee wishing to use a personal day for personal reasons must advise his immediate manager, in writing, at least one (1) week in advance. The Company shall respond in writing within two (2) working days after the written request has been received by the manager. The authorization to take the said day on the date requested by the employee may be refused taking into account the operational requirements of the Company and the number of requests made for the same day. Once a personal day has been granted in writing, it shall not be revoked.

It is understood that personal days may not be taken to prolong the vacation period.

27.03 Payment of Personal Days

The employee who has not used all of the personal days to which he is entitled during a calendar year receives, during the month of January of the following year, the payment of the equivalent of his unused personal days at his regular hourly rate applicable on December 31st of the preceding year.

In the application of Clause 27.01, personal days will be paid to the employee according to the following table, based on complete months worked during the year as an eligible employee:

Personal Day Table

Complete Months Worked	Number of Personal Days
12	5.00
11	4.50
10	4.25
9	3.75
8	3.25
7	3.00
6	2.50
5	2.00
4	1.75
3	1.25
2	0.75
1	0.50

Personal days are paid on the basis of the employee's daily regularly scheduled hours of work or on the basis of the average daily hours worked as determined by the Company in a quarterly review, whichever is greater. This review will be conducted by the fifteenth (15th) day of January, April, July and October, and will calculate average daily hours worked, excluding overtime hours, during the previous quarter. The average daily hours figure thus achieved will be used for all personal days paid out in the following quarter.

27.04 Termination - Payment

The employee who leaves the Company or whose employment is terminated by the Company during a year of the duration of the present agreement, shall reimburse to the Company on his last pay cheque any overpayment of personal days, as the case may be, taking into account the number of complete months worked as an eligible employee during the year of his departure.

The employee who leaves the Company or whose employment is terminated by the Company during a year without his having used all of the personal days to which he would have been entitled to, shall receive payment of the equivalent of his unused personal days at his regular hourly rate applicable at the time of his departure.

Article 28. SUB-CONTRACTING AND PURCHASE-MERGER

28.01 Sub-Contracting

- a) For the duration of the present agreement, except in the case of "force majeure" or of circumstances beyond the control of the Company, and with the exception of that which is already assigned to third parties, the Company agrees not to assign to third parties, by sub-contracting, pick-up and delivery work performed by the regular qualified drivers of the bargaining unit, where the granting of such sub-contracts would result directly either in the lay-off of or preventing the recall of laid-off employees in the group of drivers qualified for the said work, or where a transfer of such work currently being performed by regular qualified drivers of the bargaining unit would lead to a reduction in hours for the drivers.

- b) It is the Company's intention to continue to have the vehicle maintenance work currently performed by members of the bargaining unit performed by these members in the future, however it is recognized that such work may be subcontracted due to operational needs and cost effectiveness.
In such cases, the Company will provide thirty (30) days advance notice to the Union. During this period the Union may submit alternative proposals which meet the Company's operational needs and cost concerns, and the Company will review and give serious consideration to these proposals.
- c) All linehaul runs currently performed by bargaining unit members shall not be subcontracted to outside carriers during the life of this Collective Agreement.

28.02 Purchase - Merger

The Company agrees to advise the Union in writing in the event it acquires by purchase the affairs or operations of another employer which are of such a nature to be covered by the bargaining certificate granted to the Union, and where such operations were to be merged with the existing operations of the Company.

The issue of dovetailing the employees' seniority shall be determined by mutual agreement between the Company and the Union.

In the event that as a result of a Purchase-Merger, closure of a depot, or relocation of operations employees, covered by the Collective Agreement are to be laid-off permanently, the Company agrees to provide severance pay as per the provisions of the Canada Labour Code.

Article 29. MISCELLANEOUS

29.01 Uniforms

The present Company policy concerning uniforms is maintained and copy of the said policy is remitted to the Union at the signing of the agreement.

All employees who are issued uniforms are responsible for the maintenance of them.

The uniform will consist of:

- 1 Windbreaker
- 1 Bomber jacket
- 5 pairs of pants
- 5 pairs of shorts
- 5 shirts (sleeve length optional)
- 1 sweater
- 1 hat (optional)
- 1 belt
- 2 polo shirts (optional)
- 1 raingear (for air employees only).

29.02 Traffic Violations

- a) Where a driver or an Owner/Operator gets a parking ticket by reason of having followed the instructions of the Company, the Company shall be responsible for such a parking ticket. In such a case, the employee must either remit the parking ticket to the Company the same day it was issued or pay such ticket within the delays required and subsequently obtain reimbursement from the Company. Tickets which are not remitted to the Company on the same day of issuance or which are not paid within the delays required by the employee who retained the

said ticket shall become the sole responsibility of the employee.

- b) Contraventions or violations of other laws or regulations occurring while the vehicle is in motion will be the sole responsibility of the driver or an Owner/Operator. Such violations include but are not limited to speeding, failure to stop at a traffic light or stop sign, illegal turns, careless, dangerous or otherwise inappropriate driving, hit and run, criminal negligence, etc.

29.03 Technological Change

The Company will abide by the technological change provisions of Part I of the Canada Labour Code.

29.04 Company Owned Equipment or Vehicles

- a) It is to the mutual advantage of both the Company and the employee that employees shall not operate Company vehicles which are not in safe operating condition and not equipped with the safety equipment required by law.
- b) It shall be the duty of the employee to report promptly, in writing, to the Company all defects in Company equipment.
- c) It shall be the duty and responsibility of the Company to maintain all Company vehicles in a safe operating condition in accordance with the appropriate legislation.
- d) The maintenance of Company equipment in sound operating condition is not only a function but a responsibility of management.
- e) It shall not be a violation of this Agreement where employees refuse to operate unsafe Company equipment if operating such equipment constitutes

an imminent danger as per Article 128 and following of the Canada Labour Code.

- f) It shall be the duty of the employees to maintain Company equipment in a clean and presentable condition.
- g) Employee drivers will not be held responsible for damage while towing or pushing a vehicle if instructed to do so by management, unless the employee has been proven negligent.
- h) It shall be the duty and responsibility of all employees to operate Company equipment in a safe and proper manner.
- i) Drivers must complete a pre/post trip inspection form for Company vehicles. All repairs required are to be indicated on this form by the driver.
- j) A vehicle which has been verified and declared unsafe by a mechanical manager, or in his absence the mechanic in charge, in conformity with the Transportation Act of each province shall not be assigned to a driver before the necessary repairs have been made.

Article 30. INTERPRETATION

30.01 Collective Agreement In Printed Form

The Company shall have the text of the Collective Agreement printed in French and in English, in pocket book form by a Union print shop, within forty-five (45) calendar days following the signature thereof. It shall distribute one (1) copy to each of the present and future employees in the bargaining unit and shall remit a sufficient number to the Union.

30.02 Official Version

For the purposes of interpretation in the province of Quebec should there be a difference between the French text and the English version of this Labour Agreement, the French text shall prevail.

Article 31. DURATION AND RENEWAL

31.01 Duration and Renewal

The present Collective Agreement shall come into force on its date of signing and shall terminate on December 31, 2007 and, barring express provisions to the contrary, does not have retroactive effect.

Either of the parties to the present agreement may give notice in writing of its intention to re-negotiate the present agreement within a delay of not less than ninety (90) and not more than a hundred and twenty (120) days prior to its expiry date.

31.02 Application

After expiry of the term of this Agreement the terms and conditions of employment as set out in this Agreement will continue to apply until the right to strike or lockout is acquired.

31.03 Annex or Appendix

All Annexes, Appendices and Letters of Understanding to the present Agreement are an integral part thereof.

IN WITNESS WHEREOF, the parties have signed, through their duly authorized representatives, in Mississauga, this _____ day of _____, 2004.

THE CANADA COUNCIL OF TEAMSTERS PUROLATOR COURIER LTD.

APPENDIX "A" - Wages and Premiums

1.01 Wage Scales

- a) The hourly rates listed in the wage scales below will be in effect for the duration of this agreement.
- b) Employees hired prior to the date of ratification will be eligible for the annual incremental increases on the designated dates until they reach the top rate of their classification. Further, these employees will also be eligible for the normal wage progression outlined in the wage scales based on their months of seniority.
- c) Employees hired following the date of ratification will progress through the wage scales until reaching the top rate and will not be eligible for the annual incremental increases.

ATLANTIC PROVINCES
WAGE SCALES

(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)

(IAF of \$.05 per hour is included in pay rates below)

	<u>Months</u> <u>Seniority</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2004</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2005</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2006</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.39	\$16.88	\$17.39	\$17.91
Driver	More than 12 months	\$20.30	\$20.91	\$21.54	\$22.18

**ATLANTIC PROVINCES
WAGE SCALES**

(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)

(IAF of \$.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>112/115</u>					
Courier/	0-3 months	\$11.93	\$12.29	\$12.65	\$13.03
Utility	4-12 months	\$13.57	\$13.97	\$14.39	\$14.82
Courier	13-18 months	\$14.88	\$15.33	\$15.79	\$16.26
	19-24 months	\$16.15	\$16.63	\$17.13	\$17.65
	More than 24 months	\$19.99	\$20.59	\$21.21	\$21.85
<u>118/120</u>					
Foot	0-3 months	\$11.52	\$11.86	\$12.22	\$12.58
Courier/	4 – 12 months	\$13.05	\$13.44	\$13.84	\$14.26
Utility	13-18 months	\$14.01	\$14.43	\$14.86	\$15.31
Foot	19-24 months	\$15.63	\$16.09	\$16.58	\$17.07
Courier	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40

(Atlantic - Wage Scales - Cont'd)
(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)
(IAF of \$.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>114</u>					
Marker	0-3 months	\$12.89	\$13.27	\$13.67	\$14.08
	4-12 months	\$14.64	\$15.08	\$15.53	\$15.99
	13-18 months	\$16.06	\$16.54	\$17.04	\$17.55
	19-24 months	\$16.84	\$17.35	\$17.87	\$18.40
	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40
<u>113</u>					
Sorter	0-3 months	\$10.38	\$10.74	\$11.11	\$11.50
	4-12 months	\$11.36	\$11.75	\$12.15	\$12.57
	13-18 months	\$11.98	\$12.39	\$12.81	\$13.24
	19-24 months	\$12.64	\$13.07	\$13.51	\$13.96
	More than 24 months	\$15.65	\$16.17	\$16.71	\$17.26

(Atlantic - Wage Scales - Cont'd)
(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)
 (IAF of \$.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>127</u>					
Janitor	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
	4 + months	\$14.47	\$14.91	\$15.35	\$15.81
<u>132</u>					
Vehicle	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
Washer	4 + months	\$14.47	\$14.91	\$15.35	\$15.81
<u>131</u>					
General	0-3 months	\$15.42	\$15.88	\$16.36	\$16.85
Building Maintenance	4 + months	\$19.63	\$20.22	\$20.83	\$21.45

(Atlantic - Wage Scales - Cont'd)
(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)
 (IAF of \$.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>126</u>					
Ramp	0-3 months	\$12.52	\$12.90	\$13.29	\$13.69
Equip.	4-12 months	\$13.50	\$13.91	\$14.33	\$14.76
Operator	13-18 months	\$14.12	\$14.54	\$14.98	\$15.43
	19-24 months	\$14.78	\$15.22	\$15.68	\$16.15
	More than 24 months	\$17.80	\$18.33	\$18.88	\$19.45
<u>020</u>					
Diesel	0-3 months	\$21.96	\$22.62	\$23.30	\$24.00
Mechanic (Heavy Equipment)	4 + months	\$26.80	\$27.60	\$28.43	\$29.29
<u>011</u>					
Class "A"	0-3 months	\$19.73	\$20.33	\$20.94	\$21.56
Mechanic (including light diesel)	4 + months	\$24.51	\$25.25	\$26.01	\$26.79

(Atlantic - Wage Scales - Cont'd)
(N.S., N.B., P.E.I. – Local 927, Newfoundland – Local 855)
(IAF of \$.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>012</u>					
Class "B"	0-3 months	\$16.39	\$16.88	\$17.39	\$17.91
Mechanic	4-12 months	\$17.46	\$17.98	\$18.52	\$19.08
	More than 12 months	\$22.85	\$23.53	\$24.24	\$24.96
<u>013</u>					
Garage	0-3 months	\$12.51	\$12.89	\$13.28	\$13.67
Mechanic	4-12 months	\$14.37	\$14.80	\$15.24	\$15.70
Helper	More than 12 months	\$17.39	\$17.91	\$18.45	\$19.00

QUEBEC – WAGE SCALES

(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.40	\$16.89	\$17.40	\$17.92
Driver	More than 12 months	\$20.52	\$21.13	\$21.77	\$22.42
<u>112/115</u>					
Courier/ Utility	0-3 months	\$11.93	\$12.29	\$12.65	\$13.03
	4-12 months	\$13.50	\$13.91	\$14.33	\$14.76
Courier	13-18 months	\$14.54	\$14.98	\$15.43	\$15.89
	19-24 months	\$16.15	\$16.63	\$17.13	\$17.65
	More than 24 months	\$20.20	\$20.80	\$21.43	\$22.07

(Quebec - Wage Scales - Cont'd)

(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>118/120</u>					
Foot	0-3 months	\$11.45	\$11.80	\$12.15	\$12.52
Courier/ Utility	4-12 months	\$13.01	\$13.40	\$13.80	\$14.22
	13-18 months	\$13.93	\$14.34	\$14.77	\$15.22
Foot	19-24 months	\$15.52	\$15.99	\$16.47	\$16.96
Courier	More than 24 months	\$19.53	\$20.11	\$20.72	\$21.34
<u>114</u>					
Marker	0-3 months	\$12.80	\$13.19	\$13.58	\$13.99
	4-12 months	\$14.60	\$15.03	\$15.48	\$15.95
	13-18 months	\$15.99	\$16.47	\$16.96	\$17.47
	19-24 months	\$16.74	\$17.24	\$17.76	\$18.29
	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40

(Quebec - Wage Scales - Cont'd)

(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>113</u>					
Sorter	0-3 months	\$10.30	\$10.66	\$11.03	\$11.41
	4-12 months	\$11.20	\$11.59	\$11.99	\$12.40
	13-18 months	\$11.86	\$12.27	\$12.69	\$13.12
	19-24 months	\$12.52	\$12.95	\$13.39	\$13.84
	More than 24 months	\$15.60	\$16.12	\$16.65	\$17.20
<u>127</u>					
Janitor	0-3 months	\$10.23	\$10.53	\$10.85	\$11.18
	4-12 months	\$11.12	\$11.46	\$11.80	\$12.16
	13-18 months	\$11.79	\$12.15	\$12.51	\$12.89
	19-24 months	\$12.46	\$12.84	\$13.22	\$13.62
	More than 24 months	\$15.54	\$16.01	\$16.49	\$16.98

(Quebec - Wage Scales - Cont'd)
(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>131</u>					
General	0-3 months	\$11.93	\$12.29	\$12.65	\$13.03
Building	4-12 months	\$13.50	\$13.91	\$14.33	\$14.76
Maintenance	13-18 months	\$14.49	\$14.93	\$15.37	\$15.84
	19-24 months	\$16.13	\$16.61	\$17.11	\$17.63
	More than 24 months	\$20.24	\$20.85	\$21.47	\$22.12
<u>126</u>					
Ramp	0-3 months	\$12.80	\$13.19	\$13.58	\$13.99
Equipment	4-12 months	\$14.60	\$15.03	\$15.48	\$15.95
Operator	13-18 months	\$15.99	\$16.47	\$16.96	\$17.47
	19-24 months	\$16.74	\$17.24	\$17.76	\$18.29
	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40

(Quebec - Wage Scales - Cont'd)

(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>020</u>					
Diesel	0-3 months	\$20.81	\$21.43	\$22.07	\$22.74
Mechanic	4-12 months	\$21.99	\$22.65	\$23.33	\$24.03
(Heavy Equipment)	More than 12 months	\$26.79	\$27.59	\$28.42	\$29.27
<u>011</u>					
Class "A"	0-3 months	\$18.72	\$19.28	\$19.85	\$20.45
Mechanic	4-12 months	\$19.75	\$20.34	\$20.95	\$21.58
(including light diesel)	More than 12 months	\$24.52	\$25.26	\$26.02	\$26.80
<u>012</u>					
Class "B"	0-3 months	\$16.40	\$16.89	\$17.40	\$17.92
Mechanic	4-12 months	\$17.47	\$17.99	\$18.53	\$19.09
	More than 12 months	\$22.85	\$23.53	\$24.24	\$24.96

(Quebec - Wage Scales - Cont'd)

(Local 931 and 69)

(IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>018</u>					
Trailer	0-3 months	\$14.98	\$15.43	\$15.89	\$16.36
Mechanic	4-12 months	\$15.89	\$16.37	\$16.86	\$17.37
	More than 12 months	\$20.03	\$20.63	\$21.25	\$21.89
<u>013</u>					
Garage	0-3 months	\$12.54	\$12.91	\$13.30	\$13.70
Mechanic	4-12 months	\$14.39	\$14.82	\$15.27	\$15.72
Helper	More than 12 months	\$17.39	\$17.91	\$18.45	\$19.00

ONTARIO - WAGE SCALES

(Excluding Thunder Bay)

(Local 938)

(Excludes Local 91, 880 and 879)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.56	\$17.06	\$17.57	\$18.10
Driver	More than 12 months	\$20.74	\$21.37	\$22.01	\$22.67
<u>112/115</u>					
Courier/ Utility	0-3 months	\$12.11	\$12.48	\$12.85	\$13.24
	4-12 months	\$13.74	\$14.15	\$14.58	\$15.01
Courier	13-18 months	\$15.06	\$15.51	\$15.98	\$16.45
	19-24 months	\$16.39	\$16.88	\$17.39	\$17.91
	More than 24 months	\$20.46	\$21.07	\$21.70	\$22.35

(Ontario - Wage Scales - Cont'd)
(Local 938)
(Excludes Local 91, 880 and 879)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>118/120</u>					
Foot	0-3 months	\$11.70	\$12.05	\$12.41	\$12.79
Courier/ Utility	4-12 months	\$13.24	\$13.63	\$14.04	\$14.46
Foot	13-18 months	\$14.18	\$14.61	\$15.05	\$15.50
Courier	19-24 months	\$15.85	\$16.33	\$16.82	\$17.32
	More than 24 months	\$20.10	\$20.70	\$21.32	\$21.96
<u>114</u>					
Marker	0-3 months	\$13.06	\$13.45	\$13.86	\$14.27
	4-12 months	\$14.84	\$15.29	\$15.75	\$16.22
	13-18 months	\$16.26	\$16.75	\$17.25	\$17.77
	19-24 months	\$17.06	\$17.57	\$18.10	\$18.64
	More than 24 months	\$19.77	\$20.36	\$20.97	\$21.60

(Ontario - Wage Scales - Cont'd)
(Local 938)
 (Excludes Local 91, 880 and 879)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>113</u>					
Sorter	0-3 months	\$10.53	\$10.89	\$11.27	\$11.66
	4-12 months	\$11.50	\$11.90	\$12.31	\$12.72
	13-18 months	\$12.10	\$12.51	\$12.94	\$13.38
	19-24 months	\$12.81	\$13.25	\$13.69	\$14.15
	More than 24 months	\$15.87	\$16.40	\$16.94	\$17.50
<u>127</u>					
Janitor	0-3 months	\$11.79	\$12.15	\$12.51	\$12.89
	4 + months	\$14.66	\$15.10	\$15.55	\$16.02
<u>132</u>					
Vehicle	0-3 months	\$11.79	\$12.15	\$12.51	\$12.89
Washer	4+ months	\$14.66	\$15.10	\$15.55	\$16.02

(Ontario - Wage Scales - Cont'd)
(Local 938)
(Excludes Local 91, 880 and 879)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>131</u>					
General	0-3 months	\$16.57	\$17.07	\$17.58	\$18.11
Building	4 + months	\$20.91	\$21.54	\$22.18	\$22.85
Maintenance					
<u>126</u>					
Ramp	0-3 months	\$12.67	\$13.05	\$13.44	\$13.84
Equipment	4-12 months	\$13.65	\$14.06	\$14.48	\$14.91
Operator	13-18 months	\$14.24	\$14.67	\$15.11	\$15.57
	19-24 months	\$14.96	\$15.40	\$15.87	\$16.34
	More than 24 months	\$18.01	\$18.56	\$19.11	\$19.69

(Ontario - Wage Scales - Cont'd)
(Local 938)
(Excludes Local 91, 880 and 879)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>020</u>					
Diesel	0-3 months	\$22.19	\$22.85	\$23.54	\$24.24
Mechanic (Heavy Equipment)	4 + months	\$27.04	\$27.85	\$28.68	\$29.54
<u>011</u>					
Class "A"	0-3 months	\$19.96	\$20.56	\$21.18	\$21.81
Mechanic (including light diesel)	4 + months	\$24.74	\$25.48	\$26.25	\$27.03
<u>012</u>					
Class "B"	0 -3 months	\$16.56	\$17.06	\$17.57	\$18.10
Mechanic	4 -12 months	\$17.65	\$18.18	\$18.73	\$19.29
	More than 12 months	\$23.07	\$23.76	\$24.48	\$25.21

(Ontario - Wage Scales - Cont'd)
(Local 938)
 (Excludes Local 91, 880 and 879)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>013</u>					
Garage	0-3 months	\$12.67	\$13.05	\$13.44	\$13.84
Mechanic	4-12 months	\$14.53	\$14.97	\$15.42	\$15.88
Helper	More than 12 months	\$17.55	\$18.08	\$18.62	\$19.18
<u>129</u>					
Licensed	0-12 months	\$22.84	\$23.52	\$24.23	\$24.95
	12 months	\$28.23	\$29.08	\$29.95	\$30.85
<u>130</u>					
Unlicensed	0 - 12 months	\$19.90	\$20.50	\$21.11	\$21.74
Tradesperson	More than 12 months	\$24.23	\$24.95	\$25.70	\$26.47

ONTARIO
WAGE SCALES
 (Thunder Bay only)

(Local 938 – Thunder Bay only)

		<u>Effective</u> <u>First Monday</u> <u>in January 2004</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2005</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2006</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2007</u>
<u>117</u>	<u>Months</u> <u>Seniority</u>				
Linehaul	0 -12 months	\$16.44	\$16.93	\$17.44	\$17.96
Driver	More than 12 months	\$20.35	\$20.96	\$21.59	\$22.24

(Ontario - Wage Scales - Cont'd)
 (Local 938 – Thunder Bay only)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>112/115</u>					
Courier/	0-3 months	\$11.98	\$12.34	\$12.71	\$13.09
Utility	4-12 months	\$13.62	\$14.03	\$14.45	\$14.88
Courier	13-18 months	\$14.94	\$15.38	\$15.84	\$16.32
	19-24 months	\$16.20	\$16.69	\$17.19	\$17.70
	More than 24 months	\$20.04	\$20.65	\$21.26	\$21.90
<u>118/120</u>					
Foot	0-3 months	\$11.57	\$11.91	\$12.27	\$12.64
Courier/	4-12 months	\$13.10	\$13.49	\$13.90	\$14.32
Utility	13-18 months	\$14.06	\$14.48	\$14.92	\$15.36
Foot	19-24 months	\$15.68	\$16.15	\$16.63	\$17.13
Courier	More than 24 months	\$19.63	\$20.22	\$20.83	\$21.45

(Ontario - Wage Scales - Cont'd)
 (Local 938 – Thunder Bay only)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>114</u>					
Marker	0-3 months	\$12.94	\$13.32	\$13.72	\$14.14
	4-12 months	\$14.69	\$15.13	\$15.58	\$16.05
	13-18 months	\$16.11	\$16.59	\$17.09	\$17.60
	19-24 months	\$16.89	\$17.40	\$17.92	\$18.46
	More than 24 months	\$19.63	\$20.22	\$20.83	\$21.45
<u>113</u>					
Sorter	0-3 months	\$10.43	\$10.80	\$11.17	\$11.55
	4-12 months	\$11.41	\$11.80	\$12.21	\$12.62
	13-18 months	\$12.03	\$12.44	\$12.86	\$13.30
	19-24 months	\$12.69	\$13.12	\$13.56	\$14.02
	More than 24 months	\$15.71	\$16.23	\$16.76	\$17.32

(Ontario - Wage Scales - Cont'd)
 (Local 938 – Thunder Bay only)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>127</u>					
Janitor	0-3 months	\$11.69	\$12.04	\$12.40	\$12.77
	4 + months	\$14.52	\$14.96	\$15.41	\$15.87
<u>132</u>					
Vehicle	0-3 months	\$11.69	\$12.04	\$12.40	\$12.77
Washer	4 + months	\$14.52	\$14.96	\$15.41	\$15.87
<u>131</u>					
General	0-3 months	\$15.47	\$15.93	\$16.41	\$16.91
Building Maintenance	4 + months	\$19.68	\$20.27	\$20.88	\$21.51

(Ontario - Wage Scales - Cont'd)
 (Local 938 – Thunder Bay only)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>126</u>					
Ramp	0-3 months	\$12.58	\$12.95	\$13.34	\$13.74
Equip.	4-12 months	\$13.55	\$13.96	\$14.38	\$14.81
Operator	13-18 months	\$14.17	\$14.60	\$15.04	\$15.49
	19-24 months	\$14.83	\$15.28	\$15.74	\$16.21
	More than 24 months	\$17.85	\$18.39	\$18.94	\$19.51
<u>020</u>					
Diesel	0-3 months	\$22.01	\$22.67	\$23.35	\$24.05
Mechanic (Heavy Equipment)	4 + months	\$26.85	\$27.66	\$28.49	\$29.34

(Ontario - Wage Scales - Cont'd)
 (Local 938 – Thunder Bay only)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>011</u>					
Class "A"	0-3 months	\$19.79	\$20.38	\$20.99	\$21.62
Mechanic (including light diesel)	4 + months	\$24.57	\$25.30	\$26.06	\$26.84
<u>012</u>					
Class "B"	0-3 months	\$16.44	\$16.93	\$17.44	\$17.96
Mechanic	4-12 months	\$17.51	\$18.04	\$18.58	\$19.13
	More than 12 months	\$22.90	\$23.58	\$24.29	\$25.02
<u>013</u>					
Garage	0-3 months	\$12.57	\$12.94	\$13.33	\$13.73
Mechanic	4-12 months	\$14.42	\$14.85	\$15.30	\$15.76
Helper	More than 12 months	\$17.44	\$17.96	\$18.50	\$19.05

ONTARIO - WAGE SCALES

(Excluding Thunder Bay)

(Local 91, 880 and 879 ONLY)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.51	\$17.01	\$17.52	\$18.04
Driver	More than 12 months	\$20.69	\$21.31	\$21.95	\$22.61
<u>112/115</u>					
Courier/ Utility	0-3 months	\$12.06	\$12.42	\$12.80	\$13.18
	4-12 months	\$13.69	\$14.10	\$14.52	\$14.96
Courier	13-18 months	\$15.01	\$15.46	\$15.92	\$16.40
	19-24 months	\$16.34	\$16.83	\$17.33	\$17.85
	More than 24 months	\$20.40	\$21.02	\$21.65	\$22.30

(Ontario - Wage Scales - Cont'd)
(Local 91, 880 and 879 ONLY)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>118/120</u>					
Foot	0-3 months	\$11.65	\$12.00	\$12.36	\$12.73
Courier/ Utility	4-12 months	\$13.18	\$13.58	\$13.99	\$14.41
Foot	13-18 months	\$14.13	\$14.56	\$14.99	\$15.44
Courier	19-24 months	\$15.80	\$16.27	\$16.76	\$17.27
	More than 24 months	\$20.04	\$20.65	\$21.26	\$21.90
<u>114</u>					
Marker	0-3 months	\$13.01	\$13.40	\$13.80	\$14.22
	4-12 months	\$14.79	\$15.23	\$15.69	\$16.16
	13-18 months	\$16.21	\$16.70	\$17.20	\$17.72
	19-24 months	\$17.01	\$17.52	\$18.04	\$18.58
	More than 24 months	\$19.71	\$20.31	\$20.91	\$21.54

(Ontario - Wage Scales - Cont'd)
(Local 91, 880 and 879 ONLY)
 (IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>113</u>					
Sorter	0-3 months	\$10.47	\$10.84	\$11.21	\$11.60
	4-12 months	\$11.45	\$11.85	\$12.25	\$12.67
	13-18 months	\$12.05	\$12.46	\$12.88	\$13.32
	19-24 months	\$12.76	\$13.19	\$13.64	\$14.10
	More than 24 months	\$15.82	\$16.34	\$16.88	\$17.44
<u>127</u>					
Janitor	0-3 months	\$11.74	\$12.09	\$12.46	\$12.83
	4 + months	\$14.61	\$15.04	\$15.49	\$15.96
<u>132</u>					
Vehicle	0-3 months	\$11.74	\$12.09	\$12.46	\$12.83
Washer	4+ months	\$14.61	\$15.04	\$15.49	\$15.96

(Ontario - Wage Scales - Cont'd)
(Local 91, 880 and 879 ONLY)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>131</u>					
General	0-3 months	\$16.52	\$17.02	\$17.53	\$18.05
Building Maintenance	4 + months	\$20.86	\$21.48	\$22.13	\$22.79
<u>126</u>					
Ramp	0-3 months	\$12.62	\$13.00	\$13.39	\$13.79
Equipment	4-12 months	\$13.60	\$14.00	\$14.42	\$14.86
Operator	13-18 months	\$14.19	\$14.62	\$15.06	\$15.51
	19-24 months	\$14.90	\$15.35	\$15.81	\$16.29
	More than 24 months	\$17.96	\$18.50	\$19.06	\$19.63

(Ontario - Wage Scales - Cont'd)
(Local 91, 880 and 879 ONLY)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>020</u>					
Diesel	0-3 months	\$22.13	\$22.80	\$23.48	\$24.19
Mechanic (Heavy Equipment)	4 + months	\$26.99	\$27.80	\$28.63	\$29.49
<u>011</u>					
Class "A"	0-3 months	\$19.91	\$20.51	\$21.12	\$21.76
Mechanic (including light diesel)	4 + months	\$24.69	\$25.43	\$26.19	\$26.98
<u>012</u>					
Class "B"	0-3 months	\$16.51	\$17.01	\$17.52	\$18.04
Mechanic	4-12 months	\$17.60	\$18.13	\$18.67	\$19.23
	More than 12 months	\$23.02	\$23.71	\$24.42	\$25.16

(Ontario - Wage Scales - Cont'd)
(Local 91, 880 and 879 ONLY)
 (IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>013</u>					
Garage	0-3 months	\$12.62	\$13.00	\$13.39	\$13.79
Mechanic	4 -12 months	\$14.48	\$14.92	\$15.36	\$15.82
Helper	More than 12 months	\$17.50	\$18.02	\$18.57	\$19.12
<u>129</u>					
Licensed	0-12 months	\$22.78	\$23.47	\$24.17	\$24.90
Tradesperson	More than 12 months	\$28.18	\$29.03	\$29.90	\$30.79
<u>130</u>					
Unlicensed	0-12 months	\$19.85	\$20.44	\$21.06	\$21.69
Tradesperson	More than 12 months	\$24.17	\$24.90	\$25.65	\$26.42

MANITOBA/SASKATCHEWAN
WAGE SCALES

(Local 979 and 395)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months</u> <u>Seniority</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2004</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2005</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2006</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.39	\$16.88	\$17.39	\$17.91
Driver	More than 12 months	\$20.30	\$20.91	\$21.54	\$22.18
<u>112/115</u>					
Courier/	0-3 months	\$11.93	\$12.29	\$12.65	\$13.03
Utility	4-12 months	\$13.57	\$13.97	\$14.39	\$14.82
Courier	13-18 months	\$14.88	\$15.33	\$15.79	\$16.26
	19-24 months	\$16.15	\$16.63	\$17.13	\$17.65
	More than 24 months	\$19.99	\$20.59	\$21.21	\$21.85

(Manitoba/Saskatchewan - Wage Scales - Cont'd)
(Local 979 and 395)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>118/120</u>					
Foot	0-3 months	\$11.52	\$11.86	\$12.22	\$12.58
Courier/ Utility	4-12 months	\$13.05	\$13.44	\$13.84	\$14.26
Foot	13-18 months	\$14.01	\$14.43	\$14.86	\$15.31
Courier	19-24 months	\$15.63	\$16.09	\$16.58	\$17.07
	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40
<u>114</u>					
Marker	0-3 months	\$12.89	\$13.27	\$13.67	\$14.08
	4-12 months	\$14.64	\$15.08	\$15.53	\$15.99
	13-18 months	\$16.06	\$16.54	\$17.04	\$17.55
	19-24 months	\$16.84	\$17.35	\$17.87	\$18.40
	More than 24 months	\$19.58	\$20.17	\$20.77	\$21.40

(Manitoba/Saskatchewan - Wage Scales - Cont'd)
(Local 979 and 395)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>113</u>					
Sorter	0-3 months	\$10.38	\$10.74	\$11.11	\$11.50
	4-12 months	\$11.36	\$11.75	\$12.15	\$12.57
	13-18 months	\$11.98	\$12.39	\$12.81	\$13.24
	19-24 months	\$12.64	\$13.07	\$13.51	\$13.96
	More than 24 months	\$15.65	\$16.17	\$16.71	\$17.26
<u>127</u>					
Janitor	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
	4 + months	\$14.47	\$14.91	\$15.35	\$15.81
<u>132</u>					
Vehicle	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
Washer	4 + months	\$14.47	\$14.91	\$15.35	\$15.81

(Manitoba/Saskatchewan - Wage Scales - Cont'd)
(Local 979 and 395)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>131</u>					
General	0-3 months	\$15.42	\$15.88	\$16.36	\$16.85
Building Maintenance	4 + months	\$19.63	\$20.22	\$20.83	\$21.45
<u>126</u>					
Ramp	0-3 months	\$12.52	\$12.90	\$13.29	\$13.69
Equipment	4-12 months	\$13.50	\$13.91	\$14.33	\$14.76
Operator	13-18 months	\$14.12	\$14.54	\$14.98	\$15.43
	19-24 months	\$14.78	\$15.22	\$15.68	\$16.15
	More than 24 months	\$17.80	\$18.33	\$18.88	\$19.45

(Manitoba/Saskatchewan - Wage Scales - Cont'd)
(Local 979 and 395)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>020</u>					
Diesel	0-3 months	\$21.96	\$22.62	\$23.30	\$24.00
Mechanic (Heavy Equipment)	4 + months	\$26.80	\$27.60	\$28.43	\$29.29
<u>011</u>					
Class "A"	0-3 months	\$19.73	\$20.33	\$20.94	\$21.56
Mechanic (including light diesel)	4 + months	\$24.51	\$25.25	\$26.01	\$26.79
<u>012</u>					
Class "B"	0-3 months	\$16.39	\$16.88	\$17.39	\$17.91
Mechanic	4-12 months	\$17.46	\$17.98	\$18.52	\$19.08
	More than 12 months	\$22.85	\$23.53	\$24.24	\$24.96

(Manitoba/Saskatchewan - Wage Scales - Cont'd)
(Local 979 and 395)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months</u> <u>Seniority</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2004</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2005</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2006</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2007</u>
<u>013</u>					
Garage	0-3 months	\$12.51	\$12.89	\$13.28	\$13.67
Mechanic	4-12 months	\$14.37	\$14.80	\$15.24	\$15.70
Helper	More than 12 months	\$17.39	\$17.91	\$18.45	\$19.00

ALBERTA
WAGE SCALES

(Local 987)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months</u> <u>Seniority</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2004</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2005</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2006</u>	<u>Effective</u> <u>First Monday</u> <u>in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.39	\$16.88	\$17.39	\$17.91
	More than 12 months	\$20.52	\$21.13	\$21.77	\$22.42
<u>112/115</u>					
Courier/ Utility Courier	0-3 months	\$11.93	\$12.29	\$12.65	\$13.03
	4-12 months	\$13.57	\$13.97	\$14.39	\$14.82
	13-18 months	\$14.88	\$15.33	\$15.79	\$16.26
	19-24 months	\$16.15	\$16.63	\$17.13	\$17.65
	More than 24 months	\$20.20	\$20.80	\$21.43	\$22.07

(Alberta - Wage Scales - Cont'd)
(Local 987)
 (IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>118/120</u>					
Foot	0-3 months	\$11.52	\$11.86	\$12.22	\$12.58
Courier/ Utility	4-12 months	\$13.05	\$13.44	\$13.84	\$14.26
Foot	13-18 months	\$14.01	\$14.43	\$14.86	\$15.31
Courier	19-24 months	\$15.63	\$16.09	\$16.58	\$17.07
	More than 24 months	\$19.53	\$20.11	\$20.72	\$21.34
<u>114</u>					
Marker	0-3 months	\$12.89	\$13.27	\$13.67	\$14.08
	4-12 months	\$14.64	\$15.08	\$15.53	\$15.99
	13-18 months	\$16.06	\$16.54	\$17.04	\$17.55
	19-24 months	\$16.84	\$17.35	\$17.87	\$18.40
	More than 24 months	\$19.57	\$20.16	\$20.76	\$21.38

(Alberta - Wage Scales - Cont'd)

(Local 987)

(IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>113</u>					
Sorter	0-3 months	\$10.38	\$10.74	\$11.11	\$11.50
	4-12 months	\$11.36	\$11.75	\$12.15	\$12.57
	13-18 months	\$11.98	\$12.39	\$12.81	\$13.24
	19-24 months	\$12.64	\$13.07	\$13.51	\$13.96
	More than 24 months	\$15.65	\$16.17	\$16.71	\$17.26
<u>127</u>					
Janitor	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
	4 + months	\$14.47	\$14.91	\$15.35	\$15.81

(Alberta - Wage Scales - Cont'd)

(Local 987)

(IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>132</u>					
Vehicle	0-3 months	\$11.64	\$11.99	\$12.35	\$12.72
Washer	4 + months	\$14.47	\$14.91	\$15.35	\$15.81
<u>131</u>					
General	0-3 months	\$15.42	\$15.88	\$16.36	\$16.85
Building Maintenance	4 + months	\$19.63	\$20.22	\$20.83	\$21.45
<u>126</u>					
Ramp	0-3 months	\$12.52	\$12.90	\$13.29	\$13.69
Equipment	4-12 months	\$13.50	\$13.91	\$14.33	\$14.76
Operator	13-18 months	\$14.12	\$14.54	\$14.98	\$15.43
	19-24 months	\$14.78	\$15.22	\$15.68	\$16.15
	More than 24 months	\$17.80	\$18.33	\$18.88	\$19.45

(Alberta - Wage Scales - Cont'd)

(Local 987)

(IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>020</u>					
Diesel	0-3 months	\$21.96	\$22.62	\$23.30	\$24.00
Mechanic (Heavy Equipment)	4 + months	\$26.78	\$27.58	\$28.41	\$29.26
<u>011</u>					
Class "A"	0-3 months	\$19.73	\$20.33	\$20.94	\$21.56
Mechanic (including light diesel)	4 + months	\$24.49	\$25.23	\$25.99	\$26.76
<u>012</u>					
Class "B"	0-3 months	\$16.39	\$16.88	\$17.39	\$17.91
Mechanic	4-12 months	\$17.46	\$17.98	\$18.52	\$19.08
	More than 12 months	\$22.82	\$23.51	\$24.21	\$24.94

(Alberta - Wage Scales - Cont'd)
(Local 987)
 (IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
013					
Garage	0-3 months	\$12.51	\$12.89	\$13.28	\$13.67
Mechanic	4-12 months	\$14.37	\$14.80	\$15.24	\$15.70
Helper	More than 12 months	\$17.38	\$17.90	\$18.43	\$18.99

BRITISH COLUMBIA - WAGE SCALES

(Locals 31 & 213)

(IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>117</u>					
Linehaul	0-12 months	\$16.51	\$17.01	\$17.52	\$18.04
Driver	More than 12 months	\$20.69	\$21.31	\$21.95	\$22.61
<u>112/115</u>					
Courier/	0-3 months	\$12.06	\$12.42	\$12.80	\$13.18
Utility	4-12 months	\$13.69	\$14.10	\$14.52	\$14.96
Courier	13-18 months	\$15.01	\$15.46	\$15.92	\$16.40
	19-24 months	\$16.34	\$16.83	\$17.33	\$17.85
	More than 24 months	\$20.40	\$21.02	\$21.65	\$22.30

(British Columbia - Wage Scales - Cont'd)
(Locals 31 & 213)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>118/120</u>					
Foot	0-3 months	\$11.65	\$12.00	\$12.36	\$12.73
Courier/ Utility	4-12 months	\$13.18	\$13.58	\$13.99	\$14.41
Foot	13-18 months	\$14.13	\$14.56	\$14.99	\$15.44
Courier	19-24 months	\$15.80	\$16.27	\$16.76	\$17.27
	More than 24 months	\$20.04	\$20.65	\$21.26	\$21.90
<u>114</u>					
Marker	0-3 months	\$13.01	\$13.40	\$13.80	\$14.22
	4-12 months	\$14.79	\$15.23	\$15.69	\$16.16
	13-18 months	\$16.21	\$16.70	\$17.20	\$17.72
	19-24 months	\$17.01	\$17.52	\$18.04	\$18.58
	More than 24 months	\$19.71	\$20.31	\$20.91	\$21.54

(British Columbia - Wage Scales - Cont'd)

(Locals 31 & 213)

(IAF of \$0.05 per hour is included in pay rates below)

	Months Seniority	Effective First Monday in January 2004	Effective First Monday in January 2005	Effective First Monday in January 2006	Effective First Monday in January 2007
<u>113</u>					
Sorter	0-3 months	\$10.47	\$10.84	\$11.21	\$11.60
	4-12 months	\$11.45	\$11.85	\$12.25	\$12.67
	13-18 months	\$12.05	\$12.46	\$12.88	\$13.32
	19-24 months	\$12.76	\$13.19	\$13.64	\$14.10
	More than 24 months	\$15.82	\$16.34	\$16.88	\$17.44
<u>127</u>					
Janitor	0-3 months	\$11.74	\$12.09	\$12.46	\$12.83
	4 + months	\$14.61	\$15.04	\$15.49	\$15.96

(British Columbia - Wage Scales - Cont'd)
(Locals 31 & 213)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>132</u>					
Vehicle	0-3 months	\$11.74	\$12.09	\$12.46	\$12.83
Washer	4+ months	\$14.61	\$15.04	\$15.49	\$15.96
<u>131</u>					
General	0-3 months	\$16.52	\$17.02	\$17.53	\$18.05
Building Maintenance	4 + months	\$20.86	\$21.48	\$22.13	\$22.79
<u>126</u>					
Ramp	0-3 months	\$12.62	\$13.00	\$13.39	\$13.79
Equipment	4-12 months	\$13.60	\$14.00	\$14.42	\$14.86
Operator	13-18 months	\$14.19	\$14.62	\$15.06	\$15.51
	19-24 months	\$14.90	\$15.35	\$15.81	\$16.29
	More than 24 months	\$17.96	\$18.50	\$19.06	\$19.63

(British Columbia - Wages Scales - Cont'd)
(Locals 31 & 213)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>020</u>					
Diesel	0-3 months	\$22.13	\$22.80	\$23.48	\$24.19
Mechanic (Heavy Equipment)	4 + months	\$26.99	\$27.80	\$28.63	\$29.49
<u>011</u>					
Class "A"	0-3 months	\$19.91	\$20.51	\$21.12	\$21.76
Mechanic (including light diesel)	4 + months	\$24.69	\$25.43	\$26.19	\$26.98
<u>012</u>					
Class "B"	0-3 months	\$16.51	\$17.01	\$17.52	\$18.04
Mechanic	4-12 months	\$17.60	\$18.13	\$18.67	\$19.23
	More than 12 months	\$23.02	\$23.71	\$24.42	\$25.16

(British Columbia - Wage Scales - Cont'd)
(Locals 31 & 213)
 (IAF of \$0.05 per hour is included in pay rates below)

	<u>Months Seniority</u>	<u>Effective First Monday in January 2004</u>	<u>Effective First Monday in January 2005</u>	<u>Effective First Monday in January 2006</u>	<u>Effective First Monday in January 2007</u>
<u>013</u>					
Garage	0-3 months	\$12.62	\$13.00	\$13.39	\$13.79
Mechanic	4-12 months	\$14.48	\$14.92	\$15.36	\$15.82
Helper	More than 12 months	\$17.50	\$18.02	\$18.57	\$19.12

1.02 Change of Classification

Employees who change classification following the signature of the Collective Agreement will be paid the hourly rate corresponding to their number of months of service for the appropriate single wage scale, unless the wage scale of the new classification is greater than the scale for the previous classification. In such a case the employee will be paid the new wage rate which is immediately greater than their current hourly wage rate and will be deemed to have the lowest number of months of service for that rate.

1.03 Return to Higher Rated Classification

In cases where an employee moves into a lower rated classification and subsequently returns to his previous classification, the employee will be entitled to resume the level of pay he had obtained at the time of the transfer to the lower rated classification.

Specifically, the employee would be entitled to be paid the appropriate current rate corresponding to the number of months of service the employee was deemed to have for wage rate purposes prior to his transfer to the lower rated classification, and would be deemed to have that level of service for purposes of progression through the wage scale.

1.04 Longevity Premiums

The following longevity premiums for employees covered by this agreement will apply for the life of the Collective Agreement:

- a) For all employees who were on full-time status at December 1, 1992 and who were receiving the longevity premium at that time:

<u>Completed Years Service</u>	<u>Premium</u>
3 years	\$ 5.00/week
10 years	\$10.00/week
15 years	\$15.00/week
20 years	\$20.00/week

b) For all other employees:

<u>Completed Years Service</u>	<u>Premium</u>
3 years	\$ 2.00/week
10 years	\$ 5.00/week
15 years	\$10.00/week
20 years	\$15.00/week

1.05 Utility Courier/Utility Foot Courier/Linehaul Float Premiums

A premium of thirty dollars (\$30.00) per week will be maintained for the life of the Collective Agreement for all employees in the Utility Courier, Utility Foot Courier and Linehaul Float classifications.

1.06 Split Shift Premium

For employees in the Courier classifications who are assigned to pick-up and delivery duties, and who work a split shift, the following premium schedule will apply for each day worked on a split shift:

<u>Number of Minutes</u>	<u>Premium</u>
60 or less	\$4.00
61 to 120	\$5.00

A split shift is deemed to exist only where the pick-ups and deliveries performed by the employee are within the same territory. This premium does not apply to the merging of two part-time runs from different territories to form a full-time run. Lunch periods are excluded from split shift calculations.

1.07 Lead Hand

A Lead Hand, when so designated and classified by the Company shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend or discipline employees. He shall be a member of the Union and shall have seniority in accordance with the applicable articles in the Collective Agreement.

Excluding employees in the province of British Columbia, employees who are assigned by the Company to perform the duties of Lead Hand shall receive a premium of \$25.00 per week.

When management requires a Lead Hand, a posting to such effect will be posted at the location where the Lead Hand is required.

The selection of the Lead Hand will be done on the basis of qualifications and seniority. Where qualifications are equal seniority shall prevail.

1.08 Christmas Bonus

In December of each year, all regular employees who have attained twelve (12) months or more of seniority and who have not been absent from work for more than fifteen (15) weeks during the year (excluding maternity leave), shall be eligible to receive the following:

- a) All employees, excluding employees in the province of Quebec, who were designated as full-time as of

November 1, 1992 will receive a one hundred dollar (\$100.00) Christmas Bonus.

- b) All employees in the province of Quebec, who were designated as full-time as of December 1, 1992 will receive a one hundred dollar (\$100.00) Christmas Bonus.
- c) All employees not covered by a) or b) above will be entitled to receive a Christmas Bonus of fifty dollars (\$50.00).

1.09 Shunting

Employees scheduled to perform shunting work on ground linehaul equipment will be remunerated at the 117 rate.

Employees performing shunting work on P & D vehicles will be remunerated at the sorter rate.

APPENDIX "B" - Calculation of Seniority

Calculation of Seniority

For the purpose of calculating seniority, the "continuous service" referred to in Article 11.01 commences as of the date the employee is hired as a regular employee covered by the bargaining unit.

APPENDIX "C" - Functional Groups and Classifications

1.01 Functional Groups and Classifications

For the purposes of the present Collective Agreement, the parties agree that there shall be three (3) functional groups with the classifications that follow within each of the said groups:

1. Driver
 - a) Linehaul Driver
 - b) Courier
 - c) Utility Courier
 - d) Foot Courier
 - e) Utility Foot Courier
2. Depot
 - a) Marker
 - b) Sorter
 - c) Janitor
 - d) Vehicle Washer
 - e) General Building Maintenance
 - f) Ramp Equipment Operator
 - g) Licenced Tradesperson
 - h) Unlicenced Tradesperson
3. Garage
 - a) Diesel Mechanic (Heavy Equipment)
 - b) Mechanic A (including light diesel/light truck)
 - c) Mechanic B
 - d) Trailer Mechanic
 - e) Garage Mechanic Helper

Relief (Excluding the Province of Quebec)

Employees in the Relief classification will be used to perform work in any classification for temporary fluctuations in volume, absenteeism, temporary vacancies or emergencies.

Relief employees will have no regularly scheduled daily hours of work or start times.

Such employees will be paid according to the applicable wage rate for their months of service for the work performed.

1.02 New Classification

In the event of the creation of a new classification, the Company shall send to the Union two (2) copies of its title, description, qualifications, wage rate or wage scale as well as the functional group proposed. At the request of the Union, the parties shall meet within the shortest delay possible to discuss and settle any disagreement with respect to the wage rate or wage scale and/or the functional group. The Union must request in writing the holding of such a meeting within the ten (10) working days following receipt of such information, failing which it may not have recourse to the grievance and arbitration procedure.

If a disagreement persists at the conclusion of the meeting, the Union may refer the case directly to the written step of the grievance procedure within the ten (10) working days following the said meeting. In such a case, the provisions contained in Articles 8 and 9 of the present agreement shall apply.

1.03 Combined Position

By mutual consent between the Local Union and the Company, the Company will be able to create combined positions, that is, positions in which an employee performs functions in more than one classification.

The employee in a combined position will be deemed to belong to each classification that he holds when applicable.

APPENDIX "D" - Letters of Understanding

Only those letters of understanding attached to this Collective Agreement, including those attached to the Appendices, and those signed following the signing of the Collective Agreement are valid. All other letters of understanding are null and void.

Letter of Understanding No. 1

between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

PENSION ADVISORY COMMITTEE

- a) A Pension Advisory Committee shall continue to function for the duration of the Collective Agreement.
- b) Duties of the Committee
The duties of the Pension Advisory Committee shall be as follows:
 - i) promoting awareness and understanding of the Plan among members and potential members;
 - ii) reviewing, at least once a year, the financial, actuarial and administrative aspects of the Plan;
 - iii) such other administrative duties as prescribed by the regulations issued pursuant to the Pension Benefits Standards Act.
 - iv) meet the first Monday in October of each year.The Company shall provide the Pension Advisory Committee with such information as is necessary to enable it to perform its duties.

c) Representation

The Committee shall consist of three (3) members chosen by the Union and three (3) members chosen by the Company. The Company members of the Committee will choose one of their members to act as Chairperson. The Chairperson shall alternate annually between the Union representatives and the Company representatives thereafter.

For the Union

For the Company

Letter of Understanding No. 2

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The Company agrees to provide one (1) day's leave with pay per year of this Collective Agreement to every steward to attend Teamster training sessions. These days may be combined where required.

For the Union

For the Company

Letter of Understanding No. 3

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The practise of Just in Time Scheduling in the Atlantic provinces, as discussed while negotiating the 1996 Collective Agreement, will cease to exist for the duration of this Collective Agreement.

For the Union

For the Company

Letter of Understanding No. 4

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The Company agrees to reimburse employees for the cost of renewing municipal cartage licenses required to perform their work with Purolator Courier Ltd.

In order to obtain this reimbursement the employee must provide the Company with a receipt of payment for the renewal.

For the Union

For the Company

Letter of Understanding No. 5

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree that the provisions of Article 25.04, 25.05, 25.06, 25.07 and 25.08 and Appendix J will not apply to Teamster Locals 31, 927 and 880.

The parties agree that conversion from the “points” system to a disciplinary process must occur. For further clarity, the demerit point records on file for each individual employee must be converted to the normal discipline system. The parties further agree to meet within three (3) months of signing of the Collective Agreement to agree upon a mechanism to convert. The existing points system will continue in effect until such agreement is reached and fully implemented.

For the Union

For the Company

Letter of Understanding No. 6

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

Notwithstanding the provisions of 16.05, the parties agree that two (2) hour bands will remain in 'C' depots. The Company will attempt to limit the utilization of the two (2) hour band.

For the Union

For the Company

Letter of Understanding No. 7

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The Company agrees to modify the Attendance Awareness Program to deal only with absences of ten (10) working days or less.

The Company is willing to meet with the Union to discuss the structure of this Program.

For the Union

For the Company

Letter of Understanding No. 8

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The parties agree to continue the Union Industry Advancement Fund in areas covered by Local Unions 31, 395 and 979 and to include areas covered by Local Unions 879, 927, 931, 987, 69, 855, 91, and 880.

The fund will continue as follows:

- a) For existing Local Unions previously included in the fund, the wage increase to the hourly rates will be applied without reduction.
- b) For the new Local Unions included in this Fund, the wage increase to the hourly rates scheduled for the first Monday following ratification will be reduced by \$0.05 per hour at all wage levels and in all classifications.
- c) An equivalent formula will be established for Owner/Operators.

- d) The equivalent of \$0.05 per hour worked by hourly employees (and comparable amount for work performed by Owner/Operators) will be submitted to the appropriate Local Union for its Industry Advancement Fund.

For the Union

For the Company

Letter of Understanding No. 9

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

During negotiations the Union raised concerns regarding the number of split shifts. As a result, in addition to Article 16.04 (a) of the Collective Agreement, the Company will address the number of split shifts by:

1. Freezing the number of split shifts that currently exist;
2. Reducing the number of split shifts by a minimum of twenty (20%) percent in each region over the term of the Collective Agreement with a minimum of ten (10%) percent in the first year;
3. Working with the Union to develop, evaluate and implement alternatives to reduce the number of split shifts nationally.
4. In reference to point 2 above, there are six (6) regions within Canada. They are as follows:
 - (a) Atlantic;
 - (b) Quebec;
 - (c) Ontario;
 - (d) Metropolitan Toronto;

- (e) Prairies (including Southern Alberta);
- (f) Pacific (including Northern Alberta).

5. For Metropolitan Toronto only, the number of split shifts will be reduced by a minimum of forty (40%) percent over the term of the Collective Agreement and with a minimum of ten (10%) percent in the first year. Metropolitan Toronto is defined as Mississauga East and West, Brampton, Vaughn, Downs view, Scarborough, Morse St., Logan, Pickering and Metro West (new facility).

For the Union

For the Company

Letter of Understanding No. 10

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

It is understood by the parties, that on occasion, the Company may consider the conversion of an Owner/Operator run to Hourly run or vice versa, to meet its operational needs and requirements and service commitments. These conversions are only considered when there has been a significant change in volume density and business levels.

As has happened in the past with any conversion, the Company will discuss and advise the appropriate Business Agent of the nature and reason for the conversion being considered. The Business Agent will have the opportunity to provide any input on the conversion prior to implementing the change.

If there is no agreement on the conversion between the Business Agent and the Company then the matter will be subject to a grievance and be resolved through the grievance procedure.

This letter only applies to those regions that have Owner/Operators as defined in the collective agreement.

For the Union

For the Company

Letter of Understanding No. 11

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The Company and the Union will meet four (4) times a year on pre-scheduled dates that may not be changed by anybody other than the Director of Labour Relations for Purolator Courier and the Local Union President for the Union. Minutes of these meetings will be transmitted to the Director of Labour Relations for Purolator Courier and the Local Union President for the Union. The purpose of these meetings is to discuss labour relations issues other than grievances.

Dates for these meetings will be scheduled between the Director of Labour Relations for Purolator Courier and the Local Union President for the Union.

For the Union

For the Company

Letter of Understanding No. 12

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

This letter confirms our understanding that the Company's operational policies will not stipulate any discipline.

For the Union

For the Company

**APPENDIX "E" - Provisions Relating
to Owner/Operators in the Province of Manitoba**

The following provisions apply to Owner/Operators performing pick-up and delivery work in the province of Manitoba:

ARTICLE 1 – OWNER/OPERATORS

Section 1.0 Recognition

The Company recognizes the Union as the sole bargaining agent for all Owner/Operators performing pick-up and delivery work in the Province of Manitoba.

No particular agreement relating to working conditions other than those provided for in this Appendix, between an Owner/Operator and the Company, is valid unless it has received the written approval of the officers duly mandated by the Union and the Company.

Section 1.1 - Definition of an Owner/Operator

An "Owner/Operator" is a person, including a privately held corporation, who carries on a pick-up and delivery business and who has entered into a written fee for service contract (hereinafter referred to as the "Owner/Operator Contract") with the Company for the provision of pick-up and delivery services. The Owner/Operator is, therefore, a businessman who provides his own equipment, realizes his revenue from his customer the Company and pays his own expenses, including his own statutory deductions.

Such an Owner/Operator is the owner and/or purchaser and except as permitted herein, the exclusive operator of equipment utilized for the Company's service.

In the event an Owner/Operator will not be operating his own equipment for reasons other than loss of license, sick or injury, or a leave of absence that is acceptable to both the Union and the Company (longer than thirty (30) days requires written permission), the Company shall post such Owner/Operator run for bid.

The Union shall be supplied with a copy of each such Owner/Operator Contract and/or written agreements or understandings between the Company and the Owner/Operator(s).

ARTICLE 2 - GENERAL PROVISIONS

Section 2.1 - No Financial Interest

The Company will have no financial interest in the equipment other than as required by the Motor Carrier Act unless mutually agreed to by the Union and the Company.

Section 2.2 - Retaining Services

- a) The Owner/Operator shall personally and exclusively operate the equipment supplied pursuant to this Owner/Operator Contract with the Company, except that such equipment shall be operated by an employee of the Owner/Operator, in instances where the Owner/Operator is absent because of vacation, illness, accident or on leave of absence for reasons acceptable to the Company and the Union.
- b) The Company will not unreasonably reject employee(s) of the Owner/Operator from being able to perform work for Purolator as outlined in 2.2 a) above.
- c) Should the Company require an employee of an Owner/Operator to undergo training above and beyond that training which is required to properly perform the

duties assigned to the Owner/Operator, then such training time will be paid for by the Company.

- d) It will be the responsibility of the Owner/Operator to train his spare driver and once trained, the Owner/Operator shall not be held liable for the actions of the spare, however, where the spare driver's performance is unreasonable the Company may terminate the Owner/Operator's use of such spare.

Section 2.3 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to an Owner/Operator, nor shall the Company directly or indirectly specify a lessor of equipment to an Owner/Operator as a condition of entering into an agreement with an Owner/Operator.

Section 2.4 - No Mandatory Source

Under no circumstances shall the Company, directly or indirectly, specify a mandatory source of fuel, tires, maintenance or insurance to be used by an Owner/Operator as a condition of entering into a contract with an Owner/Operator.

Section 2.5 - Owner/Operator Contract

Each Owner/Operator must enter into a written fee for service contract and a written standards of performance contract with the Company. The provisions of the written contracts, existing and future, shall remain in effect and be enforceable by both the Owner/Operator and the Company.

Section 2.6 - Proprietary Information

The Owner/Operator acknowledges and agrees that any information he may have acquired in relation to Purolator Courier's business is confidential and proprietary in nature. The Owner/Operator covenants and agrees that he shall not disclose said information in any manner whatsoever to anyone outside of his organization in whole or in part, and that said information shall not be used by the Owner/Operator or his employees or agents on his or their own behalf or used in any way detrimental to Purolator or other than in connection with the purposes described in this Appendix.

Section 2.7 - Picket Lines

The Company recognizes the right of Owner/Operators either to accept or refuse to cross a legal picket line. In the event an Owner/Operator exercises his right of refusal, he must immediately advise his immediate supervisor.

If such a picket line is so established, the Company agrees to meet, at the request of the Union, to discuss any problem raised.

ARTICLE 3 - OBLIGATIONS

Section 3.1 - Owner/Operator Equipment

- a) It shall be the duty and responsibility of the Owner/Operators to maintain their vehicles in a safe operating condition, in accordance with the Department of Transport Regulations.
- b) It shall be the duty of the Owner/Operator to maintain their equipment in a clean and presentable fashion.

Section 3.2 - Pay For Day of Accident

If an Owner/Operator, after starting work, meets with an accident which incapacitates him from carrying on his duties, he shall be paid for the remaining portion of his shift (maximum nine (9) hours) at the appropriate straight time hourly rate for Couriers in Manitoba covered by the Collective Agreement.

Section 3.3 - Motor Vehicle Accident

Upon becoming involved in a motor vehicle accident or breakdown, the Owner/Operator shall report the accident or breakdown immediately or as reasonably possible to his supervisor.

Section 3.4 - Displacement

- a) An Owner/Operator who receives a notice of lay-off and/or who has his route discontinued shall be entitled to displace the Owner/Operator with the least seniority within the depot or accept the layoff.
- b) In the event that work normally performed by Owner/Operators is transferred to the hourly bargaining unit employee group, and this transfer of work causes an Owner/Operator to be laid off or an Owner/Operator's route is eliminated, the Owner/Operator so affected may, after exhausting his displacement rights in the Owner/Operator group, make a written request to be considered for an available position within the hourly bargaining unit group which results from the transfer of work or elimination of the route.

The Union recognizes that Owner/Operator runs may be eliminated due to not meeting the base rate guarantee (outlined in Attachment III) on a regular

basis. Where such runs are to be eliminated the Owner/Operator so affected may (after exhausting his displacement rights in the Owner/Operator group) make a written request to transfer to the hourly bargaining unit after successfully completing courier methods and dangerous driving.

If the Owner/Operator successfully obtains an hourly position he will then be considered a new hire for all purposes except probation and wage rate. The wage rate shall be that corresponding to the Owner/Operator's months of service.

Such a transfer request is valid only for the period of time an Owner/Operator is on layoff and has recall rights. The Owner/Operator shall retain recall and seniority rights in the Owner/Operator group while in the hourly position he is transferred to for a period of twelve (12) months from the time of transfer.

Section 3.5 – Postings

Permanently vacant Owner/Operator routes will be posted by depot. Such vacancies shall be awarded by seniority subject to the Owner/Operator possessing the required qualifications. All postings shall be placed on the bulletin board with an indication of the time it was posted and copied to the steward on the date of posting.

1. A list of all current accounts on the run.
2. The run boundaries.
3. The base rate of kilometers.
4. Average number of pieces.

5. Number of hours normally worked in a day, including start time, finish time and any on route break.

The Company will, upon request, provide access to an Owner/Operator interested in making application under this article relevant information on the route being posted. The information the Company shall provide will include, but is not limited, to the base kilometer rate or the actual daily kilometers, the average number of pieces, the current route boundaries and other historical data as is available.

The run shall be posted for a period of five (5) working days and shall be awarded within three (3) working days following the end of the posting period, to the senior qualified Owner/Operator. It is understood that the interested Owner Operators shall be allowed an opportunity to access the run prior to acceptance.

When an Owner/Operator is laid off, he will be placed on a recall list. Owner/Operators will be recalled in order of seniority subject to their possessing the required qualifications.

Section 3.6 - Painting

It is understood that where the Company requires an Owner/Operator to paint his vehicle, it shall be subject to the following conditions:

- a) Upon engagement, the expense of painting the Owner/Operator's vehicle shall be borne by the Company.
- b) In the event the Company, for any reason, decides to change the Company colours, the Company shall bear the full cost of repainting the Owner/Operator's vehicle, where required.
- c) Where body repair work is needed prior to painting, the Owner/Operator shall be notified in writing and

shall bear the full responsibility to carry out the repair work.

- d) Company required decals shall be issued to all Owner/Operators at no expense to the Owner/Operator.

Section 3.7 - General

- a) Owner/Operators shall be provided reasonable access to his daily records upon request.
- b) Owner/Operators must be bondable.
- c) Owner/Operators in Winnipeg will have access to the depot truck wash facilities to wash their vehicles used to transport Purolator freight, so long as they do not interfere with the normal washing of Purolator vehicles.
- d) Subject to service requirements, the Company will devote its best efforts towards keeping the Owner/Operators fully engaged in providing services.
- e) The Company shall, upon request, review split shifts and wherever possible minimize such split shifts to the extent its operational and service needs allows it to do so.
- f) Established Owner/Operator routes shall not be modified unless required by service needs, or unless the route is not economically viable. Economically viable is defined to mean that the route by all means of income does not generate the daily base rate as outlined in attachment III of this Appendix. Where modifications are to be made, the Company shall have meaningful discussion concerning the modifications with the Union and the affected Owner/Operators prior to implementing them.
If a dispute arises as to what constitutes “service needs” in a given route modification, the parties agree

to meet to discuss and resolve the issue. Should the parties be unable to reach an agreement, either party may proceed directly to arbitration.

- g) Subject to meeting his regular route requirements and meeting all service commitments, an Owner/Operator who has previously indicated his willingness to perform additional work will be given the opportunity to pick-up and deliver overflow freight not handled by Company hourly employees.
- h) If the Company is responsible for an error in excess of \$125.00 in the remuneration to an Owner/Operator, the Owner/Operator may request that the error be corrected within the three (3) working days following the request. Failing such a request the error will be corrected on the next regular cheque issued to the Owner/Operator.
- i) The Company will provide cargo insurance to the Owner/Operators for Purolator freight.
- j) Should an Owner/Operator voluntarily assume a regularly scheduled sixth day of work, he will be entitled to relinquish such work following two (2) weeks prior notice to the Company.

ARTICLE 4 - SENIORITY

Section 4.1 - Definition

Seniority is defined as the total length of "continuous service" as an Owner/Operator hired by Purolator Courier Ltd. The purpose of seniority is to provide the order of work preference, lay offs and recalls.

Section 4.2 - Probationary Period

The probationary period for Owner/Operators is sixty (60) days worked during a four (4) consecutive month period. Upon completing his probationary period the Owner/Operator shall have his name placed on the Owner/Operator seniority list.

In the case of discharge during the probationary period, an Owner/Operator may not avail himself of the grievance and arbitration procedure.

Section 4.3 - Owner/Operator Seniority List

The Owner/Operator seniority list shall be separate and distinct from the seniority list applicable to hourly employees covered by the Collective Agreement. Seniority obtained under one list is not transferable to the other.

Section 4.4 - Termination of Seniority

An Owner/Operator will be deemed to be terminated and he will lose all seniority rights and privileges and the Company shall have no further obligation to the Owner/Operator in the event that:

- a) his contract is terminated according to the terms of the written Owner/Operator Contract;
- b) he voluntarily quits;
- c) he is discharged for cause;
- d) he is absent for three (3) days or more without the authorization of the Company;
- e) he has been laid off for twelve (12) consecutive months;
- f) he does not reply to a notice of recall to work within the three (3) working days following receipt of such notice or if he does not return to work within the delays therein provided, without valid reason.

- g) he has been absent from work by reason of medically certified illness or injury, either work related or not, for a consecutive twenty-four (24) month period, or such longer period as required by law.

Section 4.5 - Promotion Outside the Bargaining Unit

An Owner/Operator who accepts a management position accumulates his seniority during a period of ninety (90) calendar days from the first day in the management position. During this period the Owner/Operator may return to his position within the bargaining unit. At the end of this period, the Owner/Operator loses his seniority and all rights and advantages provided for in this Appendix.

ARTICLE 5 - APPLICABLE PROVISIONS OF THE COLLECTIVE AGREEMENT

Section 5.1 - Definition

For clarification, wherever the term "collective agreement" is used in this Appendix, it refers to the Collective Agreement to which this Appendix is attached.

Section 5.2 - Applicable Provisions

The following provisions of the Collective Agreement also apply to Owner/Operators:

- a) Article 3 - Management Rights;
- b) Article 4 - Continuity of Operations;
- c) Article 5 - General Provisions;
- d) Article 6 - Union Security;
- e) Article 7 - Union Representation, excluding Clauses 7.01, 7.03 and 7.06;
- f) Article 8 - Grievance Procedure, excluding Clauses 8.11 and 8.12;

- g) Article 9 - Arbitration;
- h) Article 10 - Disciplinary Measures;
- i) Article 22 - Health and Safety at Work, excluding Clauses 22.03, 22.04, 22.06, 22.08 and 22.09;
- j) Clause 29.01 - Uniforms;
- k) Article 30 - Interpretation;
- l) Article 31 - Duration and Renewal.

No other provisions of the Collective Agreement may be applied to Owner/Operators either directly, or by reference or implication.

ARTICLE 6 - Owner/Operator Contract and Standards of Performance

Copies of these standard documents are attached to this Appendix and remain in effect for the duration of this agreement.

ARTICLE 7 - Owner/Operator Compensation

The Owner/Operator compensation schedule is attached to this Appendix and remains in effect for the duration of this agreement.

ARTICLE 8 - Health and Welfare

Owner/Operators shall receive the same Health and Welfare benefits, excluding Weekly Indemnity, Long Term Disability and the Pension Plan, as the hourly employees. Owner/Operators must meet the eligibility criteria outlined in Article 26 of the Collective Agreement. Monthly premiums to be paid by Owner/Operators are \$10.00 for single coverage and \$20.00 for family coverage.

Letter of Understanding No. 1

Between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

VOLUME FORMULA

Due to the changing nature of the types of freight Owner/Operators are required to carry, a volume formula for each piece shall apply for all pieces over nine (9) cubic feet, with each additional cubic foot or portion thereof being considered one (1) piece and paid accordingly.

For the Union

For the Company

ATTACHMENT I

OWNER/OPERATOR CONTRACT

AGREEMENT FOR SUPPLY AND OPERATIONS OF
MOTOR VEHICLE

THIS AGREEMENT made the of , 2000

between

PUROLATOR COURIER LIMITED
("PUROLATOR")

and

("OWNER/OPERATOR")

WHEREAS Owner/Operator owns or leases a vehicle (the "Vehicle") suitable for the pick-up and delivery of small parcels (the "Services"); and

WHEREAS Owner/Operator is willing to make available and operate the Vehicle to perform the Services for Purolator upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties covenant and agree as follows:

1. Owner/Operator, making use of the Vehicle, shall perform the Services in a timely and efficient manner.
2. Owner/Operator shall maintain the Vehicle in safe, serviceable and clean condition.
3. All costs of Vehicle operation and maintenance shall be borne by the Owner/Operator.
4. Owner/Operator shall, at Owner/Operator's expense, maintain liability insurance on the Vehicle in accordance with provincial requirements.
5. Owner/Operator shall, at Purolator's expense decorate the Vehicle in accordance with Purolator's specifications.
6. If deemed necessary by Purolator, Owner/Operator shall install in the Vehicle a two-way radio and/or other communications equipment supplied by Purolator and make use of such equipment in performing the Services. Such equipment will be serviced by the Company at the Company's expense. The Company will reimburse Owner/Operators for the cost of cellular phone calls made to or from the Company for business reasons, in areas where the Company radio network is not functional. Such reimbursement will be made upon submission of a receipt, with supporting documentation. The Owner/Operator must have the prior authorization of his manager.
7. Owner/Operator shall deliver to Purolator a daily summary of Services performed including but not limited to, delivery route sheets, pick-up waybills and manifest sheets, plus a daily pay summary.
8. For the service rendered pursuant to this Agreement, Purolator shall pay Owner/Operator bi-weekly in accordance with Owner/Operator Compensation Plan.

9. Owner/Operators undertake to indemnify and hold Purolator harmless from all claims, debts, demands, suits, actions, and causes of actions whatsoever for loss, damages, delay and liability of any nature or kind whatsoever, made or brought by any person, firm or corporation against Purolator arising out of or in connection with the Services rendered by the Owner/Operator.
10. The sole relationship between the parties hereto is that of principal and businessman and nothing herein shall be deemed to create any other relationship including, without limiting the generality of the foregoing, any relationship of employer and employee, agency, partnership, association or joint venture.
11. This Agreement is terminable by either of the parties without advance notice in the event of:
 - a) default by the other party in the performance of any of its obligations under this Agreement; or
 - b) bankruptcy of the other party or the seizure or attachment of such other party's assets by third party.
12. Upon termination of this Agreement, Owner/Operator shall forthwith remove from the Vehicle the word "Purolator" and all the trademarks, logos and other elements of decoration which are distinctive of Purolator.
13. No waiver on behalf of either party hereto of any of the provisions of this Agreement shall be effective unless expressed in writing and any waiver so expressed shall not limit or affect the rights of the party granting such waiver with respect to any other or future matter arising hereunder.

14. This Agreement supersedes all former agreements whether oral or written, in force between the parties hereto concerning the subject matter of this Agreement, all which are terminated as of the date hereof.
15. Any notice given under this Agreement shall be in writing and personally delivered or mailed by registered letter at the last known address of the other party. In the event of mailing in the matter aforesaid, such notice shall be deemed to have been received six, (6), business days after mailing.
16. In the event the Vehicle is used to transport freight for others, the Purolator vehicle markings, the "Purolator" trademark, distinctive colours and designs, license plates and operating authority shall not be displayed or relied upon.
17. The Owner/Operator will be governed at all times by the attached Standards of Performance.

IN WITNESS WHEREOF the Parties hereto have set their hands and seals on the day and year first above written.

PUROLATOR COURIER LIMITED

BY:

(WITNESS)

(OWNER/OPERATOR)

ATTACHMENT II

OWNER/OPERATOR

STANDARDS OF PERFORMANCE

SECTION 1 - VEHICLE SPECIFICATIONS:

Owner/Operators are required to supply their own vehicle for the purpose of providing service to Purolator.

1. It is the responsibility of the Company after consultation with the Owner/Operator to determine the size and specifications of vehicles used on any particular route.

Upon hiring, transferring, route growth and vehicle replacement, as a condition of continuous employment, Owner/Operators will be required to provide a vehicle which complies with Purolator's size and specifications. Any change in requirements will be communicated to the Owner/Operator as soon as reasonably possible.

Where there is a disagreement between the parties on the size of vehicle required, the Owner/Operator shall be allowed to use a secure trailer at his own expense and receive an allowance, the allowance shall be an allowance agreed upon by the Union and the Company to cover such additional costs of the trailer for a period of up to three (3) months. Where it can be demonstrated in such a three (3) month period that a larger size vehicle is required the Owner/Operator shall

be required to upgrade his vehicle within the following thirty (30) days.

The Owner/Operator so affected by a requirement to change his vehicle size or specifications may accept the change or may exercise his displacement options as per the provisions of Article 3, Section 3.4 of this Appendix.

2. Depending upon route requirements, the Owner/Operator will provide a suitable vehicle. Within sixty (60) days of replacement of vehicle, the Owner/Operator must have his vehicle painted according to Purolator's standards and specifications.
3. Vehicles with windows shall be allowed, however, the Owner/Operator shall have such windows either painted or decaled.
4. Owner/Operator shall at Purolator's expense decorate the vehicle in accordance with Purolator's specifications. This is to be completed within sixty (60) days of hire or replacement. The Purolator trademarks, distinctive colours and designs used in connection with the business and service provided by Purolator shall remain at all times during the term and any renewal thereof the property of Purolator and any benefit associated with such use shall accrue wholly to Purolator. The Owner/Operator can use the Purolator trademark, distinctive colours and designs only with the consent of Purolator and only in connection with the services provided to Purolator.

On termination of the Owner/Operator's contract with Purolator, or at the time of indefinite layoff, the Owner/Operator shall immediately and at Purolator's expense remove from the vehicle the Purolator

trademarks, distinctive colours or designs before receipt of his/her final cheque.

Purolator may require the placement of M.C.C. or other Provincial or Area Identification. If such is the case, Purolator will pay for the expense. No other vehicle markings are to be placed on the vehicle unless approved by Purolator.

5. Modifications to existing or replacement vehicles must be approved by Purolator in writing.
6. All rust spots, dents and body repair work is to be completed within 30 days of Purolator's request in writing, with a copy to the Union, to have such work completed. The Owner/Operator is responsible for all expenses in this area including the rental of a vehicle to maintain regular service.
7. All maintenance and operating costs are borne by the Owner/Operator.
8. The Owner/Operator shall be responsible to provide a vehicle at his/her expense at any time his vehicle is unavailable for regular service. The replacement vehicle must conform to Purolator's standards as to size and conditions but not colors. Replacement vans must not be used for more than one (1) week unless extenuating circumstances warrant an extension which must be approved by Purolator in writing.
9. Owner/Operator will ensure their vehicle complies with all security, licensing, cleanliness, insurance, mechanical, maintenance, safety, physical condition and appearance requirements as established and amended from time to time by Purolator.
10. The serviceable age of the vehicle shall be deemed to be six (6) years and any vehicle which is older than three (3) years must be inspected annually. The six (6)

years may be extended to ten (10) years based on vehicle condition and reliability. Such extension would be approved by Purolator, in writing, subject to the results of the vehicle inspection.

SECTION 2 - OPERATION OF VEHICLE

Courteous driving and compliance with applicable, traffic ordinances, motor vehicle regulations and security of our packages will be adhered to at all times.

1. Owner/Operators making personal use of the vehicle outside normal working hours shall operate their vehicle in a safe, courteous and professional manner.
2. Unless previously approved by Purolator, no hitchhikers, unauthorized personnel, or animals shall be transported in an Owner/Operator vehicle while performing services for Purolator. This will not apply to situations where an Owner/Operator is providing emergency assistance to another motorist.
3. The use of substitute drivers must be approved by Purolator and this approval will not be unreasonably withheld. Where required the Owner/Operator assumes all liability insurance and Worker's Compensation for any substitute driver operating their vehicle.
4. As a condition of employment, the Owner/Operator at his/her expense will provide Purolator with a copy of their Driver's Abstract.
5. Where required, the Owner/Operator will supply Purolator with a copy of their vehicle registration showing Purolator's safety number and Purolator Courier listed on the registration. Also, the

- Owner/Operator must provide a copy of the vehicle route class code and Motor Carrier License.
6. All Owner/Operators will provide and maintain at their own cost and expense all tools, machinery, supplies, fuels and oils necessary to perform the services undertaken by the Owner/Operator.
 7. All Owner/Operators are responsible for having on hand appropriate supplies such as Bill of Lading, Puroletters, Puroletter Plus, Puropaks and all service label while ensuring proper utilization and control. On termination of the Owner/Operator service, the Owner/Operator shall surrender all paper products of materials with the Purolator trademark, distinctive colour or designs before the final payment is made to the Owner/Operator. This includes any keys and identification tags.
 8. All Owner/Operators are responsible to identify and communicate to his/her respective terminal all shipments that cannot be delivered for whatever reason.
 9. It shall be the responsibility of the Owner/Operator to provide an adequate vehicle and assure a Purolator approved replacement in the case of absenteeism.

SECTION 3 - GENERAL OPERATING STANDARDS

Purolator has certain rules of conduct for the guidance and benefit of all Owner/Operators. It is the responsibility of each and every Owner/Operator to protect our customers' property and to ensure safe, prompt and secure services. In addition, we must take every possible precaution to provide for the safety and security of all personnel, vehicles, terminals, customer's premises and the general public. All

Owner/Operators are expected to demonstrate integrity, courtesy, safety and conduct of the highest standard.

The rules and regulations listed below are not exhaustive and do not cover every possible situation. When unsure of the proper procedures to follow, Owner/Operators are responsible for contacting their immediate supervisors.

An Owner/Operator who fails at any time to maintain proper standards of conduct or who violates Company rules shall be subject to disciplinary measures up to and including termination of contract.

GENERAL RULES

1. Truthful, accurate and complete reports must be made at all times. Falsification of any report is strictly prohibited.
2. All personal injuries or illness must be promptly reported to your supervisor, whether suffered while on duty.
3. Uniforms must be worn while performing Purolator business in a decaled vehicle and are not to be worn during off-duty hours.
 - a) Any Owner/Operators who have been assigned a uniform and reports to work without a proper uniform will be relieved of their duties without pay and expected to return in uniform as directed by their supervisor.
 - b) The Owner/Operator is expected to maintain and clean such uniforms.
 - c) All uniforms must be returned to Purolator upon leaving Purolator before the final cheque is released.

- d) Purolator will pay for new uniforms according to Purolator's uniform policy.
 - e) No deviation in the uniform such as T-shirts or shorts are permitted which are not part of Purolator's uniform policy. Likewise garments bearing the Purolator logo which are not part of the uniform are not to be worn to work.
4. Having in possession, using or being under the influence of intoxicating drugs or alcohol at any time during the period between start and finishing time, whether or not on Company premises, is forbidden and will result in immediate contract termination.
 5. Owner/Operators shall not carry or have in their possessions firearms or other weapons while on duty.
 6. Owner/Operators agree to pick-up and/or deliver at all regular customer locations as assigned on the route sheets and at all unscheduled locations as instructed.
 7. The use of abusive language is prohibited.
 8. Fighting, horseplay or engaging in any conduct which creates a safety hazard to oneself and/or others is prohibited.
 9. The Owner/Operator agrees not to abuse or misuse any of Purolator's property.
 10. No soliciting or gambling is permitted on Purolator's property.
 11. Owner/Operators shall not guarantee levels of service or time of pick-up.
 12. Owner/Operators are responsible for the accurate and legible manifesting of all shipments moved in each work day and in obtaining receipts of all items that are delivered.
 13. All Bills of Lading and/or Manifests shall be carefully checked by the Owner/Operator to see that they

- properly reflect the name and address of the consignor and consignee, the accurate number and weight of all packages included in the shipment, the service type and payment method.
14. The Owner/Operator is responsible for submitting to Purolator an accurate and legible summary of each day's transactions along with all Bill of Ladings, cash, cheques, money orders, route sheets and other forms of payments received on behalf and for delivery to Purolator.
 15. The Owner/Operator will invoice Purolator as required for services rendered according to the Owner/Operator invoicing procedures.
 16. Cash to Courier and C.S. (Controlled Shipments) Procedures must be adhered to at all times. Refer to the Operations Procedures Manual for complete details.
 17. It is each Owner/Operators duty to properly guard and account for all packages. Any breach of security suspected theft or any incident that arouses the Owner/Operator's concern or suspicion must be reported to a supervisor immediately.
 18. The Owner/Operator agrees that Customer Shipments will not be thrown or mishandled in any way. Particular attention must be paid to package handling such as "This Side Up", "Caution", and "Fragile".
 19. No Owner/Operator may open, attempt to open, or reach into an opened shipment unless authorized to do so by a supervisor. Any merchandise which falls out of an opened or damaged package may not be kept or used by an Owner/Operator. All such merchandise or shipments must be brought to the attention of a supervisor immediately.

20. Theft of Purolator, customer or other employee's property or Owner/Operator's property will result in immediate contract termination and may also result in criminal prosecution.
21. Owner/Operators must comply with placarding and all other regulations applicable to the handling of Dangerous Goods. Refer to your Dangerous Goods handbook for details.
22. All accidents whether involving other vehicles or not, shall be immediately reported to a supervisor.
23. Unless previously authorized by a supervisor, keys must be removed from the ignition of a vehicle left unattended.
24. Vehicle windows may be left open while the vehicle is unattended provided that all cargo is behind a solid cargo barrier and the cargo compartment is locked.
25. Packages shall not be placed on the roof, hood, or trunk of any vehicle.
26. As required, all Owner/Operator vehicles transporting shipments must enter the Department of Highway's weigh scales. A copy of the vehicle registration, insurance certificate, operating authority, radio license and provincial certificate (where applicable) must be carried by each vehicle and be shown upon request.
27. While in uniform Owner/Operators are expected to behave in a responsible and professional manner.
28. A daily regime of good grooming and hygiene is expected of the Owner/Operator, in order to create and maintain a favourable impression on our customers and prospective customers.
 - a) Hair must be trimmed and combed as to present a neat appearance.

- b) Hair must be groomed to avoid interference with the job function.
 - c) Facial hair must be trimmed neatly so that it does not appear "bushy".
29. The Owner/Operator agrees not to enter any action which may be harmful to Purolator or cause an unfavourable reaction from current or potential customers.

Owner/Operator Name
Date

Owner/Operator Signature

Witness Name
Date

Witness Signature

ATTACHMENT III

OWNER/OPERATOR COMPENSATION SCHEDULE

1. BASE RATE

Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Base Rate Minivan			
162.68	167.56	172.59	177.77
Base Rate Van/1 Ton			
171.11	176.24	181.53	186.98

2. i) KILOMETRE RATE

The following rate per kilometre travelled will be earned by Owner/Operators.

Effective First Monday <u>in Jan 2004</u>	Effective First Monday <u>in Jan 2005</u>	Effective First Monday <u>in Jan 2006</u>	Effective First Monday <u>in Jan 2007</u>
Minivan 0.481	0.495	0.510	0.526
Van 0.495	0.510	0.526	0.541
1 Ton 0.547	0.563	0.580	0.598

The kilometre base will be determined by:

- a) The audit results for the route.
- b) If no audit results are available, map kilometres will be used.

ii) PIECE RATE

The following rate per piece will be earned by Owner/Operators.

Effective First Monday <u>in Jan 2004</u>	Effective First Monday <u>in Jan 2005</u>	Effective First Monday <u>in Jan 2006</u>	Effective First Monday <u>in Jan 2007</u>
0.651	0.670	0.691	0.711

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle; and a properly completed waybill, manifest or other shipping document on the pick-up cycle.

iii) SPECIAL SERVICE

The following is a list of recognized special services:

- a) Kilometres
Where an Owner/Operator is expected to increase the kilometres driven during their route to effect a pick-up or delivery outside their normal audited route, they will be compensated at the appropriate kilometre rate noted in 2 i) above only if the round trip distance exceeds 10% of their kilometre base.
- b) Lead Hand
Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.
- c) Non-Route Specials
Where an Owner/Operator is expected to perform a pick-up or delivery that does not normally form part of his/her route, they will earn the appropriate kilometre rate noted in 2 i) above with a \$10.00 minimum.
- d) Wait Times
Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate provided below the wait exceeds 30 minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

Effective First Monday <u>in Jan 2004</u>	Effective First Monday <u>in Jan 2005</u>	Effective First Monday <u>in Jan 2006</u>	Effective First Monday <u>in Jan 2007</u>
13.06	13.45	13.85	14.27

3. ADDITIONAL INFORMATION

1. Where an Owner/Operator is required to be in radio contact a radio will be provided by Purolator at a usage cost of \$1.00 per working day.
2. Owner/Operators will be paid bi-weekly on the sixth (6th) working day following receipt of their completed documents.
3. Cell Phones: \$25.00/month or actual usage cost, whichever is greater.

Letter of Understanding No. 2

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree to the following:

- a) The Company agrees to meet with the Union during the term of the Collective Agreement to review the feasibility of a stop/piece compensation formula for City of Winnipeg overload freight.
- b) A quarterly Labour/Management meeting will be held. The Company will pay for up to two (2) Owner/Operator representatives to be present at such meetings. Compensation will be paid at the regular hourly wage rate for couriers for all time spent at the meeting with the Company.

For the Union

For the Company

APPENDIX "F" - Linehaul

The following provisions apply to drivers in the 117 classification only.

a) Layover

To qualify for layover pay, the run break must be scheduled at a location other than the home base. Run breaks which qualify for layover pay will be paid according to the schedule below.

<u>Duration of Run Break</u>	<u>Layover Pay Per Break</u>	<u>Additional</u>
4 hrs. 1 min. to 8 hours	\$20.00	N/A
8 hrs. 1 min. and more	\$40.00	Hotel Room

b) The 117 classification - Linehaul - is defined to apply to employees driving five (5) ton or larger, multi-speed, diesel powered vehicles or shunt tractors.

APPENDIX "G" - Ontario Hub

The following additional provisions apply to employees at the Ontario Hub at 62 Vulcan Street:

1) Eight Hour Schedules

For the duration of this Collective Agreement, the Company will provide for a minimum of thirty-five (35) eight (8) hour Sorter and or Marker positions.

2) Sorter Vacancies

All Sorter vacancies (except eight (8) hour Sorter vacancies) are filled separately on the AM and PM shifts. The following process will apply for the filling of all permanent Sorter vacancies on both shifts (except the eight (8) hour Sorter vacancies which will continue to be posted as per Article 13.01 of the Collective Agreement):

- a) An employee who wishes to increase or decrease his daily scheduled hours on his shift, must submit his request in writing to the Human Resources Department. Such request will be valid as of the first (1st) of the month following the receipt thereof.
- b) When a permanent vacancy occurs that requires filling, the Company will look to the Change in Hours lists (one AM list and one PM list) generated by Human Resources from the employee requests outlined in a) and offer the position in order of seniority to those qualified employees who have requested that number of daily hours. The Company will provide a copy of the lists to the Union Steward.
- c) Subsequent vacancies will be filled using the same process until the point where there are no interested employees from that shift. The Company will then utilize the following process for filling the vacancy:

- i) Internal Shift Transfer List, then
 - ii) External Transfer List, then
 - iii) Filled as the Company sees fit.
- d) An employee shall have his name struck from the Change in Hours list in the event that he refuses to accept a vacant position with the same total daily hours as indicated on the original request.

3) Marker Vacancies

All permanent Marker vacancies will be posted as per Article 13.01 of the Collective Agreement.

4) Extra Work (Applicable to Sorters and Markers):

Extra work that may be required will be offered by the Company by classification to those employees who have signed the Availability List in conjunction with Article 17.02, commencing with those employees scheduled for the fewest number of hours. These employees will continue to be utilized until they have reached the projected forty (40) hour work week at which time additional work will be assigned to the most senior employee with the fewest number of weekly scheduled hours and by seniority for those employees over forty (40) hours in a week. This does not preclude a senior employee working more hours than a junior employee. For the purposes of the availability list only, the forty (40) hour work week is determined by the sum of projected weekly scheduled hours plus extra hours worked.

Pre and Post Shift Work:

The Company shall have the right to require the performance of additional work beyond the daily scheduled hours. Where additional work is required to be performed it will first be offered by seniority amongst the employees working in the same classification and on the same shift of work (i.e. AM or PM)

where the need occurs, who have indicated their interest in the work through the Availability Lists.

Pre and post shift work is defined as:

- a) any Sorter/Marker work not already regularly scheduled that is available prior to the beginning of an employee's shift.
- or
- b) any Sorter/Marker work not already regularly scheduled that:
 - i) follows a Sorter's/Marker's regular shift who is on the Availability List and
 - ii) is expected to be of a duration of greater than fifteen (15) minutes and
 - iii) management is aware of the availability of this work prior to the end of the available Sorter's/Marker's regular shift.

Employees will be contacted at the telephone number listed. If there is no answer, an answering machine is reached, or the employee is not available, the Company will proceed to the next person on the list.

The list will be posted at the beginning of the week and will apply for only those days indicated. A copy of the list will be provided to the Union Steward.

It is understood that employees who place their name on the Availability List are thereby committing to work. If offered extra work on the date indicated on the list, the employee must comply with his commitment. Failure to do so may result in disciplinary action.

Where there is not a sufficient number of employees available to perform the additional work required by proceeding in the above-mentioned manner, the Company shall have the right to assign the additional work to the employee(s) having the least seniority within the classification concerned and working on the shift of work concerned.

5) End of Shift (Applicable to Sorters and Markers)

- a) An employee who is unable to work past his scheduled finish time must approach his immediate manager at the beginning of the shift to advise of his unavailability to work beyond his schedule. The manager will record the name of the advising employee(s).
The Availability List, and if necessary junior employees as outlined in 4) above, will be utilized to replace such employees, where necessary.
- b) In an emergency situation where the entire shift is required to stay or in the event that the employee requesting to leave is a junior employee required to work as per 4) above, management may revoke requests approved in a) above.
- c) In the event where an individual employee, who has followed the process outlined in a) above, has his request denied or revoked other than for the reason as outlined in b) above, the employee and the Union steward will meet with the Senior Manager of that shift prior to the end of the affected employee's scheduled hours to discuss the matter.

6) Information to Union Steward

The Company shall remit to the Union steward and the Local Union on a quarterly basis, a list containing the following information:

- a) The name of the employee included in the bargaining unit represented by the Local Union;
- b) The classification of the employee;
- c) The seniority date of the employee;
- d) The work area number of the employee;
- e) The hours scheduled in the position of the employee.

7) Vacation Freeze

- a) The current practice of maintaining a vacation freeze for employees in the 117 classification during the months of October, November and December, shall be modified to allow four percent (4%) of said employees to take vacation

in the months of October and November and in December with the exception of the week of Christmas and the two (2) work weeks prior to the week of Christmas.

- b) The current practice of maintaining a vacation freeze for employees in the classifications other than the 117 during the months of October, November and December, shall be modified to allow six (6) of the said employees per week to take vacation in the months of October and November and in December with the exception of the week of Christmas and the two (2) work weeks prior to the week of Christmas.

8) Discipline – Call In

The Company and the Union agree that the penalties below will be imposed in cases where management is not satisfied with the employee's reasons for not calling in at least one hour before the start of the shift. Where an employee provides a satisfactory reason for not following normal call in procedure, no discipline will be dispensed. In some cases the employee's explanation may lead to the discipline being reduced.

- a) An employee who does not report for work and who fails to call in no later than one hour after the scheduled start of his shift will be considered to be absent without leave and will be given a one day suspension.
- b) An employee who does not report for work but who calls in less than one hour before the scheduled start of his shift but not later than one hour after his scheduled start time, will be given a written reprimand for failing to follow proper call in procedure.
- c) An employee who does report for work, but late, shall be deemed to be late and disciplinary action will commence if the frequency of "lates" becomes unacceptable. If the employee is more than one hour late without a satisfactory reason, he will be deemed to be absent without leave.
- d) The disciplinary measures outlined above are for first infractions. Any repetition of such conduct will result in more severe disciplinary measures.

- e) For clarification purposes, the requirement of an employee to "call in" is not simply a phone call to the Company. The use of "call in" above is intended to refer to full compliance with the Company Call In Procedure in place i.e. the employee must contact his/her manager, provide a reason for the absence, leave a contact phone number, etc.

Failure to comply with proper call in procedure may lead to disciplinary action.

Where an employee has called in and the Company manager needs to call the employee back, then he will attempt to do so within two (2) hours of the employee's start time. If the manager is unable to call the employee back within two (2) hours of their start time and places a call after the two (2) hours, then the employee will not be disciplined for not being available to take the call.

9) Maintenance Department

- a) The Company will maintain its current practice in providing specialty tools, protective equipment and working clothes.
- b) All full-time Licensed and Unlicensed Tradespersons who have completed their probationary period, will be entitled to \$225.00 annually for tools.

10) Job Postings

The Company will provide copies of the job postings and the results of job postings to the designated Union Steward.

APPENDIX "H" - Air Division

The following additional provisions apply to employees working in the Company's Air Division (Ramps):

1.01 Training

The Company agrees to continue its current practice in providing training and recurrency training to perform the essential duties on the airside. This training does not include the time it takes for an employee to obtain their security clearance and/or driver airside pass ("Airside Vehicle Operators Permit").

1.02 Health and Safety

- i) The Company agrees to supply first aid supplies as required to comply with all provisions of the Health and Safety section as outlined in the Canada Labour Code Part II.
- ii) The Company agrees to provide first aid supplies on the ramp and in the administrative areas.
- iii) The Company agrees to provide the following safety equipment where required:
 - ear protection (head set or soft)
 - knee pads
 - eye protection.
- iv) For de-icing crew, the Company will provide the following safety equipment:
 - insulated rubberized gloves
 - waterproof outerwear (head and body)
 - head covering including filtration mask and goggles
 - safety harness
 - proper personal ventilating masks for each employee shall be provided.The equipment will be replaced as necessary.
- v) In addition to the safety footwear provisions of clause 22.08 and where required the Company will

pay up to \$75.00 annually for winter or rain footwear upon presentation of a valid receipt.

- vi) A premium of thirty-five dollars (\$35.00) per week shall be paid to all employees required to perform de-icing duties in any week.

1.03 Loss of Driving Permit

It is agreed that the provisions of Clause 11.04 will be applicable to Ramp Equipment Operators.

1.04 Uniforms

The Company will provide a uniform to each employee as follows:

- One all weather/rain jacket with hood and detachable polar vest
- One rainsuit pant
- Five short sleeve polo shirts
- Three pants
- One insulated winter coverall (where required)
- One balaclava toque (where required).
- Suitable gloves/mitts to be provided to ramp employees required to work outside. Gloves/mitts will be replaced when original pairs are returned for exchange.

All uniforms will be replaced as necessary.

1.05 Transport Canada Restricted Area Pass

The employer will cover all costs associated with the Transport Canada Restricted Area Pass for Purolator employees who transfer to a position who require the said pass. This does not apply to new employees hired.

APPENDIX "I" - TECHNICIANS

The following additional provisions apply to employees in the functional group of Garage:

1.01 Overtime

The Company shall be entitled to require the performance of overtime work as defined in Article 17.01 of the Collective Agreement. The said overtime, for all the classifications within the functional group of Garage, will be assigned in the following manner. Such overtime work required will be offered by seniority amongst the employees working in the same classification and on the same work shift where the need occurs, except for the continuity of specific work on a vehicle. In such a case, the employee having started the work has the priority on all the other employees, whatever the seniority.

Where there is an insufficient number of employees available in a classification to perform the overtime required, the said overtime will then be offered, by seniority, to the employees in other classifications who are qualified to perform the said work.

Where there is an insufficient number of employees available to perform the overtime required by proceeding in the above-mentioned manner, the Company shall have the right to assign the employee(s) having the least seniority within the classification concerned and working on the work shift concerned, in order to perform the overtime work required. However, no employee will be forced to work more than four (4) hours preceding or succeeding his regular shift.

2.01 Working Clothes

- a) The Company will provide eleven (11) overalls, eleven (11) shirts and eleven (11) pants for each garage employee.
- b) The Company will provide one parka to each vehicle technician every 24 months. The Company will maintain its current practice in providing raincoats.

- c) Appropriate gloves, welding or soldering glasses and a protective apron will be at the disposal of employees who are performing welding or soldering work.

2.02 Tools

- a) The Company will reimburse the cost of repurchasing the tools of the garage employees in case of fire or theft leading to the loss of tools. There is a \$200.00 deductible per loss to be paid by the employee. To benefit from this provision, the employees must have provided a detailed list of all the tools in their tool chest, with their value. It is understood that this list must be provided upon hiring and be updated regularly.
- b) All tools of 3/4 inch drive, 1/2 inch air impact gun, and any specialty tools identified and required by the Company will be supplied by the Company.
- c) For the duration of the present Collective Agreement, the Company agrees to continue the practice of supplying flashlights and batteries required for the job, provided all old and/or dysfunctional flashlights and batteries are turned in by the employee to his manager.
- d) All full-time Vehicle Technicians who have completed their probationary period will be entitled to two hundred and twenty-five dollars (\$225.00) annually for tools.

2.03 New Equipment and Training

If an employee is required by the Company to perform work on a new type of equipment requiring additional training, he will be paid at his appropriate regular hourly rate for the time spent in training.

The Company commits to provide specialized training to employees in all garages. The Company will post the required training, time frame, and number of employees required. An interested employee will sign the posting.

The Company will select the final candidates based on those requiring skill upgrading and then from the posting.

3.01 Annual Shift Bids

Excluding Quebec, by mutual agreement between the Local Union and the Company, in January of every calendar year the Company will establish and post all shifts required for each classification in the functional group of Garage subject to the following conditions:

- a) The shifts will be posted by separate classification.
- b) The shifts will be awarded by seniority to those within the classification i.e. all shifts posted for classification 012 will be awarded by seniority to those employees in the 012 classification.
- c) This bid process will take place at each garage and will be limited to that site.
- d) The Company has the right to retain a nucleus of required experience on each shift as necessary.

4.01 Team Leader

A team leader shall be defined as a bargaining unit member who, in addition to his regular duties, may direct the work of other bargaining unit employees and perform related administrative duties. He shall not have the authority to hire, fire or discipline.

When management desires to appoint a team leader a notice to such effect will be posted at the location where the team leader is required. Employees who are interested in the team leader duties may submit their name to their manager for consideration.

The selection of the team leader will be solely at the Company's discretion.

When a team leader is appointed the Company will post a notice to that effect at the appropriate locations.

5.01 Air Ramp Technicians

It is recognized that Technicians working at the Air Operation Ramps will be designated as Class "A" Technicians.

6.01 List of Supervisors

The Company will post a list of supervisors responsible for the particular site.

7.01 Health & Safety

In all garages or shifts with only one (1) technician the Company shall provide a panic alert device.

8.01 Leadhand Premium

In a garage where there is only one (1) mechanic that mechanic will receive the lead hand premium outlined in Appendix "A" 1.07 of the Collective Agreement.

APPENDIX "J" - Accident Policy and Procedure
Excluding Local Unions 31, 880 and 213

BASIC PURPOSE:

To minimize the human and property costs associated with accidents involving vehicles by promoting safe driving through the application of a point system.

I. Point System

CREDIT POINTS

Credit points will be awarded to active employees in driving classifications as follows:

1. Provided there are no outstanding demerit points, one half (1/2) credit point will be awarded upon completion of six (6) consecutive months of accident - free driving. Such credit points will be calculated on an annual basis.
2. A maximum of twelve (12) credit points may be accumulated.

DEMERIT POINTS

In the event of an accident, an Accident Report containing all relevant information is completed and is used by the designated Company representative to establish whether or not the accident was preventable. If preventable, demerit points will be charged as follows:

1. Demerit points by type of at-fault accident:

	<u>Totally</u> <u>At Fault</u>	<u>Partially</u> <u>At Fault</u>
i) Unreported accident*	7	n/a
ii) Head-on (our vehicle left of centre)	6	4

		<u>Totally At Fault</u>	<u>Partially At Fault</u>
iii)	Accident involving pedestrian, cyclist or aircraft	6	4
iv)	Roll away	5	3
v)	Hit other vehicle in rear**(A)	5	3
vi)	Upset or roll-over	5	3
vii)	Intersection	4	2
viii)	Hit other vehicle in rear**(B)	3	2
ix)	Backing	3	2
x)	Struck parked car	3	2
xi)	Sideswipe	3	2
xii)	Hit fixed object	3	2
xiii)	Ran off roadway	3	2
xiv)	Incident***	2	1
xv)	Miscellaneous****	2	1

* All accidents or incidents, no matter how minor, must be brought to the attention of the Company by the employee, failing which such accident or incident will be classified as an unreported accident.

** "Hit other vehicle in rear" has been divided into two (2) categories:

- A) An accident where speed and/or unsafe following distance results in the driver being unable to stop safely.
- B) A low-speed accident where the movement immediately prior to the accident was a "successful safe stop".

*** "Incident" is defined as very minor damage such as a paint rub, minor dent or less than five hundred dollars (\$500.00) worth of material damage which includes parts and labour. This would include both Purolator's and the other vehicle(s). In any one year period, each driver will be allowed a maximum of three (3) incidents without demerit points being charged against their driving record. Should more than three (3) incidents occur in any one year, demerit points will be charged for each additional accident, as shown in the above chart. A driver incurring "incidents" to the maximum of three (3) in any one year, will still be entitled to both credit points and a safe-driving certificate.

NB: If an insurance claim is submitted on behalf of a third party and that claim relates to an accident previously defined as an "incident" with no penalty imposed, the accident will be reclassified and the Courier's driving record adjusted accordingly. In this case, the driver concerned will be advised and he may submit his case to the appeal procedure as mentioned in the present Appendix.

**** "Miscellaneous" is defined as hitting a fallen tree, unattended bicycle; etc.

2. Employees accumulating nine (9) or more demerit points at any time during employment will be discharged, except for any employee with five (5) years or more seniority can once during the term of his employment:

- a) Fill a permanent vacant position with non-driving duties that has been posted.
 - b) Should a position become available in a) and the employee elects not to fill the position, his employment will be terminated.
 - c) Should there be no vacant position available in a), the employee will be on an unpaid leave of absence – this leave will be granted up to a maximum of twelve (12) months at which time the employee's employment will be terminated. The responsibility rests with the employee to be aware of all vacancies during his leave of absence.
 - d) Once working in the classification the employee may then exercise his seniority and post to any future positions with non-driving duties.
 - e) After three (3) years of working in a non-driving classification, the employee may exercise his seniority and post to driving positions in accordance with Article 13.
 - f) The employee must successfully complete all required tests and must have the required qualifications.
 - g) The employee returning to the driving classification will begin with six (6) demerit points on his record.
 - h) Fifty (50%) of these demerit points will be credited to the employee's record on the annual anniversary date of his return, the whole in compliance with Appendix J.
3. An employee whose status has changed from a position within a driving classification to a position within another classification, will retain any accumulated credit and demerit points. Additionally, the employee's driving record will be frozen at the time of leaving the position within a driving classification and will reactivate only when he returns to a position within a driving classification.

During this period, the employee will be unable to accumulate credit points or reduce demerit points on his driving record, and will not participate in the safe driving certificate program. The present provision also applies to an employee within a driving classification who is laid off, for the duration of the lay off, or who is absent from work by reason of illness or accident for a period exceeding twenty (20) working days.

4. An employee will receive written notification of each at-fault accident assessment from the designated Company representative.

II. METHOD OF DEMERIT POINT REDUCTION

1. Fifty percent (50%) of the demerit points charged for each accident will be credited to the employee's balance twelve (12) consecutive months after the anniversary date of each such at-fault accident.
2. The balance of the demerit point total charged for each such accident will be credited after twenty-four (24) consecutive months from the anniversary date of each such at-fault accident.

III. SAFE DRIVING CERTIFICATES

1. Safe driving certificates will be awarded to active employees in driving classifications.
2. Employees will be eligible to receive a safe driving certificate and gift upon completion of the first twelve (12) months of accident free driving. Thereafter, safe driving certificates and gifts will be awarded on the 5th, 10th, 15th, 20th, 25th and 30th year of accident free driving. Local depots will award yearly safe driving certificates.
3. The twelve (12) month period is calculated from the employee's date of entry into a driving classification. Should an employee be involved in an accident, the twelve (12) month period will be calculated from the date of the

accident. Safe driving certificates will be awarded to all employees in January and/or February of each calendar year.

IV. APPEAL PROCEDURE

- a) The decision of the designated Company representative shall be final and binding upon the Company, the Union and the employee concerned, unless the decision is reversed by the Accident Review Board, a third party, or an arbitrator as per the following procedure;
- b) In the event an employee wishes to appeal the decision of the designated Company representative relating to his accident or incident, he must do so in writing to the District Manager concerned within the five (5) working days following receipt of the decision of the designated Company representative;
- c) The purpose of a hearing held by the Accident Review Board is:
 - i) To hear the appeal of a decision taken by the Company concerning an accident, as hereafter mentioned;
 - ii) To review the accident file which is the object of the appeal;
 - iii) To allow the employee concerned and the designated Company representative an opportunity to be heard;
 - iv) To promote safe driving and maintain safety standards which are consistent with those of the Company.
- d) The Accident Review Board will meet within ten (10) working days of request for appeal in the event of an appeal for a termination. In all other appeals the employee will be advised within ten (10) working days following his request for appeal, of the date the Accident Review Board will meet.

V. COMPOSITION OF AN ACCIDENT REVIEW BOARD

By mutual agreement between the Company and the Local Union, employee representation will be provided on the Accident Review Board. In such a case the Board will be comprised of two (2) employees (with at least one (1) year of continuous service) in a driving classification designated by the Union, as well as two (2) representatives of the Company. Only these four (4) members will have the right to vote on appeals.

VI. PROCEDURE OF THE ACCIDENT REVIEW BOARD AND DECISION

- a) The Accident Review Board will render its decision at the conclusion of the hearing, considering the mandate given in the above provision IV (d), after having reviewed the accident file which is the object of the appeal and after having allowed the parties involved the opportunity to be heard; the decision of the Accident Review Board will be confirmed to the employee in writing;
- b) A majority vote of the Accident Review Board will determine the outcome of the appeal, for example, three (3) votes declaring "partially at-fault" vs one (1) declaring "totally at-fault" would determine the decision to be "partially at-fault".
Subject solely to paragraph (e) of the present provision VI, a majority decision of the Accident Review Board shall be final and will bind the Company, the Union and the employee concerned.
- c) In the absence of a majority vote of the Accident Review Board ruling on the appeal, (for example, two (2) votes declaring "not at-fault" vs two (2) votes declaring "partially at-fault"), an employee wishing to appeal the decision of the designated Company representative relating to his accident shall do so in writing to the District Manager

concerned within five (5) working days following the decision of the Accident Review Board.

Where an appeal is filed by an employee within the time period provided for above, the appeal will be heard by a third party chosen by the members of the Accident Review Board. The said third party will rule on the appeal of the decision of the designated Company representative on the basis of the present Vehicle Accident Policy, the accident file which is the object of the appeal as well as the written submissions made to him by the designated representatives (i.e. the employee concerned and the designated Company representative).

The decision of the third party will be rendered in writing within twenty (20) days following such submission. Subject solely to paragraph (e) of the present provision VI, the decision rendered will be final and will bind the Company, the Union and the employee(s) concerned.

The expenses and fees of the third party will be divided in equal shares between the Company and the Union.

- d) In the event that an employee has been suspended pending a final decision relating to his accident and that his appeal before the Accident Review Board or the third party is granted, he shall be reimbursed for the wages lost by reason of the temporary suspension on the basis of his normal scheduled hours of work during the said period.
- e) Recourse to the arbitration procedure provided for in Article 9 of the Collective Agreement, relating to an accident, is possible only in the case whereby an employee is dismissed by reason of having accumulated nine (9) demerit points or more subsequent to a decision rendered by the Review Board or by the third party, as the case may be, relating to the said accident. For greater clarity, such an employee must have availed himself of the appeal procedures provided for in the present Appendix within the

delays therein stipulated in order to have access to arbitration.

In the event of such a case, the grievance must be submitted by the Union to arbitration by advising, in writing, the Human Resources Manager within ten (10) working days following the decision of the Review Board or of the third party, as the case may be. When a grievance is filed in the above described circumstances, the arbitrator may not intervene in the decision rendered relating to the said accident unless the decision rendered by the Review Board or the third party, as the case may be, appears to him blatantly unreasonable; it is recognized that the arbitrator shall be bound by all provisions contained in the present Appendix.

In the event that the decision rendered by the Review Board or the third party, as the case may be, appears to the arbitrator to be blatantly unreasonable, the arbitrator shall then only be authorized to substitute a decision which appears to him reasonable relating to the accident, taking into account the provisions and the purpose of the present policy.

The fees and expenses of the arbitrator shall be allocated as per Article 9.

- f) All delays provided for in the present provision VI are mandatory and may only be prolonged by mutual agreement in writing between the parties.

VII. GROSS NEGLIGENCE

The provisions contained in the present Vehicle Accident Policy do not in any manner remove the authority and responsibility which is vested in the Company to take the most severe disciplinary measures in the case of gross negligence. In such circumstances, a driver having accumulated less than nine (9) demerit points remains subject to dismissal; however, such an employee may submit his case to the grievance and arbitration

procedure in compliance with Articles 8 and 9 of the present Collective Agreement and the jurisdiction of the arbitrator shall then be the same as that provided in Article 9 of the Agreement relating to disciplinary measures.

APPENDIX "K" - Provisions Relating to the Province of Quebec

The following provisions apply to employees in the province of Quebec :

Section A – Corresponding Provisions

The following section contains provisions which modify and/or complete clauses in the main body of the Collective Agreement. The clauses in this section are numbered according to the corresponding clause number in the main body of the Collective Agreement with the sole exception of Clauses 13.02 and 14.02. There is a duplication of number for Clauses 13.02 and 14.02 in the Collective Agreement and in this Appendix. Also, for clarification, wherever the term “Collective Agreement” is used in this Appendix, it refers to the Collective Agreement to which this Appendix is attached.

4.02 Picket Lines

- a) The Company and the Union recognize the right of employees either to accept or refuse to cross a legal picket line. In the event an employee exercises his right of refusal, he must immediately advise his supervisor.
- b) However, the right recognized in paragraph (a) of the present clause does not apply in the event a picket line is established by persons or employees not covered by the present Collective Agreement in front of any depot, terminal, centre, establishment or other location of Purolator Courier Ltd. In such a case, the employees covered by the present agreement must perform their normal functions.
If such a picket line is so established, the Company agrees to meet, at the request of the Union, to discuss any problem raised.

6.03 Union Dues

The Collective Agreement text in Clause 6.03 is modified such that all references to “monthly” deductions will be changed to “weekly” deductions.

6.04 Union Dues for Absent Employees

During vacation periods, the dues will be deducted from the employee’s vacation pay.

7.03 Shop Stewards

In addition to the stewards provided for in Clause 7.03 of the Collective Agreement there will be one (1) chief steward for the Linehaul group in the Diesel Centre group. Also, in the depots where there are many shifts, the Union may appoint one steward per shift, not including the chief steward.

7.06 Union Leave of Absence

In addition to the provisions provided in the first paragraph of the present article of the Collective Agreement the following paragraphs apply:

An employee returning from such a leave will exercise his bumping option as per the provisions of this Collective Agreement regarding abolition of position.

In all cases where an employee is released from his duties at the request of the Union as provided for above and that he is not otherwise compensated by the Company, an insurance plan or by a government institution, this employee shall be paid by the Company at his regular rate of wages (including premiums, if there are any) for a normal workday.

The Company shall bill the said amount of gross salary to the Union, and this bill shall be paid within ten (10) days following reception of the invoice.

7.07 Leave of Absence for Union Business

The delegates designated by the Union may be absent from their work, without salary, in order to attend conventions, Union education courses as well as training and Union information sessions, subject to the following conditions:

- a) That a written notice giving the name(s) of the employee(s) and the dates of absence be sent to the authorized person in the Human Resources Department at least ten (10) working days in advance;
- b) Not more than one (1) employee per functional group per depot, up to a maximum of ten (10) employees from the bargaining unit, may be granted such leave at the same time and the number of days of leave permitted may not exceed five (5) consecutive working days;
- c) The maximum number of days of leave permitted in virtue of the present clause shall not exceed a total of one hundred and eighty (180) days per year;
- d) The Company agrees to allow the chief stewards to leave their work, without loss of pay, in those depots with seventy-five (75) or more employees, who are members of the bargaining unit, on the days where the Grievance Committee and the Labour Relations Committee meet. These provisions apply also to the chief steward of the vehicle technicians and of the Sherbrooke, Trois-Rivieres, Jonquiere and Rimouski depots. In the event of the cancellation of the meeting, the Company will grant the day of leave to the chief steward.

These leaves shall be used to resolve problems common to both parties in regard to the application of the Collective Agreement, as well as to help maintain good working relations and a cooperative climate.

8.03 Written Step

a) The clause is identical to the Collective Agreement.

b) Grievance Committee

The Company and the Union agree to meet, in conformity with Article 8, to discuss grievances at the written step of the grievance procedure and to attempt to resolve them.

During the said meetings, the Union will be represented by one permanent Union representative as well as by two (2) stewards from each depot containing seventy-five (75) bargaining unit employee members or more, and one (1) steward for each depot containing less than seventy-five (75) bargaining unit employee members.

These stewards will obtain leave from work and will be paid at their regular hourly rate for the duration of the meeting, without provision for payment of overtime hours.

The Committee will meet at a pre-determined date, agreed upon by the parties. It is understood that this meeting will take place in the depot in which the grievance(s) originated.

8.08 Mutual Agreement in Writing

The clause is identical to the Collective Agreement with the exception that it must read “chief steward” instead of “steward”.

11.04 Loss of Driving Permit

In addition to the provisions provided for in the present clause of the Collective Agreement the following paragraph applies:

The position of an employee on a leave of absence or who has chosen to fill a permanent position in a functional group other than the one of the drivers as per the provisions provided for above will be filled temporarily for a maximum of twelve (12) months as well as any additional time required for the renewal of the driving permit.

With the reinstatement of his/her driving permit within the time limits set in the paragraph above, the employee will return to the position he/she was holding before losing his/her driving permit.

12.01 Duration

- a) The probationary period for full-time employees or part-time employees scheduled five (5) days or more per week is of sixty (60) full days effectively worked within any consecutive period of four (4) months.
- b) The probationary period for any other part-time employee is six (6) months.

13.01 Information on a Job Posting

Subject to Article 14 of the present Appendix, any vacant position shall be posted in the depot where the vacancy exists, for a period of three (3) consecutive working days. The following information must appear on the posting:

- the job code, the functional group and the classification;
- the place of work or the number and the description of the route;
- the duration of the normal work week;
- the work schedule;
- the wage scale;
- the date of the posting and the time period of posting;
- the person to whom applications must be submitted;
- the qualifications required for the position.

Once a position has been permanently vacated, it will be posted within the following five (5) working days, unless the position is abolished.

13.02 Applications to Job Posting

Any employee interested may submit his candidacy, in writing, for a new or vacant position posted in his depot, on the form provided for this purpose by the Company, which must be remitted to his immediate superior before the end of the posting period.

An employee may, if he must take leave because of illness or a work-related accident, or prior to his departure on vacation, apply for a specific vacant position (indicating the classification and the route number for drivers, and the classification and work schedule

in the case of any other functional group), which might be posted during his absence by leaving a form for this purpose with his immediate superior.

13.03 Posting Procedure and Filling of Positions

Any position that has been permanently vacated will be filled according to the following order and will be limited to the candidates/applicants of the depot concerned:

- a) By posting, according to the seniority of the applicants within the classification, including laid off employees within the same classification, who have applied;
- b) By an additional posting, according to the general seniority of the applicants, including laid off employees who have applied;
By an additional posting, according to the general seniority of the applicants, only if the position in b) is filled by an employee from another classification;
- c) By granting the position according to the seniority of the candidates who have applied for the posted position in b);
- d) By granting the position, according to the same procedure outlined in c) and until all the applicants members of the bargaining unit covered by this Appendix have been considered.

Subsequently, this position may be filled in the following order:

- i) by seniority of the laid off employees having their names on the recall list;
- ii) by seniority of the applicants who are members of the bargaining unit having requested a transfer according to Clause 13.02 of the Collective Agreement;
- iii) by offering it to temporary (on-call) employees as defined in Annex D for Locals 69 and 931;
- iv) in the manner to be determined by the Company.

13.04 Same classification – Garage Employees

a) **Same Classification**

Solely for the purpose of Clause 13.03 of the present Appendix, the following classifications are deemed to constitute one and the same classification:

- Courier, Utility Courier;
- Linehaul, Diesel Courier, and Shunter;
- Marker, Sorter and Specialized Sorter, Janitor and General Building Maintenance Employee;
- Employee, Air Division (Mirabel).

b) **Garage Employees**

Garage employees can apply for a position within the whole functional group in the Province of Quebec provided they have the seniority and the qualifications required.

13.05 Qualifications Required

In order to obtain any position, the candidates/applicants must, whatever their seniority, possess the qualifications required for the job.

The candidate who has submitted a written request for qualifying tests prior to the date of the posting will be given the required tests before the end of the posting.

13.06 Application Limit

An employee who obtains a position pursuant to the procedure provided for in Clause 13.03 of the present Appendix will have the right to a maximum of four (4) transfers (i.e., positions obtained) per year, unless the position entails more working hours than contained in the regular work schedule of the employee.

13.07 Posting Results

- a) Within the five (5) working days immediately following the end of the posting period provided for in Clause 13.01 of the present Appendix, the Company shall post the name of the chosen candidate and, if requested, shall forward a copy

to the Union with a list of all the applicants and their seniority.

- b) The candidates/applicants chosen by virtue of Clause 13.03 of the present Appendix will commence their new functions within ten (10) working days following posting of the notice mentioned above or following the granting of the position.
- c) To fill a permanent position, the time limit provided above does not apply to employees who are absent for the following reasons: CSST, Sick Leave, Vacation, Maternity Leave, Parental Leave. The employee filling a temporarily vacant position may, if he wishes, end his temporary assignment or fill his new permanent position in the time limit as set above.

13.08 Familiarization Period

- a) Any employee transferred, in accordance with Clause 13.03 of the present Appendix, is entitled to a familiarization period of five (5) working days in his new position.
- b) Within the five (5) working days following his transfer in accordance with Clause 13.03 of the present Appendix, the employee may return to his former position without loss of rights and privileges provided that he has been transferred to a position within a classification different from his former one or that he has been moved from AM sort to PM sort or vice versa. Any employee availing himself of this paragraph will be subject to the application limits, as provided for in Clause 13.06 of the present Appendix.
It is understood that if an employee returns to his former position under the circumstances described above, the Company shall not be required to post again the position left vacant but shall instead proceed to fill the vacancy with the candidacies submitted upon the original posting, if such is the case.

13.09 Modification of a Position – Increase of Working Hours

Any permanent position which has its schedule permanently increased into a higher hour band, will be posted as provided for in Article 13 of this Appendix.

14.01 Duration

Any temporarily vacant position, i.e., a position left vacant for a period of less than six (6) weeks, is not posted but is filled if the needs of the Company so require.

In the case of a position left vacant for more than six (6) weeks or when the Company determines that the period of absence of the incumbent of the position will exceed six (6) weeks, the position is posted and filled in accordance with Article 13 of the present Appendix.

14.02 Definition of a Temporarily Vacant Position

Without restricting the generality of Clause 14.01 of this Appendix, a position is temporarily vacant in the following cases:

- a) The incumbent of the position is absent from work but remains in the employ of the Company; or
- b) During the period of posting and selection of the candidate provided for in Article 13 of the present Appendix, and until such time as the position is in effect filled.

14.03 Filling of Position

Any position left temporarily vacant for less than six (6) weeks is filled according to the following procedure in the concerned depot:

A. FUNCTIONAL GROUP OF DRIVERS

- 1. For an absence of less than six (6) weeks or to complete the 1st calendar week in the case where the absence is known in advance to last more than one (1) week, the following procedure prevails:
 - a) Any temporarily vacant position may be filled by an available utility courier. Where the Company does

not call upon utility couriers, it can call upon by seniority, employees within the same classification, and who have put their names on the availability list;

- b) When options outlined in a) have been exhausted, the Company will call upon, by seniority, employees within the same functional group, who have put their names on the availability list;
 - c) When options outlined in b) have been exhausted, the Company will call upon, by seniority, employees available in other functional groups who have put their names on the availability list;
 - d) When options outlined in c) have been exhausted, the Company will call upon temporary employees as described in Annex D;
 - e) In the manner to be determined by the Company.
2. The Company will revise temporary assignments on Friday, each week, and will assign them for the following week. The weekly replacement list is a weekly list which establishes the order in which the employees having the required qualifications will be offered the temporary positions for a week or more.

B. DEPOT FUNCTIONAL GROUP

- 1. By seniority, to the employees within the same classification in the depot concerned, provided that the employee possesses the qualifications required for the position;
- 2. By seniority, to the employees within the same functional group in the depot concerned, provided that the employee possesses the qualifications required for the position;
- 3. By calling upon temporary employees as described in Annex D;
- 4. In the manner to be determined by the Company.

14.04 Availability List

The availability list is a weekly list establishing the order in which the employees will be offered the temporarily vacant positions, as provided for in Clause 14.03A) 1 of this Appendix, overtime, as required in Article 17 of the Collective Agreement and additional hours.

- A) To be eligible, the employee must:
- i. place his/her name on and sign the list and submit a maximum of two phone numbers where he/she can be reached, by filling out the form to that end;
 - ii. have the required qualifications for the work;
 - iii. be available to perform the work; available means that there is no work schedule conflict between the regular work schedule of the employee and the hours to be worked. (Except for dock employees performing dock work and 117 employees working in this classification.)
- B) Where additional hours of work are offered, they are offered according to the following procedure:
For the functional group of drivers, the hours are offered by seniority, within the same classification, and then within the same functional group, for a maximum of thirteen (13) hours work per day. Those hours will be paid at the regular rate only. It is understood that the total of an employee's scheduled hours and additional hours will not exceed forty-five (45) hours per week and that at all times he will have to work his normal schedule.
For functional groups other than drivers, they are offered by seniority, within the same group for a maximum of thirteen (13) hours work per day. Those hours will be paid at the regular rate only. It is understood that the total of an employee's scheduled hours and additional hours will not exceed forty (40) hours per week and that at all times he will have to work his normal schedule. Subsequently, they

are offered in the same manner to employees from other functional groups.

The present procedure applies when additional hours are offered and no utility courier is available and qualified for the work required.

These provisions apply while taking into consideration the operational needs and as long as the hours offered do not give rise to hours paid in overtime or, failing this, limit the number of hours paid in overtime.

- C) It is understood that utility couriers who wish to work more than their regular work schedule must place their name on the availability list.

14.05 Position Open on a Temporary Basis

The provisions of Clauses 14.01, 14.02 and 14.03 of this Appendix apply similarly in the case of a temporary open position (i.e. new position on a trial basis or for an undetermined period and without an incumbent).

14.06 Return to Work of Regular Employee

- a) Where an employee returns to work, he is reinstated in the position he had prior to his absence, unless his position has been abolished in which case the employee may exercise his seniority rights for bumping purposes in conformity with the procedure provided for in Article 15 of the present Appendix.
- b) Where an employee returns to work under the circumstances described in paragraph (a) or where the position of the said employee has been posted and filled in conformity with Article 13 of the present Appendix by reason of an absence of six (6) weeks or more, an employee having filled temporarily the position of the returning employee or having held a position open on a temporary basis, in accordance with Clause 14.03 of this Appendix, is reinstated into the position he held before filling the temporary position.

When the employee whose position has been posted as provided for in Article 14 of this Appendix does not return to his previous position, his position will be posted again. However, if his position has been abolished or if the reinstatement reduces his regular work schedule, such employee may use his seniority rights for bumping purposes, in conformity with the procedure provided for in Clause 15.02 of the present Appendix.

15.01 Notice – Abolition - Modification

When the Company decides to abolish a position or to reduce the number of hours in the regular schedule of an employee, it must advise the Union and the employee concerned, in writing, at least five (5) days prior to the abolition or the modification of the position.

The Company agrees that the effective date of lay-off will be the last day of the regular work week of the affected employee.

15.02 Bumping Procedure

The bumping procedure applies to any employee having terminated his probationary period in the following cases:

- his position is abolished;
- his position changes classification;
- his position is modified into a split shift of more than one (1) hour;
- his schedule is modified by more than one (1) hour per day;
- the Company changes his classification to an inferior classification;
- he is laid off from his position;
- the normal work week of his position is modified so that his schedule no longer extends from Monday to Friday, if such is the case;

- the number of hours of his normal work schedule is reduced so that his work schedule now belongs to an hour band with less scheduled hours.

Such employee may choose to keep his position or to bump within his classification and his depot, wherever his seniority permits, provided he possesses the necessary qualifications and according to the following procedure:

- a) The first employee so affected may bump a junior employee in any hour band.
- b) The second employee so affected may bump a junior employee in any hour band.
- c) The third employee so affected may bump a junior employee in any hour band.
- d) The fourth employee so affected may bump a junior employee in any hour band.
- e) The fifth employee so affected may bump a junior employee in any hour band.
- f) The sixth employee so affected may bump a junior employee in any hour band.
- g) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any hour band or the most junior incumbent in any hour band.
- h) This same procedure will be followed until all employees so affected within the classification have exercised their seniority rights.
- i) After having exhausted the options outlined in h), the affected employee may choose to bump into another classification.
- j) If the employee does not wish or is not able to exercise his right to bump, he is then laid off.
- k) For the application of the present clause, if the employee has chosen to keep his position following a reduction of his work schedule and if the Company re-establishes the number of hours for the route or for the position within the

three (3) months following its modification, the affected employee will keep his position.

- l) The employee in classification 117 who is affected by provisions of this clause may exercise his right to bump within his/her classification in conformity with the following procedure:
 - i) The first employee so affected may bump a junior incumbent in any weekly hour schedule.
 - ii) The second employee so affected may bump a junior incumbent in any weekly hour schedule.
 - iii) The third employee so affected may bump a junior incumbent in any weekly hour schedule.
 - iv) The fourth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - v) The fifth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - vi) The sixth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - vii) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any weekly hour schedule or the most junior incumbent in any weekly hour schedule.
 - viii) The employee so affected may in turn bump the employee having the least seniority in the hour band of his choice. This same procedure will be followed until all employees so affected/bumped within the classification have exercised their seniority rights.
 - ix) The employee with the least seniority may choose to exercise his right to bump into another classification in the same depot.
 - x) If the employee does not wish or is not able to exercise his right to bump, he is then laid off.
 - xi) If the employee has chosen to keep his position following a reduction of his work schedule and if the Company re-establishes the number of hours for

the route or for the position within the three (3) months following its modification, the affected employee will keep his position.

For the purposes of the present clause, the following provisions will apply:

1. Same Classification

For the sole purposes of Clause 15.02 of the present Appendix, the classifications Linehaul, Courier Diesel and Shunter are deemed to constitute one and the same classification.

They will be able to exercise their right to bump within the Courier classification provided the employee who would be bumped does not have more seniority than an employee in the Linehaul, Courier Diesel and Shunter classifications.

In addition, the employees in the classification “Maintenance employee” will be entitled to exercise their bumping rights within the Sorter classification.

2. Combined Position

- a) An employee in a combined position may bump an employee in either of the classifications he possesses.
- b) If an employee must bump an employee in a combined position, whereby his position is not a combined one, he may choose not to bump the said employee.

3. Utility Courier

The employees in the Courier and Utility Courier classifications may choose to bump an employee in one or the other of these classifications.

4. Depot Employees

- a) An employee in the Marker, Sorter or Specialized Sorter classifications may choose to bump an employee in his functional group.
- b) The depot employees will be able to exercise their right to bump within their work shift.

5. Central Dispatch Agents

The Central Dispatch Agents will have the right to bump in accordance with the provisions of the present clause of this Appendix in all the classifications in the depots in Laval, Boucherville and the Island of Montreal as long as they have the seniority and the required qualifications.

Notwithstanding the previous paragraph, the first Central Dispatch Agent so affected may bump the employee with the least seniority within his/her classification and depot.

6. Six-day Work Schedule

The employees whose regular work schedule covers six (6) days per week will be deemed to be scheduled over a five (5) day week, the regular hours of the additional day added to their schedule not being deemed as part of their schedule for the purposes of the present clause.

7. Seniority and Required Qualifications

It is understood that an employee choosing to exercise his right to bump must possess the seniority and the required qualifications.

15.03 Closure of a Depot – Transfer of Operations

The parties agrees as follows:

- a) In the case of the complete closure of a depot, i.e. the complete cessation of operations in a geographical region, the employees so affected shall be entitled to bump in accordance with Clause 15.02 of this Appendix, within the whole area covered by the Local Union.

In the case of the abolition of all the positions in a classification in a depot, where there are employees in an identical classification in another depot within the area covered by the Local Union, the employees so affected by the abolition of the said positions must first exercise their bumping rights provided for in Clause 15.02 within their depot; subsequently, they may bump in accordance with Clause 15.02, within the whole area covered by the Local Union.

In the case of the complete closure of a depot, the Company will advise the Union, in writing, at least thirty (30) days before the said closure; in the case of the abolition of all the positions in a classification in a depot, the Company will advise the Union, in writing, at least ten (10) days prior to the said abolition.

- b) In the case of a transfer of all or part of the Company's operations, or of all the positions within a classification, from an existing depot within the area covered by the Local Union to a new depot, the Company shall advise the Union, in writing, at least thirty (30) days before the effective date of the said transfer, and the parties shall then meet to discuss the conditions resulting from the said transfer.
- c) In the case of a transfer of all or part of the Company's operations, or of all the positions within a classification, from an existing depot within the area covered by the Local Union to another existing depot, the parties shall meet for the same purpose except that the written notice to the

Union shall be of at least ten (10) days prior to the effective date of the said transfer.

- d) The employees of the depot of origin affected by the transfer of operations will be offered, according to seniority, a transfer to the other depot for positions within their classification for which they are qualified.
- e) For the functional group of Drivers, the employee whose route is transferred from one depot to another will be able to choose to keep his route or to exercise his right to bump in his original depot.

15.04 Lay-Off Notice

Except in the case of a fortuitous event, an employee being laid off shall receive prior written notice to that effect at least seventy-two (72) hours before the effective time of his lay-off; a copy of the said prior notice is transmitted simultaneously to the Union.

Failing such a prior written notice to the employee within the delay provided above, the Company must pay to the employee at the time of his lay-off, a compensatory indemnity equivalent to the wage he would have earned for his normally scheduled hours during a period equal to that of the prior written notice, deducting therefrom the salary he would have earned during the period of any lesser prior notice he would have received.

In the case of an employee absent from work, the simple mailing of the prior notice seventy-two (72) hours before the effective time of the lay-off respects the delay provided above.

15.05 Recall List

The employees laid-off are listed on a recall list which shall be posted permanently in the depot concerned.

An employee laid-off in a depot may apply, in accordance with the provisions of Article 13 of the present Appendix, for a job posted in another depot and, provided he has the qualifications required for the said position, he shall have in such a case priority to fill the said position only with respect to an applicant from the outside.

Should such a laid-off employee be granted a position in another depot, he becomes as of that moment an employee of the said depot.

15.06 Recall to Work

Upon a recall to work following a lay-off, the Company shall recall to work by decreasing order of seniority and by functional group within the depot concerned, the employees having retained their seniority rights and having the qualifications required for the position which is the object of the recall to work, that is the most senior laid-off employee is the first to be recalled to work by the Company within his functional group and within his depot, provided that the said employee possesses the qualifications required for the position which is the object of the recall.

It is understood that when a laid-off employee is used as an on-call employee, this will not be considered as a recall to work. However, for a laid-off employee whose name is placed on the recall list and who works five (5) days as a on-call employee within a period of four (4) consecutive weeks, the twelve (12) month period provided for at Clause 12.02 c) of the Collective Agreement will start over again.

15.07 Familiarization Period

In cases of bumping provided for in Clause 15.02 of this Appendix, the Company grants to the employee who has bumped five (5) working days of familiarization in his new position.

15.08 Refusal of a Recall to Work

An employee is not obliged to report to work after having received a recall notice, following his lay-off, in the following cases:

1. If he is prevented from doing so by illness or accident which is attested to.
2. If he is an employee who was working full-time before his lay-off and the recall is for a part-time position.
3. If the position is one with lesser hours than the position the employee had prior to his/her lay-off.

However, in such a case, the employee must immediately advise the Company, upon receipt of the notice of recall to work, that he does not wish to be recalled in a part-time position.

Before utilizing the services of an on-call employee, the Company must offer temporary work assignments to the employees registered on the recall list. However, if an employee refuses such an assignment three (3) times during his recall period, or if he is not available, the said employee will retain his right to recall for regular positions only.

17.02 Allocation

The policy of the Company is to maintain overtime at the necessary minimum; however, the Union and the employees covered by the present Collective Agreement recognize that overtime may be required in order to attain the standards of the best service possible or to fulfill the needs of the client.

A) Functional Group of Drivers

- i) In the case of any employee working in the functional group of drivers, the Company shall be entitled to require the performance of overtime work as defined in Clause 17.01 of the Collective Agreement and employees shall perform the overtime work required up to a maximum of one (1) hour of overtime per scheduled work day over and above the time required to complete the route that is assigned to them, unless they are excused by their immediate superior.

An employee is so excused by his immediate superior when he communicates to him a reasonable motive, at the beginning of his work shift if possible, barring an unforeseeable situation.

Overtime work that may be so required is assigned by the Company in the most economical and efficient manner possible.

In the event that on a route there is overtime work on a regular basis, the Company agrees to take the necessary measures in order to eliminate as rapidly as possible the said regular overtime.

ii) The parties agree that the Company shall have the right to require that employees working in the functional groups of Drivers perform overtime work exceeding the maximum provided for in the preceding sub-paragraph i) up to a maximum of three (3) hours of overtime per scheduled work day, over and above the time required to complete the route that is assigned to them, when there occurs during a scheduled work day a superior force, a fortuitous event, or a situation beyond the control of the Company, such as the non-limitative examples which follow:

1. Inclement weather conditions;
2. Late arrival of a linehaul;
3. Breakdown, breakage or mechanical defect within the depots of the Company or affecting the vehicles of the Company;
4. Labour conflict contributing to a substantial increase in the volume of work of the Company.

In the case of a labour conflict which increases substantially the volume of work of the Company, the latter may require the performance of the maximum hours of overtime provided for in sub-paragraph (ii) during the first seven (7) days during which the said labour conflict lasts.

Whenever such cases or situations occur, the Company shall consider any request to be excused for a reasonable motive to the extent that it can meet the operational

requirements by providing the services required.

Any other overtime that may be required over and above the time periods provided for in sub-paragraphs i) and ii) of the present paragraph is performed on a voluntary basis; however, the Union and the employees undertake to cooperate with the Company in order to ensure that any other overtime which may be required is performed.

B) Employees Performing Work other than in the Functional Group of Drivers

The Company shall have the right to require the performance of overtime work as defined in Clause 17.01 of the Collective Agreement and the said overtime work for any classification other than the classifications within the functional group of Drivers will be assigned in the following manner. Such overtime work required within a given classification will be offered by seniority amongst the employees working in the same classification and on the same work shift where the need occurs.

Where there is an insufficient number of employees available to perform the overtime required by proceeding in the above-mentioned manner, the Company shall have the right to assign the employee(s) having the least seniority within the classification concerned and working on the work shift concerned, in order to perform the overtime work required.

AVAILABILITY LIST

If work must be performed totally as overtime outside the employee's weekly schedule and this work is offered to regular employees, it will be offered within the functional group of employees who are available and qualified and

who placed and signed their name on the availability list according to the provisions provided for in Clause 14.04 of this Appendix.

For the functional group of drivers, the hours will be offered first within the same classification, then within the functional group. For functional groups other than that of drivers, they will be offered within the same group. Subsequently, they will be offered to the employees of other functional groups.

18.03 Payment of a Holiday

- a) For the purposes of the application of 18.03 a), an employee will be entitled to the highest of either his/her daily scheduled hours or the amount indicated in 18.03 a).

19.01 Annual vacations

The following provisions apply in the province of Quebec:

- a) Effective 2001, the period during which an employee may take his annual vacations is from the second full week of March of one year to the first full week of March of the following year. As a transition measure, the first week of March 2001 is included in the period an employee may take his vacation in year 2001.
- b) It is understood that the current practice of not allowing employees to take vacation during the week of Christmas and the two (2) work weeks prior to the week of Christmas remains in effect. Subject to the provisions of Clause 19.05 and 19.09, all employees must take their entire vacation entitlement during the vacation year.

- c) The parties agree that in those depots where the Company currently allows employees to take their vacation during the pre-Christmas vacation freeze, it will continue to allow a few employees to take vacation during this period.

19.07 Factors considered in Scheduling Vacations

In addition to the provisions provided for in the present article of the Collective Agreement, the following paragraph applies:

- e) Notwithstanding the provisions of the Collective Agreement, the parties agree that the classifications of Courier and Utility Courier will be considered one and the same classification for the purposes of the present clause.

20.04 Maternity Leave

- a) A pregnant employee is entitled to maternity leave, as provided for in the Canada Labour Code.
- b) A pregnant employee in possession of a medical certificate recommending she be removed from her regular position during the period or a part of the period of her pregnancy, will be offered another position, taking into account her qualifications and the existing needs, after consultation with the Union. This reassignment shall not at any time lead to the displacement of an employee. If no position is available, an unpaid leave of absence shall be granted to the employee, for the time required, in relation to the above-mentioned period.

23.04 Monetary Advance

The Company agrees to advance to an employee victim of a work-related accident the sums of money prescribed by the Act respecting industrial accidents and professional illnesses.

27.02 Utilization of personal days

In addition to the provisions provided for in the present article of the Collective Agreement the following paragraph applies :

In the event the employee is absent from work for less than half a day (1/2), he may choose whether to be paid or not. In the case where he chooses to be paid, he will be paid for no less than half a personal day.

29.05 Deduction by the Employer of the contributions to the Fonds de Solidarite (FTQ)

The Company agrees, for the employees who so desire, to deduct from their pay cheques amounts of money that it will remit to the Fonds de Solidarite des Travaillieurs du Quebec (F.T.Q.).

30.03 Rights and Privileges

Barring an express stipulation to the contrary in the present Agreement, rights and privileges relating to the day-to-day operations of the Company which were enjoyed collectively by the employees on the date of signing of the present Agreement shall continue to apply. However, in the case of any contradiction, the present Collective Agreement shall prevail for purposes of interpretation.

Section B – Provisions Relating to On-Call Employees

- 1.01 On-call employees are temporary employees who do not work on a regular basis, the whole in conformity with the bargaining certificate issued by the Canada Labour Relations Board.
- a) On-call employees having completed three (3) months of continuous service will have their name added to the seniority list of the on-call employees of the depot where they work and will accumulate seniority according to their hiring date.
 - b) On-call employees will be called to work by order of seniority of the on-call employees.
 - c) On-call employees who obtain a regular position will obtain such by order of seniority of on-call employees.
 - d) When an on-call employee obtains a regular position, he must complete the probationary period as stated in clause 12.01.
 - e) The on-call employee who has completed his probationary period will have his name added to the seniority list effective on the first day of his probationary period which will be adjusted at the rate of one (1) week service for every forty-five (45) hours effectively worked.
- 1.02 The Company may use on-call employees to perform work only in the following cases:
- i) To fill temporarily vacant positions within the particular framework of Clauses 14.03 and 14.04 of the present Appendix;
 - ii) In emergency situations, in cases of “force majeure” or in circumstances beyond the control of the Company;
 - iii) In cases of surplus of work or of a fluctuation in the volume of work as provided for in paragraph 1.03 of the present section.

- 1.03 In the case of a surplus of work or of fluctuations in the volume of work, the Company undertakes to offer the additional work required, as provided for in clause 14.03 of this Appendix, to employees having registered their name and signed the availability list. However, the Company retains the right to immediately use on-call employees to perform additional work resulting from such surplus or fluctuations when it deems it necessary in order to meet at all times the standards of service required or to otherwise fulfil its contractual obligations.
- 1.04 On-call employees are covered only by the clauses of this section and are thus not entitled to the other advantages provided in the collective agreement.
- 1.05 The use of on-call employees shall not have for effect to reduce the number of regular positions nor to prevent the creation of regular positions.
- 1.06 The use of on-call employees for the purposes provided for in the present appendix and in Clauses 14.03 and 14.04 of the present Appendix will not be interpreted at any time as a violation of Clause 1.05.
Except in the particular framework of Clauses 14.03 and 14.04 of the present Appendix and for the time periods therein foreseen, the use of on-call employees for the purposes provided for in the present section will at no time be interpreted to allow an on-call employee to work on a regular basis, the whole as provided for and defined in the bargaining certificate.

Section C – Letters of Understanding

The following letters of understanding apply to employees covered by this Appendix.

Letter of Agreement No. 1

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

Vehicle Technicians

Working clothes

In addition to the provisions of paragraph 2.01 of Appendix I of the Collective Agreement, the following paragraph applies:

- d) The Company will reimburse the employee the cost of two (2) pairs of safety boots per year as per the conditions provided for in the collective agreement.

Bumping rights

The vehicle technicians may exercise their bumping rights as provided for in clause 15.02 of this Appendix and in the regions mentioned (see the attached) where their seniority allows them and provided they have the necessary qualifications; however, they must do so according to the following order:

- a) The affected employee will have the right to bump the employee having the least seniority within his classification in his region (see the attached).
- b) After having exhausted paragraph a), the affected employee will have the right to bump the employee having the least seniority in the classification of his choice, in his functional group within his region.
- c) After having exhausted paragraph b), the affected employee may choose to bump in another classification in his depot.

- d) If the employee does not wish to or cannot exercise his bumping rights, he will then be laid-off.
- e) In the application of the present clause, where the employee has chosen to keep his position following a reduction in hours and the Company restores the number of hours for this position within the three (3) months following its modification, the affected employee retains his position.

Job Posting

Vehicle technicians may apply for a position within their own whole functional group in the province of Quebec as long as they have the seniority and the qualifications required, in the order provided for in clause 13.03 of the present Appendix.

Annual Posting

By mutual agreement between the Union and the Company, in January of each year the Company establishes and posts all positions in the functional group of vehicle technicians as follows:

- The posted positions shall be filled by seniority, by classification in the region concerned (see below).
- The Company has the right to retain a nucleus of experience required on each shift as necessary.

- The employees on the Island of Montreal may bump:
 - on the Island of Montreal
 - in Boucherville
 - in Laval.

- The employees of Boucherville may bump:
 - in Boucherville.
 - on the Island of Montreal
 - in Laval.

- The employees of Laval may bump:
 - in Laval.
 - in Boucherville

- on the Island of Montreal.
- The employees of Sherbrooke may bump:
 - in Sherbrooke.
- The employees of Trois-Rivieres may bump:
 - in Trois-Rivieres.
- The employees of the Quebec region may bump:
 - in Quebec
 - in Jonquiere
 - in Rimouski.
- The employees of the Jonquiere region may bump:
 - in Jonquiere
 - in Quebec
 - in Rimouski.
- The employees of the Rimouski region may bump:
 - in Rimouski
 - in Quebec
 - in Jonquiere.

Bumping Procedures

Vehicle technicians may exercise their bumping rights, as provided for in clause 15.02 of this Appendix, but within their own whole functional group and in the following regions, provided they have the seniority and the necessary qualifications.

- The employees on the Island of Montreal may bump:
 - on the Island of Montreal
 - in Boucherville
 - in Laval.
- The employees of Boucherville may bump:
 - in Boucherville.
 - on the Island of Montreal
 - in Laval.

- The employees of Laval may bump:
 - in Laval.
 - in Boucherville
 - on the Island of Montreal.
- The employees of Sherbrooke may bump:
 - in Sherbrooke
 - in Trois-Rivieres
 - on the Island of Montreal.
- The employees of Trois-Rivieres may bump:
 - in Trois-Rivieres
 - in Sherbrooke
 - on the Island of Montreal.
- The employees of the Quebec region may bump:
 - in Quebec
 - in Jonquiere
 - in Rimouski.
- The employees of the Jonquiere region may bump:
 - in Jonquiere
 - in Quebec
 - in Rimouski.
- The employees of the Rimouski region may bump:
 - in Rimouski
 - in Quebec
 - in Jonquiere.

For the Union

For the Company

Letter of Agreement No. 2

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

Distribution of pay cheques

Notwithstanding the provisions of the Collective Agreement, the parties agree that the weekly pay cheques will normally be available for distribution to the employees of certain regions, according to the following schedule:

For the employees of:

- | | |
|---------------------|-------------------------|
| - Beauceville | available Thursday A.M. |
| - Rimouski | available Thursday A.M. |
| - Riviere du Loup | available Thursday P.M. |
| - St-Jean Port Joli | available Thursday P.M. |
| - Jonquiere | available Thursday P.M. |
| - Baie Comeau | available Friday A.M. |
| - Sept Iles | available Friday A.M. |

For the Union

For the Company

Letter of Agreement No. 3

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

Detoxification Program

The Company agrees to the following provision in the application of the Collective Agreement.

Where an employee is eligible for the disability program and is under treatment in a detoxification centre, the Company shall assume the accommodation expenses, up to a maximum of thirty (30) days or one thousand five hundred dollars (\$1,500).

For the Union

For the Company

Letter of Understanding No. 4

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

Dispatch Agents

The Company and the Union agree that because of changes in responsibilities that have taken place in the functional group of Dispatchers, the classification of Radio Operator is now replaced by one of Dispatch Agent.

Notwithstanding the provisions of the above paragraph, the employees filling the position of Dispatch Agent in the Central Dispatch Department on the Island of Montreal as of August 10, 2000, will be paid as Dispatcher, Job Code "121"; the employees who obtain a position as Dispatch Agent after said date will be paid as Dispatch Agent, Job Code "122".

<u>Classification and job code</u>	<u>Effective 1st Monday of January 2000</u>	<u>Effective 1st Monday of January 2001</u>	<u>Effective 1st Monday of January 2002</u>	<u>Effective 1st Monday of January 2003</u>
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(IAF of \$0,05 per hour is reflected in pay rates below)

<u>Dispatcher code 121</u>	19.94	20.44	20.94	21.49
<u>Dispatch Agent code 122</u>	18.41	18.91	19.41	19.96
For the Union		For the Company		

Letter of Understanding No. 5

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

The Company and the Union agree that the additional classification and corresponding hourly rates will apply in the province of Quebec:

	Effective 1st Monday of <u>January 2000</u>	Effective 1st Monday of <u>January 2001</u>	Effective 1st Monday of <u>January 2002</u>	Effective 1 st Monday of <u>January 2003</u>
114 <u>Specialized Sorter</u>				

(IAF of \$0,05 per hour is reflected in pay rates below)

0 – 3 months	12.43	12.43	12.43	12.43
4 – 12 months	14.17	14.17	14.17	14.17
13 – 18 months	15.52	15.52	15.52	15.52
19 – 24 months	16.25	16.25	16.25	16.25
More than 24 months	17.46	17.96	18.46	19.01

For the Union

For the Company

Letter of Understanding No. 6

Between

Purolator Courier Ltd

And

The Canada Council of Teamsters

Notwithstanding the provisions of the Collective Agreement, it is agreed that employees who were occupying a regular position on November 16, 1990 and who have obtained a position of sorter or who will obtain a position of sorter after the signing of the Collective Agreement, are eligible to receive the following rates as long as they do not change classification:

<u>Position of</u>	<u>Effective 1st</u> <u>Monday of</u> <u>January 2000</u>	<u>Effective 1st</u> <u>Monday of</u> <u>January 2001</u>	<u>Effective 1st</u> <u>Monday of</u> <u>January 2002</u>	<u>Effective 1st</u> <u>Monday of</u> <u>January 2003</u>
<u>Sorter</u>				

(IAF of \$0,05 per hour is reflected in pay rates below)

Full Time	17.14	17.64	18.14	18.69
Part Time	14.18	14.68	15.18	15.73

For the Union

For the Company

Letter of Understanding No. 7

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The parties agree that the following procedure as described in the paragraph below will be on a trial basis for a period of six (6) months following the signature of the Collective Agreement.

During that period, the parties will evaluate the results and the difficulties of application if need be and will meet to assess whether the procedure should be implemented or stopped.

In the event an employee classified 113 who is temporarily replacing a 112 classification must return to his 113 position because the employee he is replacing is returning to work, he will have the option to go and fill the position of a less senior employee holding a 113 classification and who is filling a 112 position on a temporary basis.

For the Union

For the Company

Letter of Understanding No. 8

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

An annual job bid procedure will be implemented for the 117 positions by depot (for application purposes, depots 565, 516, 523 and 524 are deemed to be one depot) on the following basis:

- a) Between January 2nd and January 30th of each year the Company shall post a list of the 117 positions at the site, with the exception of the 113/117.
- b) These positions will be offered in order of seniority to the employees in the 117 classification. Employees must have the required qualifications to perform the job selected. This selection process will be completed no later than February 15th of each year and implemented no later than the first Sunday in March.
- c) This process will become effective within 30 days following the ratification of the Collective Agreement. Same time frame will apply to implement the job bid procedure.

For the Union

For the Company

Letter of Understanding No. 9

Between

Purolator Courier Limited

and

The Canada Council of Teamsters

Notwithstanding the provisions of the Collective Agreement, the following provisions apply for locals 931 and 69:

Québec East

1 Chief Steward Linehaul (Québec Depot)
1 Chief Steward Hub (Québec Depot)
1 Chief Steward Pick-up and Delivery (Québec Depot)
Stewards as provided in the Collective Agreement

Thus,
Present at Grievances Committees and Labour Relations
Committees:

- 3 Chief Stewards
- 2 Delegates assigned by the Union
- 1 Business Agent
- 1 Assistant Business Agent

Moreover, the parties agree that the Chief Steward at the Diesel Center will have jurisdiction to discuss labour relations items relating to the Linehaul on the Island of Montreal.

For the Union

For the Company

Appendix “L” – Provisions Relating to the Atlantic, Ontario and Prairie Provinces

The following provisions apply to employees in Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Ontario, Manitoba, Saskatchewan and Alberta.

Section A - Corresponding Provisions

The following section contains provisions which modify and/or complete clauses in the main body of the Collective Agreement. The clauses in this section are numbered according to the corresponding clause number in the main body of the Collective Agreement with the sole exception of clauses 13.02 and 14.02. There is a duplication of number for clauses 13.02 and 14.02 in the Collective Agreement and in this Appendix. Also, for clarification, wherever the term "Collective Agreement" is used in this Appendix, it refers to the Collective Agreement to which this Appendix is attached.

4.02 Picket Lines

The Company recognizes the right of employees either to accept or refuse to cross a legal picket line. In the event an employee exercises his right of refusal, he must immediately advise his immediate supervisor.

If such a picket line is so established, the Company agrees to meet, at the request of the Union, to discuss any problem raised.

12.01 Duration

The probationary period for a part-time or full-time employee consists of sixty (60) days effectively worked within any consecutive period of four (4) months.

13.01 Job Posting

Any vacant permanent position shall be posted within five (5) working days from the date the vacancy occurs, in the depot where

the vacancy exists, for a period of five (5) consecutive working days. This in no way restricts the Company from eliminating and/or modifying positions which become vacant. The information which shall appear on the posting is:

- the classification;
- complete description of the route, including the general route boundaries, as it exists at the time of posting (where applicable);
- general description of duties;
- the work schedule, including the approximate duration and time when lunch is normally to be taken;
- the wage scale;
- the qualifications required for the position.

Copies of the posting and the results shall be maintained at each depot and will be available to the business agent and/or steward upon request.

13.02 Submission of Candidacy

Employees wishing to apply for a posted position must do so within the five (5) working day posting period, using the form provided by the Company. Positions are awarded on the basis of qualifications and seniority. Where qualifications are equal seniority shall prevail.

Only employees in the depot concerned may apply to a posted vacancy. This shall be inclusive to employees on lay-off status or absent due to illness or injury. An employee absent due to illness or injury must provide medical documentation indicating that he will be medically fit to perform the regular duties of the position within the ten (10) working days following the end of the posting period. If the employee does not return by the tenth (10th) working day, the vacancy will be filled from amongst the applicants of the original posting who are able to immediately fill the vacancy.

When an employee is on vacation a steward may submit an application to a posted vacancy on the employee's behalf, provided

the employee has requested the steward to act on his behalf. It is the employee's responsibility to advise the steward of the specifics of the desired position.

However should there be no successful candidate from the depot, then transfer requests from other depots will be considered prior to hiring from outside the bargaining unit.

13.03 Application Limit

No employee shall be awarded more than five (5) permanent posted vacancies in any one (1) calendar year. However, an employee shall be awarded additional permanent posted vacancies in cases where it would result in a greater number of hours and/or higher wage rate.

13.04 Posting Results

- a) Within the five (5) working days immediately following the end of the posting period the Company will post the name of the successful candidate with a copy to the steward. The successful candidate will be placed into the position within the ten (10) working days following the posting of his name.
- b) If an employee obtains a posting in the same classification as his current classification, and the new position has a greater number of hours than his current position, then, effective the eleventh (11th) working day following the expiry of the posting period if the employee has not yet been placed in his new position, he will be entitled to be remunerated according to the scheduled hours of his new position.
- c) If an employee obtains a posting in a classification other than his current classification and the new position has a higher wage rate and/or a greater number of hours than his current position, then, effective the sixteenth (16th) working day following the expiry of the posting period if the employee has not yet been placed in his new position,

he will be entitled to be remunerated according to the wage rate and/or scheduled hours of his new position.

13.05 Familiarization

- a) The successful candidate is entitled to a familiarization period of three (3) working days in his new position. Where there is an identified need, the successful candidate will have the opportunity to ride with an experienced person and such requests will not be unreasonably denied.
- b) Within the four (4) working days following his transfer the employee may return to his former position without loss of rights and privileges.
The four (4) working days may be extended to five (5) working days if the transfer is from one classification to another. Where an employee returns to his former position, the vacancy will be filled from amongst the applicants of the original posting.
- c) If the employee's former position no longer exists, the employee may avail himself of bumping rights as per Article 15.02.

13.06 Increase/Decrease in Hours

- a) Any permanent position which has its schedule permanently increased into a higher hour band or has its split shift eliminated, will be deemed to be a vacant position and will be posted as per the provisions of Article 13 of this Appendix.
- b) Where an employee has had the right to exercise his bumping rights under Clause 15.02 of this Appendix as a result of a reduction in the scheduled hours for his position but elects not to exercise his rights, and where the position subsequently increases in hours to the original band within the following three (3) calendar months, the position will not be posted and the employee remains in the position.

Article 14. Temporary Vacancies

14.01 Filling Temporary Vacancies

Where the filling of a temporarily vacant position is required, priority shall be given to the employee(s) in the following order:

- a) For Driving Work:
 1. Utility Courier.
 2. Senior qualified employee in the same classification with fewer weekly scheduled hours.
 3. Senior qualified employee in the same functional group with fewer weekly scheduled hours.
 4. Senior qualified employee in other functional groups with fewer weekly scheduled hours and/or a lesser rate of pay.
 5. Relief.
 6. As determined by the Company.
- b) For Non-Driving Work:
 1. Senior qualified employee in the same classification with fewer weekly scheduled hours.
 2. Senior qualified employee in the same functional group with fewer weekly scheduled hours.
 3. Senior qualified employee in other functional groups with fewer weekly scheduled hours and/or a lesser rate of pay.
 4. Relief.
 5. As determined by the Company.

Each depot will implement a system for recording temporary vacancies. This record can be reviewed by the steward upon request.

14.02 Vacancy Ten Working Days or Less

In cases of a temporary vacancy of ten (10) working days or less, such vacancy shall be filled by an available employee in the order as designated and outlined in Clause 14.01 of this Appendix.

The term "available", is defined to mean that the employee has put his name on the availability list and can fill the temporary vacancy without conflicting with his regularly scheduled shift. Utility Couriers and Relief employees are deemed available until they have completed their weekly scheduled hours, at which time they are required to put their name on the availability list in order to be deemed available.

14.03 Vacancy More Than Ten Working Days and Less Than Twelve Months

For a temporary vacancy of a known duration of more than ten (10) working days but of less than twelve (12) months, the vacancy shall be posted no later than the eleventh (11th) working day following the start of the vacancy unless the employee absent from that job is scheduled to return to work within the eighteen (18) working days following the tenth (10th) working day the vacancy has existed.

Such a posted temporary vacancy shall be awarded to the senior qualified employee within the classification. All subsequent temporary vacancies shall not be posted but shall, if not filled by Utility Couriers, be filled in the order as designated and outlined in Clause 14.01 of this Appendix amongst those employees who have previously indicated their desire to perform a greater number of hours than their weekly scheduled hours and/or obtain a greater wage rate.

14.04 Vacancy Greater than Twelve (12) Months

In the case of an absence of a known duration of twelve (12) months or more, such positions shall be posted as a permanent vacancy. This clause does not apply where an employee has lost their driving permit as a result of driving violations and such position shall be posted as a permanent vacancy after six (6) months.

14.05 Return to Work

Employees returning from an absence of less than twelve (12) months shall return to their prior position with the exception outlined in Article 14.04. Employees returning from an absence of equal to or greater than twelve (12) months, or six (6) months in the case of loss of driving permit outlined in Article 14.04, shall bump in accordance with the provisions of Article 15.02.

14.06 Maternity/Parental Leave

In the case of maternity/parental leave, Article 14.03 shall apply.

Article 15. LAY-OFFS AND RECALLS

15.01 Notice - Modification

Where the Company decides to eliminate a position or to modify a position from full-time to part-time, it must advise the Union and the employee concerned in writing five (5) days prior to the elimination or the modification of the position.

In the case of permanent modifications other than above which result in a change in the start and/or finish time, scheduled hours of work or split shift, the employee and the steward concerned will be notified in writing of such changes.

15.02 Bumping Procedure

Any employee having completed his probationary period, whose position is eliminated, or modified to a split shift of one (1) hour or more, or whose start or finish time is modified by a cumulative total of one (1) hour or more within a consecutive three (3) month period (i.e. This is either one (1) hour or more before or one (1) hour or more after the previous scheduled start time at the beginning of the three (3) month period), or whose scheduled daily hour band is reduced by one (1) hour or more, or who is laid-off from his position may exercise his bumping rights within his classification wherever his seniority permits, provided he possesses

the qualifications required and according to the following procedure:

- a) The first employee so affected may bump a junior employee in any hour band.
- b) The second employee so affected may bump a junior employee in any hour band.
- c) The third employee so affected may bump a junior employee in any hour band.
- d) The fourth employee so affected may bump a junior employee in any hour band.
- e) The fifth employee so affected may bump a junior employee in any hour band.
- f) The sixth employee so affected may bump a junior employee in any hour band.
- g) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any hour band or the most junior incumbent in any hour band.
- h) The employee so bumped may in turn bump the most junior incumbent in any given band of scheduled weekly hours. This same procedure will be followed until all employees so affected/bumped within this classification have exercised their seniority rights.
- i) The most junior incumbent in the classification may elect to exercise his bumping rights in other classifications within the depot.
- j) Should the employee elect not to bump or be unable to exercise his right to bump, he is then laid-off.
- k) For the purpose of this clause, since daily hour bands do not apply to them, employees in the Utility Courier and Relief classifications obtain bumping rights if their weekly schedule is reduced by five (5) or more hours.
- l) Employees who are not covered by the hour bands, i.e. 113 and 114 at the Ontario Hub only; all 117, having completed his probationary period, whose position is eliminated, or

modified to a split shift of one (1) hour or more, or whose start or finish time is modified by a cumulative total of one (1) hour or more within a consecutive three (3) month period (i.e. This is either one (1) hour or more before or one (1) hour or more after the previous scheduled start time at the beginning of the three (3) month period) or whose weekly scheduled hours are reduced by five (5) hours or more, or who is laid-off from his position may exercise his bumping rights within his classification wherever his seniority permits, provided he possesses the qualifications required and according to the following procedure:

- i) The first employee so affected may bump a junior incumbent in any weekly hour schedule.
- ii) The second employee so affected may bump a junior incumbent in any weekly hour schedule.
- iii) The third employee so affected may bump a junior incumbent in any weekly hour schedule.
- iv) The fourth employee so affected may bump a junior incumbent in any weekly hour schedule.
- v) The fifth employee so affected may bump a junior incumbent in any weekly hour schedule.
- vi) The sixth employee so affected may bump a junior incumbent in any weekly hour schedule.
- vii) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any weekly hour schedule or the most junior incumbent in any weekly hour schedule.
- viii) The employee so bumped may in turn bump the most junior incumbent in any given weekly hours schedule. This same procedure will be followed until all employees so affected/bumped within this classification have exercised their seniority rights.

- ix) The most junior incumbent in the classification may elect to exercise his bumping rights in other classifications within the depot.
- x) Should the employee elect not to bump or be unable to exercise his right to bump, he is then laid-off.
- m) Employees off work for any reason who are bumped from their position or those employees whose positions are lost due to the application of Article 14.04, shall not be allowed or required to bump until such time as they are able to return to work.
- n) Employees will be required to exercise their bumping rights at a time determined by the Company. However, it is understood that employees will not be expected to exercise their bumping rights within the same day as having been advised.

15.03 Partial or Complete Closure of a Site

- a) In the event of a complete closure of a site or sites and where the work is moved to another site or sites, the Company will give the Union thirty (30) days written notice of such closure, or in the event of less than thirty (30) days notice from a third (3rd) party at least the same notice period provided to the Company by the third (3rd) party. During this period, the Company will meet with the affected Union Local(s) to outline the reasons for the closure.

Where a closure is effected in accordance with the above, the affected employees may bid according to their seniority and qualifications to move to the site(s) to which the work is being moved. Any employee who is laid off as a result of the complete closure will be given thirty (30) days notice of such layoff or in the event of less than thirty (30) days notice from a third (3rd) party at least the same notice period provided to the Company by the third (3rd) party, or pay in lieu thereof.

- b) In the event of a partial closure of a site (i.e. a partial or total elimination of a classification) as a result of the work being moved to another site or sites, and which results in the reduction of employees in the classification or classifications so affected, the following will apply:
 - i) a meeting shall be held within the thirty (30) days prior to the partial closure, or within the lesser notice period provided by a third (3rd) party, between the Company and the affected Union Local(s) in an effort to reach a satisfactory agreement for all concerned;
 - ii) failing agreement as outlined above, employees in the classification(s) affected shall have first opportunity of moving with the work or exercising their seniority within their own site. If any of these employees elect to exercise their seniority and bump into other work within their own site, then the available work moving to the other site shall be posted for bid amongst those qualified employees in the same classification in the site from where the work is being moved;
 - iii) any employee who is laid off as a result of the partial closure will be given thirty (30) days notice of such layoff or in the event of less than thirty (30) days notice from a third (3rd) party at least the same notice period provided to the Company by the third (3rd) party, or pay in lieu thereof.
- c) It must be clearly established that there is a movement of work in order for the above provisions to apply.
- d) Any dispute arising under the above may be immediately referred to arbitration.

15.04 Lay-Off Notice

Except in the case of a fortuitous event, a laid-off employee shall receive notice in writing to this effect at least seventy-two (72)

hours before the effective time of his lay-off; copy of the said notice is sent simultaneously to the Union.

In the case of an employee absent from work, the notice shall be sent by courier service or mail seventy-two (72) hours prior to the effective moment of the lay-off and will be sufficient to respect the above-mentioned time period.

The Company agrees that the effective date of a lay-off shall be the last day of the normal work week for the employee concerned.

15.05 Recall List

The laid-off employees shall be placed on a recall list which shall remain posted in the depot concerned. Except in instances where equipment availability or time or service commitments will not allow, laid-off employees shall be offered "casual" work while on lay-off.

However, if an employee refuses such an assignment three (3) times during his recall period, or if he is not available, the said employee will retain his right to recall for regular positions only.

15.06 Recall to Work

The Company shall recall laid-off employees to work, by method of courier service or certified mail, by decreasing order of seniority and by functional group within the depot concerned, subject to the qualifications required for the positions.

It will be the employee's sole responsibility to immediately advise the Company of any temporary or permanent change in his address and telephone number.

An employee on lay-off who has worked five (5) full or part days or more obtained in accordance with Clause 15.05 of this Appendix in a consecutive four (4) week period will be considered to have been recalled solely for the purposes of Clause 11.02(c) of the Collective Agreement, and the twelve (12) month period referred to in 11.02(c) of the Collective Agreement shall be considered to re-start as of the last day worked.

15.07 Refusal of a Recall to Work

An employee is not obliged to report to work after having received a recall notice, following his lay-off, in the following cases:

1. If he is prevented from doing so by illness or accident which is supported by medical documentation;
2. If he is an employee who was working full-time before his lay-off and the recall is for a part-time position;
3. If he is recalled to a position outside his functional group.

For any of the above cases, the employee must immediately advise the Company in writing, upon receipt of the notice of recall to work, that he does not wish to be recalled.

Article 19. ANNUAL VACATIONS

19.01 Annual Vacations

- c) During the week in which Christmas falls employees are eligible to request a vacation week commencing no earlier than December 25th. All other weeks of vacation must be scheduled within the normal pay week.
By exception to Clause 19.02, payment for this week will not be processed in advance.

Section B - Letters of Understanding

The following section contains letters of understanding applying to employees covered by this Appendix:

Letter of Understanding No. 1

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

By exception to the provisions of clause 16.05 (a) and (b) of the Collective Agreement, the following employees will not have the "hour band" concept apply to them and will continue to be scheduled according to whatever daily and weekly hours may be required:

- a) Employees in the 117 classification;
- b) Employees in the 113 and 114 classifications at the Toronto Hub;
- c) Employees in the 115 classification.

For the Union

For the Company

Letter of Understanding No. 2

Between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

It is agreed that employees who were classified as, and performing the duties, listed below as of January 1, 1991 shall have their hourly rate of pay red circled:

Duty

Shop Foreman
Dock Foreman
Team Leader

Such employees shall retain their current hourly rates, not adjusted for any current or future wage increases, for the life of the Collective Agreement unless the employee is no longer designated by the Company as a leadhand, at which time the employee will be paid the appropriate wage rate for the work he performs as per the classifications listed in Appendix C.

If the wage rate for the work the employee performs as per the classifications listed in Appendix C surpasses the employee's red circled rate, the employee shall be paid the higher rate and shall no longer be red circled.

For the Union

For the Company

Letter of Understanding No. 3

Between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

It is agreed that employees who fall into the categories listed below will retain their current hourly wage rates, adjusted for applicable wage increases, for the life of the Collective Agreement unless the employee changes classifications, at which time the employee will be paid the appropriate rate in place for the new classification:

1. Employees who were classified as Sorters prior to January 1st, 1988.
2. Employees who were being paid according to the full-time Sorter wage scale at January 1st, 1991.
3. Class "A" Mechanics and Diesel Mechanics in Alberta who were classified as such prior to January 1st, 1987.

For the Union

For the Company

Letter of Understanding No. 4

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

This will confirm our understanding that, during the period of May through to September each year, the Company may hire bona fide students who are returning to school after September 30th, to perform bargaining unit work.

The following terms will apply to students hired during the above-noted period.

1. Students will be allowed to perform bargaining unit work.
2. Students must as a condition of employment pay all dues required by the Local Unions but will not be required to pay initiation fees.
3. For the purposes of applying this Letter, the Collective Agreement will not apply to students with the exception of Item #2 of this Letter of Understanding.
4. Students will not be paid less than the start rate for the appropriate classification in this Collective Agreement.

5. Students will not be used in preference of any regular employee or any employee on lay-off. Furthermore, students will not accumulate or exercise seniority during the term of their employment as a student.

For the Union

For the Company

Letter of Understanding No. 5

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

Subject to the provisions of 16.01 (c) of the Collective Agreement, dock employees who report to work without being previously advised not to, will not be required to alter their start or finish times in order to complete their schedule.

For the Union

For the Company

Letter of Understanding No. 6

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree that if an employee, who is exercising his bumping rights as per clause 15.02 of the collective agreement, has no other option than to bump into a position which is regularly scheduled for only one day per week, then such an employee will have the option to bump into the one day position or exercise his bumping rights in other classifications within the depot.

For the Union

For the Company

Letter of Understanding No. 7

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

The parties agree that if requested by the Local Union on a site by site basis by December 1st of the prior year, the following provisions will apply to employees in the 117 classification at that site.

An annual job bid procedure will be implemented on the following basis:

- a) Between January 2nd and January 30th of each year the Company shall post a list of the 117 positions at the site.

- d) These positions will be offered in order of seniority to the employees in the 117 classification at that site. Employees must have the required qualifications to perform the job selected. This selection process will be completed no later than February 15th of each year and implemented no later than the first Sunday in March.

For the Union

For the Company

Letter of Understanding No. 8

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

Utility Couriers, by seniority within their weekly scheduled hours, will on a weekly basis select route preference in covering pre-scheduled weekly absences only.

The parties agree that the selection of Utility Courier assignments may be modified as required, in order to meet the operational needs and requirements of the Company.

For the Union

For the Company

Section C - Casual Employees

1.01 Casual employees are temporary employees who do not work on a regular basis, the whole in compliance with the bargaining certificates issued by the Canada Labour Relations Board.

The Company may use casual employees to perform work only in the following cases:

- a) To fill temporarily vacant positions within the particular framework of clause 14.02 of the present Appendix;
- b) In emergency situations or, in cases of circumstances beyond the control of the Company;
- c) In cases of surplus of work or of a fluctuation in the volume of work as provided for in paragraph 1.02 of the present Appendix.

1.02 In the case of a surplus of work or of fluctuations in the volume of work, the Company undertakes to offer the additional work required to available part-time employees within the classification concerned; however, the Company retains the right to immediately use casual employees to perform additional work resulting from such surplus or fluctuations when it deems it necessary in order to achieve at all times the standards of service required or to otherwise fulfill its contractual obligations.

1.03 Casual employees are not covered by the present Collective Agreement and are thus not entitled to the advantages therein provided.

1.04 The utilization of casual employees shall not have as intent the reduction of the number of regular positions nor the prevention of the creation of regular positions.

- 1.05 On a quarterly basis, i.e.: by the fifteenth (15th) of January, April, July and October, the Company will review all hours worked by casual employees in the previous quarter. Whenever it is found that ten (10) hours of work or more per week has been performed each week of the quarter, and that such work could have been performed by an individual, the Company will post a "relief" position(s) for the corresponding number of hours.
- It is understood that in the January review, anticipated reductions in volume should be taken into account.

**Appendix “M” – Provisions Relating to the
Province of British Columbia**

The following provisions apply to employees and Owner/Operators, as specified, in British Columbia:

Section A – Hourly, Casual and Owner/Operator Provisions

The following provisions apply to regular and casual employees and Owner/Operators in the Province of British Columbia:

1.0 Picket Lines

a) Protection of Rights

It shall not be a violation of this Collective Agreement or cause for discharge of any employee, in the performance of his duties to refuse to cross a legal picket line recognized by the Union. The Union shall notify the Company as soon as possible of the existence of such recognized legal picket line.

b) Controversy with Other Union

If a dispute arises as a result of the employees of a Company bound by the terms of this Collective Agreement handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of Teamsters Canada, the Company and the Union shall immediately meet with the objective of arriving at a mutually satisfactory solution.

2.0 Seniority Lists

The Company shall post and maintain three (3) separate seniority lists in each depot. The three (3) lists will be for casual employees, regular employees and Owner/Operators. Copies of these lists shall be posted the first Monday of January, April, July and October and will also be provided to the Union. Such lists will

indicate the employee's name, status, classification and seniority date.

3.0 Union Security

a) Union Shop

Within an area which is serviced by a permanently established and operating Union hiring hall, the Company shall give the Union the first opportunity to supply Union members for employment provided they are qualified to perform the work.

b) Union Security

In the hiring of equipment on any basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to a Teamster Local 31 Agreement.

Provided there are members of the bargaining unit who are qualified to perform the work, all suitable equipment must be in use before additional equipment can be leased or hired.

4.0 Complete or Partial Closure

If, as and when terminals are closed down or partially closed down or amalgamated or moved to another location, the seniority of employees shall immediately become a subject of discussion and failure of the parties to agree may be submitted to the Grievance Procedure for a final decision.

5.0 Union Label

It shall not be a violation of this Collective Agreement for an employee/Owner/Operator in the province of British Columbia to post the Teamsters' Union label in a conspicuous place on the glass area of the vehicle he is operating. The said label to be a size not in excess of three inches (3") by four inches (4") and not to be attached to any area which will impair the vision of the driver.

Section B – Hourly Provisions

The following provisions apply to hourly employees in the province of British Columbia:

1.0 Casual Employees

a) Voluntary Recognition

For the life of this collective agreement the Company agrees to voluntarily recognize casual employees employed in British Columbia as members of the bargaining unit covered by this collective agreement.

b) Casual Employee Definition

A casual employee is an hourly employee who:

- (i) Is hired on an incidental and temporary basis to provide additional manpower;
- (ii) Is carried on the casual employee seniority list and called in by his seniority, provided he has the qualifications required;
- (iii) Shall not accumulate seniority on the regular employee seniority list;
- (iv) Is given first opportunity to qualify as a regular employee as openings become available provided he meets all Company qualifications and requirements; and
- (v) Is covered by all rights and obligations in this Appendix which are explicitly noted to apply to casual employees. In addition, casual employees are covered by the provisions of Articles 3, 4, 5, 6, 7, 8, 9, 10 and 22 (excluding clause 22.08) of the Collective Agreement.

c) Regular Employees vs Casual Employees

Casual employees shall not be used to deprive any of the regular employees of the conditions of this Collective Agreement. Where the Union establishes and the Company agrees that casual employees are being used where a

regular employee's position could be created, or a regular employee could have his regular hours increased or be fully employed, the Company shall create a position or increase the regular employee's regular hours as the case may be. Where the Company does not agree, the Union reserves the right to take the matter up through the Grievance Procedure.

d) Seniority

Casual employees do not accumulate seniority. However, solely for the purposes of establishing the order of call in to work, a list of casual employees in order of hire date will be established and will be referred to as the casual employee "seniority" list.

2.0 Probationary Period

a) All employees hired as a regular employee shall be considered as probationary for the first sixty (60) calendar days. Upon the successful completion of the probationary period, the employee's name shall be forthwith placed on the regular employee's seniority list effective the first day of the probationary period.

b) All employees hired as a casual employee shall be considered as probationary for the first thirty (30) shifts worked. Upon the successful completion of probationary period, the employee's name shall be forthwith placed on a casual employee's seniority list effective the first day of the probationary period.

Casual employees who are hired as regular employees must serve the probationary period noted in (a) above, regardless of whether or not they have served all or part of their probationary period as a casual employee. A casual employee who is hired as a regular employee prior to completing his casual probationary period will immediately commence the probationary period in (a) above without

- being first required to finish the remainder of his casual probationary period.
- c) There shall be no responsibility on part of the Company in respect of the employment of probationary employees should they be laid off for lack of work or discharged during the probationary period, and in such cases a probationary employee may not avail himself of the grievance and arbitration procedure. However, the Company shall inform the probationary employee, in writing, as to whether he has been discharged or laid-off and the reasons therefore.
- d) Once a regular employee has completed the probationary period he shall be entitled to all of the rights and privileges of this Collective Agreement.
Once a casual employee has completed the probationary period he shall be entitled to all rights and privileges in this Appendix which are explicitly noted to apply to casual employees.

3.0 Job Posting

- a) Any vacant position shall be posted in the depot where the vacancy exists for a period of three (3) consecutive working days. The information which shall appear on the posting is:
- the classification;
 - description of the route, where applicable;
 - the work schedule, start and finish time and days;
 - the wage scale;
 - the qualifications required for the position;
 - the person to who the application must be submitted.
- Once a position has been vacated it will be posted within the following five (5) working days, unless the position is abolished.
- Seniority shall be the governing factor provided the individual is qualified to perform the work.

- b) Employees wishing to apply for a posted position must do so within the five (5) working day posting period using the form provided by the Company. Only employees in the depot concerned may apply to a posted vacancy. Where operational requirements can be met, the successful candidate will be placed into the position within the fifteen (15) working days following the end of the posting period. Effective the sixteenth (16th) working day following the expiry of the posting period if the employee has not yet been placed in his new position, he will be entitled to be remunerated according to the wage rate and/or scheduled hours of his new position.
However should there be no successful candidate from within the depot, then transfer requests from other depots will be considered prior to hiring from outside the bargaining unit.
- c) Application Limit
No employee shall be awarded more than four (4) permanent posted vacancies in any one calendar year.
- d) Any employee absent by reason of sickness, accident, or vacation for a period of thirty (30) calendar days or less, shall have the opportunity to bid on any vacancy which has been posted during his absence. The employee must submit his bid to the Company within three (3) working days of his return to work.
- e) Any employee absent by reason of sickness, accident, or vacation for a period of more than thirty (30) calendar days, shall have the opportunity to bid on any vacancy which has been posted during the thirty (30) calendar days preceding his return to work. The employee must submit his bid to the Company within three (3) working days of his return to work.

4.0 Displacement

A regular employee who has his position discontinued, or who has his five (5) consecutive day weekly schedule changed to a different set of five (5) consecutive days, or who has his weekly scheduled hours reduced by more than five (5) hours shall be entitled to displace another employee in his classification and depot provided he possesses the required qualifications and seniority, according to the following procedure:

- a) the first employee so affected may displace a junior employee;
- b) the second employee so affected may displace a junior employee;
- c) the third employee so affected may displace a junior employee;
- d) the fourth employee so affected may displace the most junior employee in any block of weekly scheduled hours;
- e) any employee so displaced may also displace the most junior employee in any block of weekly scheduled hours;
- f) the most junior employee in a classification may elect to exercise his displacement rights, as outlined in d) above, in another classification within the depot;
- g) should the employee decide not to displace another employee, or be unable to exercise his right to do so, he is then laid off.

5.0 General

a) Notice of Lay-off

Regular hourly employees shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the Parties hereto.

b) Notice of Change in Starting Time

Where a starting time for a regular hourly employee is to be changed, a notice shall be posted before quitting time the day previous. Such notice is to be time stamped and remain

posted until 9:00 a.m. the day following the effective day of the change.

c) Protection of Conditions

It shall be a violation of this Collective Agreement for the Company to require that any employee purchase a truck, tractor, and/or tractor and trailer or other vehicular equipment or that any employee purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

d) Paid for Time

All employees covered by this section shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Collective Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in whichever is later, until he is effectively released from duty.

e) License Tests

i) Whenever it becomes necessary for a regular employee to undertake tests for renewal of licenses or tickets, the Company shall, upon request, provide appropriate equipment for this purpose.

ii) Any regular driver with two (2) or more years of seniority who is required under The Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's license shall receive a Company contribution to a maximum of twenty dollars (\$20.00) to the cost of the examination, provided a receipt is submitted to the Company.

f) Holiday Pay for Casuals

By exception to clause 18.06 b) of the Collective Agreement, casual employees in the province of B.C. who have worked fifteen (15) of the thirty (30) calendar days

prior to the General Holiday shall be paid for the General Holiday.

g) Chargehand Defined

A chargehand, when so designated and classified by the Company shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend or discipline employees. He shall be a member of the Union and shall have seniority in accordance with the applicable articles in the Collective Agreement.

h) Chargehand Premium

Chargehands, appointed by the Company, will receive a premium of \$1.00 per hour worked over the rate of the top hourly rate of the classifications he supervises.

i) Annual Vacations

During the week in which Christmas falls employees are eligible to request a vacation week commencing no earlier than December 25th. All other weeks of vacation must be scheduled within the normal pay week.

By exception to Clause 19.02, payment for this week will not be processed in advance.

6.0 Hourly Rates for Grandfathered Employees

Hourly employees hired prior to March 29, 1994 will have the following wage rates apply to them until surpassed by the appropriate wage rates outlined in Appendix A, subject to the following criteria:

- a) Employees who were on part-time status as of March 29, 1994 will not be entitled to the full-time rates.
- b) Employees who change classifications will no longer be eligible for grandfathered rates, unless the employee had no other option than to displace an employee in a lower rated classification as a result of the provisions of the Collective Agreement, and subsequently returns to his previous classification. In such a case the employee will be entitled

to the appropriate grandfathered rate for his previous classification at the level of seniority he had obtained prior to his transfer to the lower rated classification.

c) The following rates will apply:

Effective First Monday in January 1999	6 months	12 months	18 months	24 months
<u>Full-time Couriers</u>				
Hiring				
\$13.60	15.11	16.63	18.15	
<u>Full-time Linehaul Drivers</u>				
Hiring				
\$16.20	17.35	18.49	19.64	
<u>Full-time Sorter</u>				
Hiring				
\$12.18	12.84	13.53	14.18	
<u>Full-time Markers</u>				
Hiring				
\$14.34		15.69	17.18	
<u>Part-time Couriers</u>				
Hiring				
\$12.20	13.60	15.11	16.63	18.15
<u>Part-time Linehaul Drivers</u>				
Hiring				
\$15.06	16.20	17.35	18.49	19.64

7.0 Letters of Understanding

Letter of Understanding No. 1

Between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

The parties agree that by exception to clauses 19.03 and 19.04 of the Collective Agreement, employees who were full-time as of March 29, 1994 will be entitled to the following vacation time and pay for the duration of the present Collective Agreement:

- a) Full-time employees who have completed three (3) years as a full-time employee will receive three (3) weeks vacation with six (6%) per cent of their annual gross earnings for the twelve (12) months immediately preceding their anniversary date.
- b) Full-time employees who have completed seven (7) years as a full-time employee will receive four (4) weeks vacation with eight (8%) per cent of their annual gross earnings for the twelve (12) months immediately preceding their anniversary date.
- c) Full-time employees who have completed fifteen (15) years as a full-time employee will receive five (5) weeks vacation with ten (10%) per cent of their annual gross earnings for the twelve (12) months immediately preceding their anniversary date.

- d) When an employee leaves the employ of the Company, the employee is entitled to receive vacation pay at the appropriate percentage rate for the portion of the anniversary year in which the employee ends employment for which no vacation has been taken.

For the Union

For the Company

Letter of Understanding No. 2

Between

Purolator Courier Ltd.

and

The Canada Council of Teamsters

The parties agree that employees performing the Relief function will be used to perform work in any classification for temporary fluctuations in volume, absenteeism, temporary vacancies or emergencies. Relief employees have no regularly scheduled daily hours of work or start times.

Relief employees will have a weekly schedule of guaranteed hours, which is the number of hours per week the employee will work as a minimum. The weekly schedule of guaranteed hours can be changed by giving the Relief employee notice of the change during the week prior to the week the change is effective.

For the Union

For the Company

Section C – Owner/Operator Provisions

The following provisions apply to Owner/Operators in the province of British Columbia:

1.0 Definition of an Owner/Operator

An “Owner/Operator” is a person, including a privately held corporation, who carries on a pick-up and delivery business and who has entered into a fee for service contract (hereinafter referred to as the “Owner/Operator Contract”) with the Company for the provision of pick-up and delivery services. The Owner/Operator is, therefore, a business man who provides his equipment, realizes his revenue from his customer, the Company and pays his expenses, including statutory deductions.

Such an Owner/Operator is the owner and/or purchaser and except as permitted herein, the exclusive operator of equipment utilized for the Company’s service.

The Union shall be supplied with a copy of each such Owner/Operator Contract and/or any written agreements or understandings between the Company and the Owner/Operator(s). The Owner/Operator shall not subcontract, or hire other individuals to perform his work, performed for Purolator Courier Ltd. except for during periods of leave of absence authorized by the Company, or for reasons of illness or injury for a period of time not to exceed the time noted in Clause 11.02 f) and g) of the Collective Agreement. Where an Owner/Operator is absent due to illness or injury for an extended period of time, the Company reserves the right to have the Owner/Operator provide medical evidence of the illness and/or injury.

2.0 General Provisions

a) Retaining Services

- i) The Owner/Operator shall personally and exclusively operate the equipment supplied pursuant to his Owner/Operator contract with the Company

except that such equipment shall be operated by an employee of the Owner/Operator in instances where the Owner/Operator is absent because of vacation, illness, accident or on leave of absence for reasons acceptable to the Company. On written request from the Union or Company, the Owner/Operator will produce proof of ownership of his equipment or the equipment lease agreement.

ii) Where an Owner/Operator hires and utilizes the services of a relief employee as set out in (a) above, the Owner/Operator is responsible for remitting the local Union service fee. If the Owner/Operator fails to remit to the local Union the service fee within five (5) working days the Company will deduct the service fee from the first Owner/Operator worked for in that month and remit such service fee to the local Union office.

b) No Financial Interest

The Company will have no financial interest in the equipment other than as required by the Motor Carrier Act unless mutually agreed to by the Union and the Company.

c) Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to an Owner/Operator, nor shall the Company directly or indirectly specify a lessor of equipment to an Owner/Operator as a condition of entering into an agreement with an Owner/Operator.

d) No Mandatory Source

Under no circumstances shall the Company, directly or indirectly, specify a mandatory source of fuel, tires, maintenance or insurance to be used by an Owner/Operator as a condition of entering into a contract with an Owner/Operator.

3.0 Owner/Operators Probationary Period

All Owner/Operators newly engaged for Owner/Operator positions or vacancies shall be considered as probationary for the first sixty (60) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of Owner/Operators should they be laid off for lack of work or discharged during the probationary period, and in such cases an Owner/Operator may not avail himself of the grievance and arbitration procedure. However, the Company shall inform the Owner/Operator on probation as to whether he has been discharged or laid off and the reasons therefor.

Upon the successful completion of the probationary period, the Owner/Operator's name shall be forthwith placed on the Owner/Operator seniority list effective from the first day of the probationary period and such Owner/Operator shall be entitled of the rights and privileges of this Appendix.

4.0 Maintenance of Seniority

The Company and the Union accept the principle of seniority in lay-offs, recall and route postings and agree that if Owner/Operators possess the required minimum qualifications and ability, then length of seniority will govern.

5.0 Job Posting

- a) Any vacant position shall be posted in the depot where the vacancy exists for a period of five (5) consecutive working days. The information which shall appear on the posting:
- Route number;
 - Approximate route boundaries;
 - Approximate number of kilometres to be travelled each day;
 - Approximate start and finish times;
 - Approximate revenue per day over the last month;
 - Vehicle size required;

- Guarantee if applicable.

Once a position has been vacated it will be posted within the following five (5) working days, unless the position is abolished.

Seniority shall be the governing factor provided the individual is qualified to perform the work.

- b) Owner/Operators wishing to apply for a posted position must do so within the five (5) working day posting period using the form provided by the Company. Only Owner/Operators in the depot concerned may apply to a posted vacancy. Where operational requirements can be met, the successful candidate will be placed into the position within the fifteen (15) working days following the end of the posting period. However, should there be no successful candidate from within the depot, then requests from the B.C. Owner/Operator transfer list will be considered prior to hiring outside the bargaining unit.
- c) Any Owner/Operator absent by reason of sickness, accident or vacation for a period of thirty (30) calendar days or less, shall have the opportunity to bid on any vacancy which has been posted during his absence. The Owner/Operator must submit his bid to the Company within three (3) working days of his return to work.
- d) Any Owner/Operator absent by reason of sickness, accident or vacation for a period of more than thirty (30) calendar days, shall have the opportunity to bid on any vacancy which has been posted in the depot during the thirty (30) calendar days preceding his return to work. The Owner/Operator must submit his bid to the Company within three (3) working days of his return to work.
- e) Request for Transfer
An Owner/Operator may submit a request for transfer from his depot to another depot in B.C. The request for transfer shall be valid as of the first (1st) of the month following the receipt thereof.

An Owner/Operator shall have his name struck from the list of request for transfer in the event he refuses to accept a vacant position.

A transferred Owner/Operator shall retain all seniority rights upon his transfer.

Upon request a copy of the transfer list will be provided to the steward.

6.0 Displacement

An Owner/Operator:

- who receives a notice of layoff and/or whose route is discontinued or
- whose route is altered by management such that the management change reduces the weekly compensation received by the Owner/Operator by twenty (20) percent or more shall be entitled to one (1) of the following options:
 - a) displaces the most junior Owner/Operator within the depot
 - b) the affected Owner/Operator may then displace the most junior Owner/Operator within his respective operating district.
 - c) accept the layoff

The reduction of compensation above is determined by taking the average weekly earnings for the first (1st) four (4) weeks' compensation following the changed route as compared to the average weekly compensation for the three (3) months directly prior to the change of the route by management.

7.0 General

a) Notice of Lay-Off

Owner/Operators shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the Parties hereto.

- b) Notice of Change in Starting Time
Where a starting time for an Owner/Operator is to be changed, a notice shall be posted before quitting time the day previous. Such notice is to be time stamped and remain posted until 9:00 a.m. the day following the effective day of the change.
- c) Pay for Day of Accident
If an Owner/Operator, after starting work, meets with a work related accident which incapacitates him from carrying out his duties, he shall be paid for the remaining portion of his shift (to a maximum of nine hours) at the appropriate hourly rate for drivers.
- d) Owner/Operator Equipment
 - i) It shall be the duty and responsibility of the Owner/Operators to maintain their vehicles in a safe operating condition, in accordance with the Department of Transport Regulations.
 - ii) It shall be the responsibility of the Owner/Operators to supply the Company with the required documentation in accordance with the Motor Carriers Commission and the National Safety Code.
 - iii) It shall be the duty of the Owner/Operators to maintain their equipment in a clean and presentable fashion.
- e) Motor Vehicle Accident
Immediately upon becoming involved in a motor vehicle accident, the Owner/Operator shall report the accident immediately to his supervisor.
- f) Painting
It is understood that where the Company requires an Owner/Operator to paint his vehicle, it shall be subject to the following conditions:
 - i) Upon engagement, the expense of painting the Owner/Operator's vehicle shall be borne by the company.

- ii) In the event the Company, for any reason, decides to change the Company colours, the Company shall bear the full cost of repainting all of the Owner/Operator's vehicles, where required.
 - iii) Where body repair work is needed prior to painting, the Owner/Operator shall be notified in writing.
 - iv) Decals shall be issued to all Owner/Operators at no expense to the Owner/Operators.
- g) Cargo Insurance
The Company will provide cargo insurance to the Owner/Operators at the Company's expense, a certificate of which shall be provided to the Owner/Operators.
- h) Miscellaneous
- i) The Company will devote its best efforts towards keeping the Owner/Operators fully engaged in providing services.
 - ii) Owner/Operators shall be provided reasonable access to his/her daily records upon request.
 - iii) Owner/Operators must be bondable.

ARTICLE 8 - APPLICABLE PROVISIONS OF THE COLLECTIVE AGREEMENT

Section 8.1 - Definition

For clarification, wherever the term "collective agreement" is used in this appendix, it refers to the Collective Agreement to which this appendix is attached.

Section 8.2 - Applicable Provisions

The following provisions of the Collective Agreement also apply to Owner/Operators:

- a) Article 3 - Management Rights;
- b) Article 4 - Continuity of Operations;
- c) Article 5 - General Provisions;
- d) Article 6 - Union Security;

- e) Article 7 - Union Representation;
- f) Article 8 - Grievance Procedure;
- g) Article 9 - Arbitration;
- h) Article 10 - Disciplinary Measures;
- i) Clause 20.05 a, b) and c);
- j) Article 22 - Health and Safety at Work;
(Excluding clause 22.08)
- k) Clause 29.01 - Uniforms;
- l) Article 30 - Interpretation;
- m) Article 31 - Duration and Renewal.

No other provisions of the Collective Agreement may be applied to Owner/Operators either directly, or by reference or implication.

9.0 Owner/Operator Contract

OWNER/OPERATOR CONTRACT

**AGREEMENT FOR SUPPLY AND OPERATION OF
MOTOR VEHICLE**

THIS AGREEMENT made the _____ of
_____, 2000

between

**PUROLATOR COURIER LIMITED
("PUROLATOR")**

and

("Owner/Operator")

WHEREAS Owner/Operator owns a vehicle (the "Vehicle") suitable for the pick-up and delivery of small parcels (the "Services");

and

WHEREAS Owner/Operator is willing to make available and operate the vehicle to perform the Services for Purolator upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties covenant and agree as follows:

- 1) Owner/Operator, making use of the Vehicle, shall perform the Services in a timely and efficient manner.
- 2) Owner/Operator shall maintain the Vehicle in safe, serviceable and clean condition.
- 3) All costs of Vehicle operation and maintenance shall be borne by Owner/Operator.
- 4) Owner/Operator shall, at Owner/Operator's expense, maintain liability insurance on the Vehicle in an amount reasonably satisfactory to Purolator.
- 5) Owner/Operator shall, at Owner/Operator's expense decorate the Vehicle in accordance with Purolator specifications.
- 6) Owner/Operator shall install in the vehicle communications equipment supplied by Purolator and make use of such equipment in performing the services. The Company agrees to pay for the installation of such communications equipment.
- 7) Owner/Operator is responsible for remitting payments to the Worker's Compensation Board. Proof of coverage in the form of a clearance certificate will be submitted to the Company upon request. If, at any time, the Owner/Operator defaults on payment the Company will automatically deduct the outstanding assessments from the Owner/Operator payment. Refusal to remit the assessments to the Worker's Compensation Board will result in termination of this contract.
- 8) Owner/Operator shall deliver to Purolator a daily summary of Services performed, together with copies of way bills issued.
- 9) For the Services rendered pursuant to this Agreement, Purolator shall pay Owner/Operator every _____ in accordance with Owner/Operator Compensation for those way bills properly submitted in the preceding period as provided in Paragraph 8.

- 10) Owner/Operator undertake to indemnify and hold Purolator harmless from all claims, debts, demands, suits, actions and causes of actions whatsoever for loss, damages, delay, and liability of any nature or kind whatsoever made or brought by any person, firm or corporation against Purolator arising out of or in connection with the Services rendered by the Owner/Operator.
- 11) The sole relationship between the parties hereto is that of principal and independent contractor and nothing herein shall be deemed to create any other relationship including, without limiting the generality of the foregoing, any relationship of employer and employee, agency, partnership, association or joint venture.
- 12) This Agreement is terminable by either party upon seven (7) days prior written notice to the other.
- 13) This Agreement is terminable by either of the parties without advance notice in the event of:
 - (i) default by the other party in the performance of any of its obligations under this Agreement; or
 - (ii) bankruptcy of the other party or the seizure or attachment of such other party's assets by third parties.
- 14) Upon termination of this Agreement, Owner/Operator shall forthwith remove from the Vehicle the word "Purolator" and all the trade marks, logos and other elements of decoration which are distinctive of Purolator.
- 15) No waiver on behalf of either party hereto of any of the provisions of this Agreement shall be effective unless expressed in writing and any waiver so expressed shall not limit or affect the rights of the party granting such waiver with respect to any other or future matter arising hereunder.
- 16) This Agreement supersedes all former agreements whether oral or written, in force between the parties hereto concerning the subject matter of this Agreement, all of which are terminated as of the date hereof.

- 17) Any notice given under this Agreement shall be in writing and personally delivered or mailed by registered letter at the last known address of the other party. In the event of mailing in the manner aforesaid, such notice shall be deemed to have been received six (6) business days after mailing.
- 18) The Owner/Operator acknowledges and agrees that any information he may have acquired in relation to Purolator Courier's business is confidential and proprietary in nature. The Owner/Operator covenants and agrees that he shall not disclose said information in any manner whatsoever to anyone outside of its organization in whole or in part, and that said information shall not be used by the Owner/Operator or his employees or agents on his or their own behalf or used in any way detrimental to Purolator or other than in connection with the purposes described in this Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands and seals on the day and year first above written.

PUROLATOR COURIER LIMITED

BY: _____
(WITNESS) (OWNER/OPERATOR)

((FOR AN OWNER/OPERATOR CORPORATION))

IN WITNESS WHEREOF the parties hereto have set their hands and seals on the day and year first above written.

PUROLATOR COURIER (OWNER/OPERATOR)
LIMITED
BY: _____ BY: _____

10.0 Owner/Operator Compensation

Section C.1 - Basic Rates:

	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
a) First Shipment	2.196	2.262	2.330	2.400
Multiple	0.996	0.996	0.996	0.996

A First Shipment is defined as up to six sequential parcel identification numbers (P.I.N.'s) from one shipper to one consignee on the same day. Not more than one (1) First Shipment can be claimed at any single stop.

A Multiple is defined as up to six (6) sequential parcel identification numbers (P.I.N.'s), excluding the First Shipment.

Examples (using \$1.879 for the First Shipment and \$0.929 per Multiple):

- (i) If a shipment from one shipper to one consignee on the same day has fifteen (15) sequential P.I.N.'s, then the Owner/Operator will be paid \$1.879 for the first six (6) sequential P.I.N.'s (the First Shipment), \$0.929 for the next six (6) sequential P.I.N.'s (a Multiple) and \$0.929 for the final three (3) sequential P.I.N.'s (an additional Multiple) for a total of \$3.737.
- (ii) If two (2) shipments from different shippers, one with five (5) sequential P.I.N.'s and the other with four (4) sequential P.I.N.'s, are delivered to the same consignee on the same day the Owner/Operator will

be paid \$1.879 for one of the shipments (the First Shipment) and \$0.929 for the other shipment (a Multiple) for a total of \$2.808.

	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
b) <u>Base</u>				
Van				
12.67	13.05	13.44	13.84	
	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1 Ton Cube				
25.33	26.09	26.87	27.68	

c) Overweight
(>210 lbs.)

0.01

Overweight Shipment is defined as a shipment which meets all of the following criteria:

- (i) is in excess of 210 pounds (the premium is paid for that weight which exceeds 210 pounds);
- (ii) is required to be broken down in order to load into the Owner/Operator's vehicle;
- (iii) the vehicle is either a van or a 1 ton cube van (this does not apply to any larger vehicles); and
- (iv) the weight, PIN and customer is recorded on each occasion.

Section C.2 - Guarantees

- a) The following guarantees will apply on the basis of one rate per day worked. Mileage is based on the distance from the depot to the farthest point on the Owner/Operator's route and back (straight line mileage).

	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Van Guarantee				
0 to 160 km.	178.19	183.54	189.05	194.72
161 to 320 km.	195.70	201.57	207.62	213.85
321 to 480 km.	229.69	236.58	243.68	250.99
481 to 640 km.	248.23	255.68	263.35	271.25
641 to 800 km.	276.04	284.32	292.85	301.64

	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1 Ton Cube Van Guarantee				
0 to 160 km.	189.52	195.21	201.07	207.10
161 to 320 km.	207.03	213.24	219.64	226.23
321 to 480 km.	236.90	244.01	251.33	258.87
481 to 640 km.	258.53	266.29	274.28	282.51
641 to 800 km.	286.34	294.93	303.78	312.89
5 Ton Guarantee	291.49	300.23	309.24	318.52

Section C.3 - Compensation

For each day's work, the Owner/Operator will be paid the greater of the daily guarantee or the compensation calculated using earnings from Shipments, Multiples and Base. Overweights are paid regardless of whether or not the Owner/Operator exceeds his guarantee.

Section C.4 – Workers' Compensation

The Owner/Operators shall pay his own monthly premiums to the Workers' Compensation Board.

Section C.5 - Health & Welfare

Owner/Operators shall receive the same Health and Welfare benefits (excluding weekly indemnity and long term disability) and B.C. Medical coverage as full-time employees provided for in clause 26.01 a) of the Collective Agreement, based on the same eligibility rules. The Owner/Operator must pay a premium of \$10.00 for single coverage and \$20.00 for family coverage.

Section C.6 – Work on a Day Off

Any Owner/Operator called in on a day off to perform pick up and delivery services (requiring use of his vehicle) for the Company shall receive a minimum of three hours at the “time special hourly rate” [reference Letter of Understanding p. 304 of the master agreement]. Any hours over the three hours shall be paid for actual hours rounded to the nearest quarter hour.

Section C.7 - Sort Special

Any Owner/Operator who is required to extend his day by performing sort activities (beyond sorting to his own truck) will be paid at the proportional hourly rate equivalent to the current sorter rate for Owner/Operators which is \$13.00 per hour. It is understood that use of this special is not to circumvent the hiring or use of existing hourly employees.

11.0 Letters of Understanding

Letter of Understanding No. 1

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The Company will reimburse Owner/Operators for the cost of cellular phone calls made to or from the Company for business reasons, in areas where the Company radio network is not functional. Such reimbursement will be made upon submission of a receipt, with supporting documentation. The Owner/Operator must have the prior authorization of his manager.

For the Union

For the Company

Letter of Understanding No. 2

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

Should the Company decide to convert a unit of owner operators to hourly employees, the Company will provide as much notice as possible to the Union in order to facilitate consultation regarding the conversion. Such discussions will include but not be limited to matters such as possible entitlement to seniority, job position and vacation.

For the Union

For the Company

Letter of Understanding No. 3

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree that an Owner/Operator who is currently entitled to a grandfathered guarantee that is higher than those provided for in this Section of the Appendix will continue to be entitled to said guarantee for as long as the Owner/Operator remains on the same route, or until the route is substantially altered, at which time the regular guarantee rate provided for in this Section of the Appendix will apply.

A list of Owner/Operators who are entitled to such a grandfathered rate will be provided to the Union.

For the Union

For the Company

Letter of Understanding No. 4

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The Union agrees the Owner/Operators will reimburse the Company for the cost of pagers per working day.

For the Union

For the Company

Letter of Understanding No. 5

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The Company, the Union and the Owner/Operators understand the importance of meeting customer service requirements. Unplanned/unscheduled absences can create serious service concerns. If customer service requirements are not met at all times potential revenue loss for both the Company and Owner/Operators can occur. Therefore vacation and short term absence must be covered in a timely and effective manner.

It shall remain the responsibility of the Owner/Operator to locate and train, (subject to management agreement) a suitable replacement relief contractor to perform the services under contract between the Company and the Owner/Operator for the duration of all absences.

However, in the case of absences due to illness or injury, or due to unavoidable circumstances, and if the duration of the absence is five (5) days or less and at the request of the Owner/Operator, then the Company will assist the Owner/Operator in finding a replacement relief person for the duration of the absence, up to the maximum of five (5) days, where appropriate, according to the following procedure:

1. The primary responsibility for finding a replacement relief shall rest with the Owner/Operator.

2. If, after making every reasonable effort, the Owner/Operator cannot locate a replacement relief person, then the Company shall attempt to find a suitable replacement relief person for the Owner/Operator.
3. If a replacement relief operator cannot be found the Company may:
 - a) load balance (re-distribute) freight to adjacent routes for shipments with same day service requirements);
 - b) use an outside agent to perform the required work;
 - c) use an hourly employee to a drive Company vehicle where available.

If, during an absence by the Owner/Operator of five (5) days or less due to illness or injury, the Company provides a replacement relief operator and/or a replacement vehicle to cover the Owner/Operator's route, then the cost of the replacement vehicle and/or relief operator shall be charged to the Owner/Operator unless the Owner/Operator authorizes the Company to retain all remuneration/compensation earned on the route for each day the Company provides a replacement vehicle and/or relief person, in which case the Company shall absorb the costs of the replacement vehicle and/or relief operator.

In the case where an Owner/Operator is involved in a motor vehicle accident, and the vehicle is unavailable as a result of this accident, the Company shall share the cost of a replacement vehicle with the Owner/Operator on an equal basis. Furthermore, if the Owner/Operator is also incapacitated as a result of the above mentioned accident, the Company will absorb the entire cost of the replacement vehicle. These provisions apply only to the absences of five (5) or less days noted above.

In all areas of the province scheduled time-off shall require the Owner/Operator to supply both a vehicle and a replacement driver. However the Company is willing to meet with the Owner/Operators at any depot as a group, where requested by the Owner/Operators, to discuss possible joint efforts to assist Owner/Operators in establishing a system to secure replacement drivers.

For the Union

For the Company

Letter of Understanding No. 6

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree that Owner/Operators performing linehaul runs (defined as tandem axle tractors moving freight consolidations from one terminal to another) shall be paid as follows:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1.350/mile	1.355/mile	1.360/mile	1.365/mile

Waiting/work time in excess of one half hour will be paid at the proportional rate per hour above excluding the first half hour. Waiting time shall be defined as time spent waiting as a result of weather delays, sortation delays, accidents or other unforeseen events.

Rate Per Hour:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
29.940	30.840	31.770	32.720

For the Union

For the Company

Letter of Understanding No. 7

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

The parties agree that the current practice of paying Owner/Operators time or mileage "specials" will continue for the duration of the Collective Agreement.

Time specials will be paid at the following hourly rate:

Effective First Monday <u>in Jan 2004</u>	Effective First Monday <u>in Jan 2005</u>	Effective First Monday <u>in Jan 2006</u>	Effective First Monday <u>in Jan 2007</u>
22.21/hour	22.88/hour	23.57/hour	24.27/hour

Mileage specials will be paid at the rate per kilometre listed below, for all mileage travelled in excess of 20 kilometres outside regular route boundaries:

For Vans:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
.285	.290	.295	.300

For 1 Ton Cube Vans:

.308	.313	.318	.323
------	------	------	------

The current rules and procedures regarding specials will continue to apply, including the exclusion of load balancing. The same rules will apply regardless of whether or not the Owner/Operator is on guarantee.

In addition to the current practice and rules, a "special" will be paid in situations where all of the following conditions apply:

1. an Owner/Operator is required by the Company to make an unscheduled return to the depot,
2. the distance from the point where the Owner/Operator is contacted, to the depot and back is greater than 64 kilometres,
3. the Owner/Operator is on guarantee.

For the Union

For the Company

Letter of Understanding No. 8

Between

Purolator Courier Ltd.

And

The Canada Council of Teamsters

Within three (3) months of ratification of the agreement the Company and the Union agree to meet, on behalf of Owner/Operators in the Lower Mainland, to discuss methods of assisting such Owner/Operators in their responsibility to obtain relief coverage in instances of illness, vacation or approved time off.

For the Union

For the Company

Letter of Understanding No. 9

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

Re : Subcontracting in British Columbia

The Company agrees to meet with the Union to review the conversion of non-union carrier linehaul runs in British Columbia to Teamster Owner/Operator runs. Any potential conversion must meet Purolator Courier Ltd.'s minimum service requirements as specified in the «Carrier Fitness Review ». It is the parties intent to ensure that all viable options are considered and where all conditions are equal, preference will be given to a unionized carrier or union member.

For the Union

For the Company

**APPENDIX "N" - Provisions Relating
to Owner/Operators in the Province of Saskatchewan**

The following provisions apply to Owner/Operators performing pick-up and delivery work in the Province of Saskatchewan:

Article 1. OWNER/OPERATORS

Section 1.1 - Preamble

The purpose of the present Collective Agreement is to establish orderly relations between the parties, to set wage rates, hours of work and other working conditions for the Owner/Operators covered by this Collective Agreement, as well as to promote good relations and a climate of cooperation between the Company and its Owner/Operators.

Section 1.2 - Recognition

The Company recognizes the Union as the sole bargaining agent for all Owner/Operators performing pick-up and delivery work in the Province of Saskatchewan.

No particular agreement relating to working conditions other than those provided for in this Appendix, between an Owner/Operator and the Company, is valid unless it has received the written approval of the officers duly mandated by the Union and the Company.

Section – 1.3 - Definition of an Owner/Operator

An "Owner/Operator" is a person, including a privately held corporation, who carries on a pick-up and delivery business and who has entered into a written fee for service contract (hereinafter referred to as the "Owner/Operator Contract") with the Company for the provision of pick-up and delivery services. The Owner/Operator is, therefore, a businessman who provides his own equipment, realizes his revenue from his customer the Company

and pays his own expenses, including his own statutory deductions.

Such an Owner/Operator is the owner and/or purchaser and except as permitted herein, the exclusive operator of equipment utilized for the Company's service.

The Union shall be supplied with a copy of each such Owner/Operator Contract and/or written agreements or understandings between the Company and the Owner/Operator(s).

Article 2. GENERAL PROVISIONS

Section 2.1 - No Financial Interest

The Company will have no financial interest in the equipment other than as required by the Motor Carrier Act unless mutually agreed to by the Union and the Company.

Section 2.2 - Retaining Services

- a) The Owner/Operator shall personally and exclusively operate the equipment supplied pursuant to this Owner/Operator Contract with the Company, except that such equipment shall be operated by an employee of the Owner/Operator, in instances where the Owner/Operator is absent because of vacation, illness, accident or on leave of absence for reasons acceptable to the Company and the Union.
- b) The Company will not unreasonably reject employee(s) of the Owner/Operator from being able to perform work for Purolator as outlined in 2.2 a) above.
- c) Should the Company require an employee of an Owner/Operator to undergo training above and beyond that training which is required to properly perform the duties assigned to the employee, then such training time will be paid for by the Company.
- d) Employees of Owner/Operators shall not be used by the Company in any way which interferes with duties assigned

by the Owner/Operator, unless the Owner/Operator consents to such use.

Section 2.3 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to an Owner/Operator, nor shall the Company directly or indirectly specify a lessor of equipment to an Owner/Operator as a condition of entering into an agreement with an Owner/Operator.

Section 2.4 -No Mandatory Source

Under no circumstances shall the Company, directly or indirectly, specify a mandatory source of fuel, tires, maintenance or insurance to be used by an Owner/Operator as a condition of entering into a contract with an Owner/Operator.

Section 2.5 -Owner/Operator Contract

Each Owner/Operator must enter into a written fee for service contract and a written standards of performance contract with the Company. The provisions of the written contracts, existing and future, shall remain in effect and be enforceable by both the Owner/Operator and the Company.

Section 2.6 - Proprietary Information

The Owner/Operator acknowledges and agrees that any information he may have acquired in relation to Purolator Courier's business is confidential and proprietary in nature. The Owner/Operator covenants and agrees that he shall not disclose said information in any manner whatsoever to anyone outside of his organization in whole or in part, and that said information shall not be used by the Owner/Operator or his employees or agents on his or their own behalf or used in any way detrimental to Purolator or other than in connection with the purposes described in this Agreement.

Section 2.7 - Picket Lines

The Company recognizes the right of Owner/Operators either to accept or refuse to cross a legal picket line. In the event an Owner/Operator exercises his right of refusal, he must immediately advise his immediate supervisor.

If such a picket line is so established, the Company agrees to meet, at the request of the Union, to discuss any problem raised.

Article 3. OBLIGATIONS

Section 3.1 - Owner/Operator Equipment

- a) It shall be the duty and responsibility of the Owner/Operators to maintain their vehicles in a safe operating condition, in accordance with the Department of Transport Regulations.
- b) It shall be the duty of the Owner/Operator to maintain their equipment in a clean and presentable fashion.

Section 3.2 - Pay For Day of Accident

If an Owner/Operator, after starting work, meets with an accident which incapacitates him from carrying on his duties, he shall be paid for the remaining portion of his shift (maximum nine (9) hours) at the applicable waiting time rate.

Section 3.3 - Motor Vehicle Accident

Upon becoming involved in a motor vehicle accident or breakdown, the Owner/Operator shall report the accident or breakdown immediately or as reasonably possible to his supervisor.

Section 3.4 - Displacement

- a) An Owner/Operator who receives a notice of layoff and/or who has his route discontinued shall be entitled to displace the Owner/Operator with the least seniority within the depot or accept the layoff.

- b) In the event that work normally performed by Owner/Operators is transferred to the hourly bargaining unit employee group, and this transfer of work causes an Owner/Operator to be laid off or an Owner/Operator's route is eliminated, the Owner/Operator so affected may, after exhausting his displacement rights in the Owner/Operator group, make a written request to be considered for an available position within the hourly bargaining unit group which results from the transfer of work or elimination of the route.

An Owner/Operator making such a request will be given preference over outside candidates. If the Owner/Operator successfully obtains an hourly position, he will be considered to be a new hire for all purposes except with regards to hourly wage rate. The Owner/Operator will receive the hourly wage rate corresponding to the number of months seniority he previously held in the Owner/Operator group.

Such a request is valid only for the period of time which an Owner/Operator is on layoff and has recall rights. If an Owner/Operator accepts a position in the hourly bargaining unit group, he shall lose all recall rights to the Owner/Operator group.

Section 3.5 - Postings

Permanently vacant Owner/Operator routes will be posted by depot. Such vacancies shall be awarded by seniority subject to the Owner/Operator possessing the required qualifications. All postings shall be placed on the bulletin board with an indication of the time it was posted and copied to the steward on the date of the posting.

The Company will, upon request, provide access to an Owner/Operator interested in making application under this article relevant information on the route being posted. The information

the Company shall provide will include, but is not limited to, the base kilometer rate or the actual daily kilometers, the average number of pieces, the current route area and other historical data as is available.

The run shall be posted for a period of five (5) working days and shall be awarded within three (3) working days following the end of the posting period, to the senior qualified Owner/Operator. It is understood that the interested Owner/Operator shall be allowed an opportunity to access the run prior to acceptance.

When an Owner/Operator is laid off, he will be placed on a recall list. Owner/Operators will be recalled in order of seniority subject to their possessing the required qualifications.

Section 3.6 - Painting

It is understood that where the Company requires an Owner/Operator to paint his vehicle, it shall be subject to the following conditions:

- a) Upon engagement, the expense of painting the Owner/Operator's vehicle shall be borne by the Company.
- b) In the event the Company, for any reason, decides to change the Company colours, the Company shall bear the full cost of repainting the Owner/Operator's vehicle, where required.
- c) Where body repair work is needed prior to painting, the Owner/Operator shall be notified in writing and shall bear the full responsibility to carry out the repair work.
- d) Company required decals shall be issued to all Owner/Operators at no expense to the Owner/Operator.

Section 3.7 - General

- a) Owner/Operators shall be provided reasonable access to his daily records upon request.
- b) Owner/Operators must be bondable.

- c) Subject to service requirements, the Company will devote its best efforts towards keeping the Owner/Operators fully engaged in providing services.
- d) The Company shall, upon request, review split shifts and wherever possible minimize such split shifts to the extent its operational and service needs allows it to do so.
- e) Established Owner/Operator routes shall not be modified unless required by service needs, or unless the route is not economically viable. Economically viable is defined to mean that the route by all means of income does not generate the daily base rate as outlined in attachment III of this agreement. Where modifications are to be made, the Company shall have meaningful discussion concerning the modifications with the Union and the affected Owner/Operators prior to implementing them. If a dispute arises as to what constitutes “service needs” in a given route modification, the parties agree to meet to discuss and resolve the issue. Should the parties be unable to reach an agreement, either party may proceed directly to arbitration.
- f) Subject to meeting his regular route requirements and meeting all service commitments, an Owner/Operator who has previously indicated his willingness to perform additional work will be given the opportunity to pick-up and deliver overflow freight not handled by Company hourly employees.
- g) If the Company is responsible for an error in excess of \$125.00 in the remuneration to an Owner/Operator, the Owner/Operator may request that the error be corrected within the three (3) working days following the request. Failing such a request the error will be corrected on the next regular cheque issued to the Owner/Operator.
- h) Should an Owner/Operator voluntarily assume a regularly scheduled sixth day of work, he will be entitled to relinquish such work following two (2) weeks prior notice to the Company.

Article 4. SENIORITY

Section 4.1 - Definition

Seniority is defined as the total length of "continuous service" as an Owner/Operator hired by Purolator Courier Ltd. The purpose of seniority is to provide the order of work preference, layoffs and recalls.

Section 4.2 - Probationary Period

The probationary period for Owner/Operators is sixty (60) days worked during a four (4) consecutive month period. Upon completing his probationary period the Owner/Operator shall have his name placed on the Owner/Operator seniority list.

In the case of discharge during the probationary period, an Owner/Operator may not avail himself of the grievance and arbitration procedure.

Section 4.3 - Owner/Operator Seniority List

The Owner/Operator seniority list shall be separate and distinct from the seniority list applicable to hourly employees covered by another Collective Agreement. Seniority obtained under one list is not transferable to the other.

Section 4.4 - Termination of Seniority

An Owner/Operator will be deemed to be terminated and he will lose all seniority rights and privileges and the Company shall have no further obligation to the Owner/Operator in the event that:

- a) his contract is terminated according to the terms of the written Owner/Operator Contract;
- b) he voluntarily quits;
- c) he is discharged for cause;
- d) he is absent for three (3) days or more without the authorization of the Company;
- e) he has been laid off for twelve (12) consecutive months;

- f) he does not reply to a notice of recall to work within the three (3) working days following receipt of such notice or if he does not return to work within the delays therein provided, without valid reason.
- g) he has been absent from work by reason of medically certified illness or injury, either work related or not, for a consecutive twenty-four (24) month period, or such longer period as required by law.

Section 4.5 - Promotion Outside the Bargaining Unit

An Owner/Operator who accepts a management position accumulates his seniority during a period of ninety (90) calendar days from the first day in the management position. During this period the Owner/Operator may return to his position within the bargaining unit. At the end of this period, the Owner/Operator loses his seniority and all rights and advantages provided for in this Agreement.

Article 5. UNION REPRESENTATION

5.1 Shop Steward

The Union may appoint one (1) shop steward in each of the following locations:

Saskatoon
Regina

The Company and the Union further agree that additional Stewards may be appointed by mutual agreement.

It is understood that the Union can elect alternate shop stewards. These alternates may be appointed to replace shop stewards who are absent due to full-time paid work for the Union, sickness, work or non-work related accidents, or any other absence provided for in the agreement. In such a case, the Union must advise the designated person in the Human Resources Department, in writing, at least three (3) working days prior to the replacement.

Shop stewards may inquire about any grievance originating from their depot and assist any Owner Operator who wishes to make one. However, a steward must, prior to leaving his position of work, obtain the authorization of his supervisor which shall not be unduly refused. The supervisor will authorize the period of time during which the shop steward may be absent from his work to inquire about the grievance.

Shop stewards shall not suffer a loss in regular pay as a result of their participation in the Grievance Procedure.

The parties agree that in the case where any Owner Operator, other than the shop steward, is involved in the inquiry concerning a complaint or a grievance, any such meeting or inquiry must be held outside the working hours of the Owner Operator concerned.

Article 6. GRIEVANCE PROCEDURE

Section 6.1 - Payroll Changes

The Owner / Operators will be advised the next day or as soon as possible of any changes or alterations to payroll summaries used for payroll purposes.

Section 6.2 - Payment of Grievance Settlement

- a) In cases where a grievance settlement involves a payment to an Owner Operator, such payment will be made to the Owner Operator no later than the second pay day following the settlement of the grievance, with an indication on the pay stub.
- b) In the event an Owner Operator is collecting WCB/CSST, disability or Employment Insurance benefits, the payment of the grievance settlement will occur no later than the second pay day upon his return to active status unless the Owner Operator requests in writing such payment during his absence. This payment will be made no later than the second pay day following the request.

Article 7. APPLICABLE PROVISIONS OF THE COLLECTIVE AGREEMENT

Section 7.1 – Definition

For clarification, wherever the term "Collective Agreement" is used in this Appendix, it refers to the Collective Agreement to which this Appendix is attached.

Section 7.2 – Applicable Provisions

The following provisions of the Collective Agreement also apply to the Owner/Operators:

- a) Article 3 – Management Rights;
- b) Article 4 – Continuity of Operations;
- c) Article 5 – General Provisions;
- d) Article 6 – Union Security;
- e) Article 7 – Union Representation, excluding Clauses 7.01 and 7.03;
- f) Article 8 – Grievance Procedure;
- g) Article 9 – Arbitration, excluding Clause 9.08;
- h) Article 22 – Health and Safety at Work, excluding Clauses 22.03, 22.08 and 22.09;
- i) Article 31 – Duration and Renewal.

No other provisions of the Collective Agreement may be applied to Owner/Operators either directly or a by reference or implication.

Article 8. DISCIPLINARY MEASURES

Section 8.1 - Disciplinary Measures

It is recognized that the imposition of discipline is the exclusive right of the Company.

Written reprimand, suspension and discharge are the disciplinary measures susceptible of being imposed depending upon the gravity or the frequency of the infraction in question.

Recognizing the Owner / Operator as an independent business person, both the Company and the Union agree that the imposition of time off as a form of discipline does not serve the interests of either the Owner / Operator or the Company. As such, it is agreed that the discipline of suspension will be in writing only and no time off will be served.

Section 8.2 - Time Limit for Imposition of a Disciplinary

Sanction

The decision to impose a disciplinary sanction shall be communicated, in writing, to the Owner/Operator within the five (5) working days of the Owner/Operator's regular schedule following the incident or knowledge of such incident by the Company; otherwise, this sanction shall be rendered invalid and illegal for the purposes of the present agreement. Nonetheless, this time period can be extended to ten (10) working days of the Owner/Operator's regular schedule, following notice by the Company to the permanent representative of the Union to the effect that additional time is required to complete its inquiry.

In the case of a criminal investigation (for example theft, drugs, fraud), the time period does not commence until all conclusions have been drawn from the investigation.

All suspensions will be given within the shortest and most reasonable time period.

Section 8.3 - Contents and Delivery of the Confirmation of Discipline

A written confirmation of discipline addressed to the Owner/Operator concerned must state the reasons for the disciplinary sanction with a copy transmitted simultaneously to the Union Business Agent and to the steward concerned.

Moreover, the Owner/Operator concerned must sign a statement attesting receipt of the said confirmation. His signature does not constitute an acceptance of the disciplinary measure, but only receipt of the written confirmation.

Section 8.4 - Presence of a Union Steward

Any Owner/Operator covered by this agreement who is called into the Company's office for any discussions pertaining to disciplinary or administrative measures or during an investigation by the Loss Prevention department which could result in disciplinary measures for the Owner/Operator shall be informed of his right to be accompanied by a steward.

Section 8.5 - Prescription

A disciplinary measure becomes null and void twelve (12) months after the date of the imposition of the discipline. Any disciplinary measure becoming null and void is withdrawn from the file of the Owner/Operator.

Section 8.6 - Consultation of the Owner/Operator's File

An Owner/Operator who has completed his probationary period may, after having made an appointment two (2) working days in advance, consult his file in the presence of a representative of the Company, accompanied by his steward if he so wishes. The two (2) working days may be extended by the Company in order to process multiple requests from one location or requests from remote areas.

Article 9 – HEALTH AND SAFETY AT WORK

Section 9.1 - Health and Safety Committee

In depots containing twenty (20) employees or more, the Health and Safety Committee will be composed of:

- two (2) members designated by the Union;
- two (2) Company representatives.

Note: The two (2) members designated by the Union may include either employees or Owner Operators of the Company.

As for the other depots within the bargaining unit, the provisions contained in Part II of the Canada Labour Code will apply.

The functions of the Health and Safety Committee are the following:

- a) To recommend training, information and prevention programs in matters of health and safety;
- b) To suggest means and equipment for individual protection;
- c) To receive the suggestions and complaints of the Owner/Operators, the Union and the Company relating to health, safety and hygiene and to take them into consideration;
- d) To receive a copy of the notices of work accidents submitted to the Worker's Compensation Board and to obtain a copy of the internal reports of work accidents which have been investigated by the Company.
- e) To fulfill any other function which is jointly referred to it by the parties to the present agreement.

Article 10. MISCELLANEOUS

Section 10.1 - Uniforms

The present Company practice concerning uniforms will be maintained for the duration of this agreement.

All Owner/Operators who are issued uniforms are responsible for the maintenance of them.

Article 11. INTERPRETATION

Section 11.1 - Collective Agreement In Printed Form

The Company shall have the text of the Collective Agreement printed. It shall distribute one (1) copy to each of the present and future Owner/Operators in the bargaining unit.

Article 12. OWNER/OPERATOR CONTRACT AND STANDARDS OF PERFORMANCE

Copies of these standard documents are attached to this Appendix and remain in effect for the duration of this agreement.

Article 13. OWNER/OPERATOR COMPENSATION

The Owner/Operator compensation schedule is attached to this Collective Agreement and remains in effect for the duration of this agreement.

Article 14. HEALTH AND WELFARE

Eligible Owner/Operators shall be entitled to the following benefits:

Basic Life Insurance
Accident, Death and Dismemberment
Dental
Health (including vision care and prescription drugs)

Owner/Operators who have twelve (12) months or more of service will be eligible for the benefits program.

The Owner/Operator must pay a premium of \$10.00 for single coverage and \$20.00 for family coverage.

The Company may improve the benefits and/or conditions of eligibility; in such case, the Union is advised in writing of the change.

ATTACHMENT I

OWNER/OPERATOR CONTRACT

AGREEMENT FOR SUPPLY AND OPERATIONS
OF
MOTOR VEHICLE

THIS AGREEMENT made the of , 2001

between

PUROLATOR COURIER LIMITED
("PUROLATOR")

and

("OWNER/OPERATOR")

WHEREAS Owner/Operator owns or leases a vehicle (the "Vehicle") suitable for the pick-up and delivery of small parcels (the "Services"); and

WHEREAS Owner/Operator is willing to make available and operate the Vehicle to perform the Services for Purolator upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties covenant and agree as follows:

1. Owner/Operator, making use of the Vehicle, shall perform the Services in a timely and efficient manner.
2. Owner/Operator shall maintain the Vehicle in safe, serviceable and clean condition.
3. All costs of Vehicle operation and maintenance shall be borne by the Owner/Operator.
4. Owner/Operator shall, at Owner/Operator's expense, maintain liability insurance on the Vehicle in accordance with provincial requirements.
5. Owner/Operator shall, at Purolator's expense decorate the Vehicle in accordance with Purolator's specifications.
6. If deemed necessary by Purolator, Owner/Operator shall install communications equipment supplied by Purolator and make use of such equipment in performing the Services. Such equipment will be serviced by the Company at the Company's expense.
7. Owner/Operator shall deliver to Purolator a daily summary of Services performed including but not limited to, delivery route sheets, pick-up waybills and manifest sheets, plus a daily pay summary.
8. For the service rendered pursuant to this Agreement, Purolator shall pay Owner/Operator bi-weekly in accordance with Owner/Operator Compensation Plan.
9. Owner/Operators undertake to indemnify and hold Purolator harmless from all claims, debts, demands, suits, actions, and causes of actions whatsoever for loss, damages, delay and liability of any nature or kind whatsoever, made or brought by any person, firm or corporation against Purolator arising out of or in connection with the Services rendered by the Owner/Operator.
10. The sole relationship between the parties hereto is that of principal and businessman and nothing herein shall be

deemed to create any other relationship including, without limiting the generality of the foregoing, any relationship of employer and Owner/Operator, agency, partnership, association or joint venture.

11. This Agreement is terminable by either of the parties without advance notice in the event of:
 - a) default by the other party in the performance of any of its obligations under this Agreement; or
 - b) bankruptcy of the other party or the seizure or attachment of such other party's assets by third party.
12. Upon termination of this Agreement, Owner/Operator shall forthwith remove from the Vehicle the word "Purolator" and all the trademarks, logos and other elements of decoration which are distinctive of Purolator.
13. No waiver on behalf of either party hereto of any of the provisions of this Agreement shall be effective unless expressed in writing and any waiver so expressed shall not limit or affect the rights of the party granting such waiver with respect to any other or future matter arising hereunder.
14. This Agreement supersedes all former agreements whether oral or written, in force between the parties hereto concerning the subject matter of this Agreement, all which are terminated as of the date hereof.
15. Any notice given under this Agreement shall be in writing and personally delivered or mailed by registered letter at the last known address of the other party. In the event of mailing in the matter aforesaid, such notice shall be deemed to have been received six, (6), business days after mailing.
16. In the event the Vehicle is used to transport freight for others, the Purolator vehicle markings, the "Purolator" trademark, distinctive colours and designs, license plates and operating authority shall not be displayed or relied upon.

17. The Owner/Operator will be governed at all times by the attached Standards of Performance.

IN WITNESS WHEREOF the Parties hereto have set their hands and seals on the day and year first above written.

PUROLATOR COURIER LIMITED

BY:

(WITNESS)

(OWNER/OPERATOR)

ATTACHMENT II

OWNER/OPERATOR

STANDARDS OF PERFORMANCE

SECTION 1 - VEHICLE SPECIFICATIONS:

Owner/Operators are required to supply their own vehicle for the purpose of providing service to Purolator.

1. It is the responsibility of Purolator to determine the size and specifications of vehicles used on any particular route. Upon hiring, transferring, route growth and vehicle replacement, as a condition of continuous employment, Owner/Operators will be required to provide a vehicle which complies with Purolator's size and specifications. Any change in requirements will be communicated to the Owner/Operator as soon as reasonably possible. The Owner/Operator so affected by a requirement to change his vehicle size or specifications may accept the change or may exercise his displacement options as per the provisions of article 6, section 6.04 of this agreement.
2. Depending upon route requirements, the Owner/Operator will provide a suitable vehicle. Within sixty (60) days of replacement of vehicle, the Owner/Operator must have his vehicle painted according to Purolator's standards and specifications.
3. Other than Driver/Passenger windows, side or rear glass are not permitted. Owner/Operators who, at the time of the signing of the collective agreement, do not have vehicles which meet this standard will be allowed to retain such vehicle. Any such deviation from this requirement must have the written approval of the Managing Director of Operations.

4. Owner/Operator shall at Purolator's expense decorate the vehicle in accordance with Purolator's specifications. This is to be completed within sixty (60) days of hire or replacement. The Purolator trademarks, distinctive colours and designs used in connection with the business and service provided by Purolator shall remain at all times during the term and any renewal thereof the property of Purolator and any benefit associated with such use shall accrue wholly to Purolator. The Owner/Operator can use the Purolator trademark, distinctive colours and designs only with the consent of Purolator and only in connection with the services provided to Purolator.
On termination of the Owner/Operator's contract with Purolator, or at the time of indefinite layoff, the Owner/Operator shall immediately and at no expense to Purolator remove from the vehicle the Purolator trademarks, distinctive colours or designs before receipt of his/her final cheque.
Purolator may require the placement of M.C.C. or other Provincial or Area Identification. If such is the case, Purolator will pay for the expense. No other vehicle markings are to be placed on the vehicle unless approved by Purolator in writing.
5. Modifications to existing or replacement vehicles must be approved by Purolator in writing.
6. All rust spots, dents and body repair work is to be completed within 30 days of Purolator's request in writing, with a copy to the Union, to have such work completed. The Owner/Operator is responsible for all expenses in this area including the rental of a vehicle to maintain regular service.
7. All maintenance and operating costs are borne by the Owner/Operator.

8. The Owner/Operator shall be responsible to provide a vehicle at his/her expense at any time his vehicle is unavailable for regular service. The replacement vehicle must conform to Purolator's standards as to size and conditions but not colors. Replacement vans must not be used for more than one (1) week unless extenuating circumstances warrant an extension which must be approved by Purolator in writing.
9. Owner/Operator will ensure their vehicle complies with all security, licensing, cleanliness, insurance, mechanical, maintenance, safety, physical condition and appearance requirements as established and amended from time to time by Purolator.
10. The serviceable age of the vehicle shall be deemed to be six (6) years and any vehicle which is older than three (3) years must be inspected annually. The six (6) years may be extended to ten (10) years based on vehicle condition and reliability. Such extension would be approved by Purolator, in writing, subject to the results of the vehicle inspection.

SECTION 2 - OPERATION OF VEHICLE

Courteous driving and compliance with applicable traffic ordinances, motor vehicle regulations and security of our packages will be adhered to at all times.

1. Owner/Operators making personal use of the vehicle outside normal working hours shall operate their vehicle in a safe, courteous and professional manner.
2. Unless previously approved by Purolator, no hitchhikers, unauthorized personnel, or animals shall be transported in an Owner/Operator vehicle while performing services for Purolator. This will not apply to situations where an

- Owner/Operator is providing emergency assistance to another motorist.
3. The use of substitute drivers must be approved by Purolator and this approval will not be unreasonably withheld. Where required the Owner/Operator assumes all liability insurance and Worker's Compensation for any substitute driver operating their vehicle. The Owner/Operator shall comply with all responsibilities, as an employer under the requirements of municipal, provincial and Federal statutes.
 4. As a condition of employment, the Owner/Operator at his/her expense will provide Purolator with a copy of their Driver's Abstract.
 5. Where required, the Owner/Operator will supply Purolator with a copy of their vehicle registration showing Purolator's safety number and Purolator Courier listed on the registration. Also, the Owner/Operator must provide a copy of the vehicle route class code and Motor Carrier License.
 6. All Owner/Operators will provide and maintain at their own cost and expense all tools, machinery, supplies, fuels and oils necessary to perform the services undertaken by the Owner/Operator.
 7. All Owner/Operators are responsible for having on hand appropriate supplies such as Bill of Lading, Puroletters, Puropaks and all service labels while ensuring proper utilization and control. On termination of the Owner/Operator service, the Owner/Operator shall surrender all paper products of materials with the Purolator trademark, distinctive colour or designs before the final payment is made to the Owner/Operator. This includes any keys and identification tags.
 8. All Owner/Operators are responsible to identify and communicate to his/her respective terminal all shipments that cannot be delivered for whatever reason.

9. It shall be the responsibility of the Owner/Operator to provide an adequate vehicle and assure a Purolator approved replacement in the case of absenteeism.

SECTION 3 - GENERAL OPERATING STANDARDS

Purolator has certain rules of conduct for the guidance and benefit of all Owner/Operators. It is the responsibility of each and every Owner/Operator to protect our customers' property and to ensure safe, prompt and secure services. In addition, we must take every possible precaution to provide for the safety and security of all personnel, vehicles, terminals, customer's premises and the general public. All Owner/Operators are expected to demonstrate integrity, courtesy, safety and conduct of the highest standard.

The rules and regulations listed below are not exhaustive and do not cover every possible situation. When unsure of the proper procedures to follow, Owner/Operators are responsible for contacting their immediate supervisors.

An Owner/Operator who fails at any time to maintain proper standards of conduct or who violates Company rules shall be subject to disciplinary measures up to and including termination of contract.

GENERAL RULES

1. Truthful, accurate and complete reports must be made at all times. Falsification of any report is strictly prohibited.
2. All personal injuries or illness must be promptly reported to your supervisor, whether suffered while on duty or off duty.
3. Uniforms must be worn while performing Purolator business in a decaled vehicle and are not to be worn during off-duty hours.
 - a) Any Owner/Operators who have been assigned a uniform and reports to work without a proper

uniform will be relieved of their duties without pay and expected to return in uniform as directed by their supervisor.

- b) The Owner/Operator is expected to maintain and clean such uniforms.
 - c) All uniforms must be returned to Purolator upon leaving Purolator before the final cheque is released.
 - d) Purolator will pay for new uniforms according to Purolator's uniform policy.
 - e) No deviation in the uniform such as T-shirts or shorts are permitted which are not part of Purolator's uniform policy. Likewise garments bearing the Purolator logo which are not part of the uniform are not to be worn to work.
4. Having in possession, using or being under the influence of intoxicating drugs or alcohol at any time during the period between start and finishing time, whether or not on Company premises, is forbidden and will result in immediate contract termination.
 5. Owner/Operators shall not carry or have in their possessions firearms or other weapons while on duty.
 6. Owner/Operators agree to pick-up and/or deliver at all regular customer locations as assigned on the route sheets and at all unscheduled locations as instructed.
 7. The use of abusive language is prohibited.
 8. Fighting, horseplay or engaging in any conduct which creates a safety hazard to oneself and/or others is prohibited.
 9. The Owner/Operator agrees not to abuse or misuse any of Purolator's property.
 10. No soliciting or gambling is permitted on Purolator's property.
 11. Owner/Operators shall not guarantee levels of service or time of pick-up.

12. Owner/Operators are responsible for the accurate and legible manifesting of all shipments moved in each work day and in obtaining receipts of all items that are delivered.
13. All Bills of Lading and/or Manifests shall be carefully checked by the Owner/Operator to see that they properly reflect the name and address of the consignor and consignee, the accurate number and weight of all packages included in the shipment, the service type and payment method.
14. The Owner/Operator is responsible for submitting to Purolator an accurate and legible summary of each day's transactions along with all Bill of Ladings, cash, cheques, money orders, route sheets and other forms of payments received on behalf and for delivery to Purolator.
15. The Owner/Operator will invoice Purolator as required for services rendered according to the Owner/Operator invoicing procedures.
16. Cash to Courier and C.S. (Controlled Shipments) Procedures must be adhered to at all times. Refer to the Operations Procedures Manual for complete details.
17. It is each Owner/Operator's duty to properly guard and account for all packages. Any breach of security, suspected theft or any incident that arouses the Owner/Operator's concern or suspicion must be reported to a supervisor immediately.
18. The Owner/Operator agrees that Customer Shipments will not be thrown or mishandled in any way. Particular attention must be paid to package handling such as "This Side Up", "Caution", and "Fragile".
19. No Owner/Operator may open, attempt to open, or reach into an opened shipment unless authorized to do so by a supervisor. Any merchandise which falls out of an opened or damaged package may not be kept or used by an Owner/Operator. All such merchandise or shipments must be brought to the attention of a supervisor immediately.

20. Theft of Purolator, customer or other employee's or other Owner/Operator's property will result in immediate contract termination and may also result in criminal prosecution.
21. Owner/Operators must comply with placarding and all other regulations applicable to the handling of Dangerous Goods. Refer to your Dangerous Goods handbook for details.
22. All accidents whether involving other vehicles or not, shall be immediately reported to a supervisor.
23. Unless previously authorized by a supervisor, keys must be removed from the ignition of a vehicle left unattended.
24. Vehicle windows may be left open while the vehicle is unattended provided that all cargo is behind a solid cargo barrier and the cargo compartment is locked.
25. Packages shall not be placed on the roof, hood, or trunk of any vehicle.
26. As required, all Owner/Operator vehicles transporting shipments must enter the Department of Highway's weigh scales. A copy of the vehicle registration, insurance certificate, operating authority, radio license and provincial certificate (where applicable) must be carried by each vehicle and be shown upon request.
27. While in uniform Owner/Operators are expected to behave in a responsible and professional manner.
28. A daily regime of good grooming and hygiene is expected of the Owner/Operator, in order to create and maintain a favourable impression on our customers and prospective customers.
 - a) Hair must be trimmed and combed as to present a neat appearance.
 - b) Hair must be groomed to avoid interference with the job function.
 - c) Facial hair must be trimmed neatly so that it does not appear "bushy".

29. The Owner/Operator agrees not to enter any action which may be harmful to Purolator or cause an unfavourable reaction from current or potential customers.

Owner/Operator Name Owner/Operator Signature Date

Witness Name Witness Signature Date

ATTACHMENT III

OWNER/OPERATOR COMPENSATION SCHEDULE

1. BASE RATE

Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Base Rate			
157.94	176.24	181.53	186.98

PROPORTIONAL BASE RATE

Each Owner/Operator who is required to provide his services to the Company for less than a full day, but greater than four (4) hours will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the proportional base rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Proportional Rate			
78.97	88.12	90.77	93.49

2. (i) KILOMETRE RATE

The following rate per kilometre traveled will be earned by Owner/Operators.

	Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
Van	0.461	0.510	0.526	0.541
Ext	0.461	0.510	0.526	0.541
Cube	0.520	0.563	0.580	0.598

(ii) PIECE RATE

The following rate per piece will be earned by Owner/Operators.

	Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
	0.617	0.670	0.691	0.711

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle; and a properly completed waybill, manifest or other shipping document on the pick-up cycle.

3. SPECIAL SERVICE

The following is a list of recognized special services:

- a) **Lead Hand**
Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.
- b) **Non-Route Specials**
Where an Owner/Operator is expected to perform a pick-up or delivery that does not form part of his/her route area, they will earn the appropriate kilometre and piece rate noted in 3 i) & 3 ii) above with a \$10.00 minimum.
- c) **Wait Times**
Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate provided below the wait exceeds 30 minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
12.50	13.45	13.85	14.27

- d) **Cell Phone/Pagers**
Where the Company determines an Owner/Operator requires the use of a Cellular phone as a result of an Owner/Operator operating in an area where the reception of the Company issued pager is restricted, the Company will reimburse the Owner/Operator for business related phone calls to and from

authorized Purolator facilities. Pagers will be supplied by the Company where required.

- e) **Workers' Compensation**
The Company agrees to pay for Workers' Compensation coverage for Owner/Operators effective July 1, 1999.

**APPENDIX "O - Provisions Relating
to Owner/Operators in the Province of Alberta**

The following provisions apply to Owner/Operators performing pick-up and delivery work in the Province of Alberta:

Article 1. OWNER/OPERATORS

Section 1.0 - Purpose

The purpose of the present Collective Agreement is to establish orderly relations between the parties, to set wage rates, hours of work and other working conditions for the Owner/Operators covered by this collective agreement, as well as to promote good relations and a climate of cooperation between the Company and its Owner/Operators represented by the Union.

Section 1.1 - Recognition

The Company recognizes the Union as the sole bargaining agent for all Owner/Operators performing pick-up and delivery work in the Province of Alberta.

No particular agreement relating to working conditions other than those provided for in this Collective Agreement, between an Owner/Operator and the Company, is valid unless it has received the written approval of the officers duly mandated by the Union and the Company.

Section 1.2 - Definition of an Owner/Operator

An "Owner/Operator" is a person, including a privately held corporation, who carries on a pick-up and delivery business and who has entered into a written fee for service contract (hereinafter referred to as the "Owner/Operator Contract") with the Company for the provision of pick-up and delivery services. The Owner/Operator is, therefore, a business man who provides his own equipment, realizes his revenue from his customer the

Company and pays his own expenses, including his own statutory deductions.

Such an Owner/Operator is the owner and/or purchaser and except as permitted herein, the exclusive operator of equipment utilized for the Company's service.

The Union shall be supplied with a copy of each such Owner/Operator Contract and/or written agreements or understandings between the Company and the Owner/Operator(s).

Article 2. GENERAL PROVISIONS

Section 2.1 - No Financial Interest

The Company will have no financial interest in the equipment other than as required by the Motor Carrier Act unless mutually agreed to by the Union and the Company.

Section 2.2 - Retaining Services

- a) The Owner/Operator shall personally and exclusively operate the equipment supplied pursuant to this Owner/Operator Contract with the Company, except that such equipment shall be operated by an employee of the Owner/Operator, in instances where the Owner/Operator is absent because of vacation, illness, accident or on leave of absence for reasons acceptable to the Company and the Union.
- b) The Company will not unreasonably reject employee(s) of the Owner/Operator from being able to perform work for Purolator as outlined in 2.2 a) above.
- c) Employees of Owner/Operators shall not be used by the Company in any way which interferes with duties assigned by the Owner/Operator, unless the Owner/Operator consents to such use.
- d) Should the Company require an employee of an Owner/Operator to undergo training above and beyond that training which is required to properly perform the duties

assigned to the Owner/Operator, then such training time will be paid for by the Company.

Section 2.3 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to an Owner/Operator, nor shall the Company directly or indirectly specify a lessor of equipment to an Owner/Operator as a condition of entering into an agreement with an Owner/Operator.

Section 2.4 - No Mandatory Source

Under no circumstances shall the Company, directly or indirectly specify a mandatory source of fuel, tires, maintenance or insurance to be used by an Owner/Operator as a condition of entering into a contract with an Owner/Operator.

Section 2.5 - Owner/Operator Contract

Each Owner/Operator must enter into a written fee for service contract and a written standards of performance contract with the Company. The provisions of the written contracts, existing and future, shall remain in effect and be enforceable by both the Owner/Operator and the Company.

Section 2.6 - Proprietary Information

The Owner/Operator acknowledges and agrees that any information he may have acquired in relation to Purolator Courier's business is confidential and proprietary in nature. The Owner/Operator covenants and agrees that he shall not disclose said information in any manner whatsoever to anyone outside of his organization in whole or in part, and that said information shall not be used by the Owner/Operator or his employees or agents on his or their own behalf or used in any way detrimental to Purolator or other than in connection with the purposes described in this Collective Agreement.

Section 2.7 - Picket Lines

The Company recognizes the right of Owner/Operators either to accept or refuse to cross a legal picket line. In the event an Owner/Operator exercises his right of refusal, he must immediately advise his immediate supervisor. If such a picket line is so established, the Company agrees to meet, at the request of the Union, to discuss any problem raised.

Article 3. OBLIGATIONS

Section 3.1 - Owner/Operator Equipment

- a) It shall be the duty and responsibility of the Owner/Operator to maintain his vehicle in a safe operating condition, in accordance with the Department of Transportation Regulations.
- b) It shall be the duty of the Owner/Operator to maintain their equipment in a clean and presentable fashion.
- c) Owner/Operators in Alberta will have access to the depot truck wash facilities, where available, to wash their vehicles used to transport Purolator freight, so long as they do not interfere with the operations or the normal washing of Purolator vehicles.

Section 3.2 - Motor Vehicle Accident

Upon becoming involved in a motor vehicle accident or breakdown, the Owner/Operator shall report the accident or breakdown immediately or as soon as reasonably possible to his supervisor.

Section 3.3 - Displacement

- a) An Owner/Operator who receives a notice of lay-off and/or who has his route discontinued shall be entitled to displace a junior Owner/Operator in his depot provided he possesses

the required qualifications and seniority, according to the following procedure:

- i) The first Owner/Operator so affected may displace a junior Owner/Operator;
- ii) The second Owner/Operator so affected may displace a junior Owner/Operator;
- iii) The third Owner/Operator so affected may displace a junior Owner/Operator;
- iv) The fourth Owner/Operator so affected may displace the most junior Owner/Operator.

An Owner/Operator who decides not to displace another Owner/Operator, or is unable to exercise his right to do so, will be laid off.

- b) In the event that work normally performed by Owner/Operators is transferred to the hourly bargaining unit employee group, and this transfer of work causes an Owner/Operator to be laid off, the Owner/Operator so affected may, after exhausting his displacement rights in the Owner/Operator group, make a written request to be considered for an available driving position within the hourly bargaining unit group which results from the transfer of work. An Owner/Operator making such a request will be given preference over outside candidates. If the Owner/Operator successfully obtains an hourly position, he will be considered to be a new hire for all purposes except with regards to hourly wage rate. The Owner/Operator will receive the hourly wage rate corresponding to the number of months seniority he previously held in the Owner/Operator group. Such a request is valid only for the period of time which an Owner/Operator is on layoff and his recall rights. If an Owner/Operator accepts a position in the hourly bargaining unit group, he shall lose all recall rights to the Owner/Operator group.

- c) An Owner/Operator who has been on layoff for a period of twelve (12) consecutive months and has not been recalled, will lose his seniority rights and his right to recall.

Section 3.4 – Postings

Permanently vacant Owner/Operator routes and new Owner/Operator routes will be posted by depot. Such vacancies shall be awarded by seniority subject to the Owner/Operator possessing the required qualifications. All postings shall be placed on the bulletin board with an indication of the time it was posted and copied to the steward on the date of the posting.

When an Owner/Operator is laid off, he will be placed on a recall list. Owner/Operators will be recalled in the order of seniority subject to their possessing the required qualifications.

Section 3.5 – Painting

It is understood that where the Company requires an Owner/Operator to paint his vehicle, it shall be subject to the following conditions:

- a) In the event the Company, for any reason, decides to change the Company colours, the Company shall bear the full cost of repainting the Owner/Operator's vehicle, where required.
- b) Where body repair work is needed prior to painting, the Owner/Operator shall be notified in writing and shall bear the full responsibility to carry out the repair work.

Section 3.6 – General

- a) Owner/Operators shall be provided reasonable access to their daily records upon request.
- b) Owner/Operators must be bondable.
- c) Subject to service requirements, the Company will devote its best efforts towards keeping the Owner/Operators fully engaged in providing services.

- d) The Company shall, upon request, review split shifts and wherever possible minimize such split shifts to the extent its operational and service needs allows it to do so.
- e) Established Owner/Operator routes shall not be modified unless required by service needs, or unless the route is not economically viable. Where modifications are to be made, the Company shall discuss the modifications with the affected Owner/Operators prior to implementing them.
- f) Subject to meeting his regular route requirements and meeting all service commitments, an Owner/Operator who has previously indicated his willingness to perform additional work will be given the opportunity to pick up and deliver overflow freight not handled by Company hourly employees.
- g) If the Company is responsible for an error in excess of \$125.00 in the remuneration to an Owner/Operator, the Owner/Operator may request that the error be corrected within three (3) working days following the request. Failing such a request the error will be corrected on the next regular cheque issued to the Owner/Operator.
- h) Should an Owner/Operator voluntarily assume a regularly scheduled sixth day of work, he will be entitled to relinquish such work following two weeks prior notice to the Company.
- i) In unique and unusual situations and with the authorization of his immediate Manager, an Owner/Operator may contract with a Company approved agent to deliver oversize and/or overweight shipments. The Owner/Operator is responsible for the agent meeting all Company service standards and procedures including Proof of Delivery. The Owner/Operator is responsible for the total cost of delivering such freight.

Article 4. UNION SECURITY

Section 4.1 - Tax Forms

The Company shall show the yearly total of Union dues deductions.

Article 5. SENIORITY

Section 5.1 - Definition

Seniority is defined as the total length of “continuous service” as an Owner/Operator contracted by Purolator Courier Ltd. The purpose of seniority is to provide the order of work preference, lay offs and recalls.

Section 5.2 - Probationary Period

The Probationary Period for Owner/Operators is sixty (60) days worked during a four (4) consecutive month period. Upon completing his probationary period the Owner/Operator shall have his name placed on the Owner/Operator seniority list.

In the case of discharge during the probationary period, an Owner/Operator may not avail himself of the grievance and arbitration procedure.

Section 5.3 - Seniority Lists

A seniority list for each depot shall be revised every three (3) months following the signing of the Collective Agreement and will be posted in the depot concerned. A revised copy is to be sent to the Local Union and the Steward.

Section 5.4 - Termination of Seniority

An Owner/Operator will be deemed to be terminated and he will lose all seniority rights and privileges and the Company shall have no further obligation to the Owner/Operator in the event that:

- a) his contract is terminated according to the terms of the written Owner/Operator Contract;
- b) he voluntarily quits;
- c) he is discharged for cause;
- d) he is absent for three (3) days or more without the authorization of the Company;
- e) he has been laid off for twelve (12) consecutive months;
- f) he does not reply to a notice of recall to work within the three (3) working days following receipt of such notice or if he does not return to work within the delays therein provided, without valid reason.

Section 5.5 - Promotion Outside the Bargaining Unit

An Owner/Operator who accepts a management position accumulates his seniority during a period of ninety (90) calendar days from the first day in the management position. During this period the Owner/Operator may return to his position within the bargaining unit. At the end of this period, the Owner/Operator loses his seniority and all rights and advantages provided for in this Collective Agreement.

Article 6. UNION REPRESENTATION

6.1 Shop Stewards

The Union may appoint one (1) shop steward in each of the following locations:

- Edmonton
- Calgary
- Northwestern Alberta
- Northeastern Alberta

It is understood that the Union can elect alternate shop stewards. These alternates may be appointed to replace shop stewards who are absent due to fulltime paid work for the Union, sickness, work or non-work related accidents, or any other absence provided for in this agreement. In such case, the Union must advise the Human

Resources Manager of the Company, in writing, at least three (3) working days prior to the replacement. Shop stewards may inquire about any grievance originating from their depot and assist any Owner/Operator who wishes to make one. However, a steward must, ensure that the service standards of Purolator to its' customers is maintained.

6.2 Union Leave of Absence

In the event that the Union requires the services of one (1) or more of its members as Business Agent, the Owner/Operator(s) chosen shall have the right to a leave of absence without pay for the duration of the Collective Agreement. The Owner/Operator(s) shall continue to accumulate seniority during such a leave. An Owner/Operator on such leave must advise the Company, in writing, at least thirty (30) days in advance, of the date on which he will be returning to work as a regular Owner/Operator.

Article 7. GRIEVANCE PROCEDURE

7.1 Payroll Changes

The Owner/Operators will be advised as soon as possible of any changes or alterations to time cards, or trip sheets used for pay purposes.

7.2 Payment of Grievance Settlement

- a) In cases where a grievance settlement involves a payment to an Owner/Operator, such payment will be made to the Owner/Operator no later than the second pay day following the settlement of the grievance, with an indication on the pay stub.
- b) In the event an Owner/Operator is collecting WCB, disability or Employment Insurance benefits, the payment of the grievance settlement will occur no later than the second pay day upon his return to active status unless the Owner/Operator requests in writing such payment during

his absence. This payment will be made no later than the second pay day following the request.

Article 8. ARBITRATION

8.1 Disciplinary Measures

The arbitrator may, in the case of discharge or of disciplinary measures imposed on Owner/Operators having acquired seniority rights, confirm, modify or annul the decision of the Company, or, as the case may be, substitute any other sanction which appears to him to be just and reasonable under the circumstances.

8.2 Internal Arbitration

The Company and the Union will attempt to establish an internal arbitration resolution process. Any such process will become an integral part of the grievance and arbitration procedures.

Article 9. APPLICABLE PROVISIONS

Section 9.1 - Definition

For clarification, wherever the term “Collective Agreement” is used in this Appendix, it refers to the Collective Agreement to which this Appendix is attached.

Section 9.2 - Applicable Provisions

The following provisions of the Collective Agreement also apply to the Owner/Operators:

- a) Article 3 – Management Rights;
- b) Article 4 – Continuity of Operations;
- c) Article 5 – General Provisions, excluding Clauses 5.07 and 5.08;
- d) Article 6 – Union Security;
- e) Article 7 – Union Representation, excluding Clauses 7.01, 7.03 and 7.06;

- f) Article 8 – Grievance Procedure, excluding Clauses 8.11 and 8.12;
- g) Article 9 – Arbitration, excluding Clauses 9.06 and 9.08;
- h) Article 22 – Health & Safety at Work, excluding Clauses 22.03, 22.04, 22.06, 22.08 and 22.09;
- i) Article 31 – Duration and Renewal.

No other provisions of the Collective Agreement may be applied to Owner/Operator either directly, or by reference or implication.

Article 10. DISCIPLINARY MEASURES

Section 10.1 - Disciplinary Measures

It is recognized that the imposition of discipline is the exclusive right of the Company.

Written reprimand, suspension and discharge are the disciplinary measures susceptible of being imposed depending upon the gravity or the frequency of the infraction in question.

Recognizing the Owner/Operator as an independent business person, both the Company and the Union agree that the imposition of time off as a form of discipline does not serve the interests of either the Owner/Operator or the Company. As such, it is agreed that the discipline of suspension will be in writing only and no time off will be served.

Section 10.2 - Time Limit for Imposition of a Disciplinary Sanction

The decision to impose a disciplinary sanction shall be communicated, in writing, to the Owner/Operator within the five (5) working days of the Owner/Operator's regular schedule following the incident or knowledge of such incident by the Company; otherwise, this sanction shall be rendered invalid and illegal for the purposes of the present Agreement. Nonetheless, this time period can be extended to ten (10) working days of the Owner/Operator's regular schedule, following notice by the

Company to the permanent representative of the Union to the effect that additional time is required to complete its inquiry. In the case of a criminal investigation (for example theft, drugs, fraud), the time period does not commence until all conclusions have been drawn from the investigation.

Section 10.3 - Contents and Delivery of the Confirmation of Discipline

A written confirmation of discipline addressed to the Owner/Operator concerned must state the reasons for the disciplinary sanction with a copy transmitted simultaneously to the Union Business Agent and to the steward concerned.

Moreover, the Owner/Operator concerned must sign a statement attesting receipt of the said confirmation. His signature does not constitute an acceptance of the disciplinary measure, but only receipt of the written confirmation.

Section 10.4 - Presence of a Union Steward

Any Owner/Operator covered by this agreement who is called into the Company's office for any discussions pertaining to disciplinary or administrative measures or during an investigation by the Loss Prevention department which could result in disciplinary measures for the Owner/Operator shall have the right, upon request, to be accompanied by a steward.

Section 10.5 - Prescription

A disciplinary measure becomes null and void twelve (12) months after the date of the imposition of the discipline. Any disciplinary measure becoming null and void is withdrawn from the file of the Owner/Operator.

Article 11. HEALTH AND SAFETY AT WORK

11.1 Health and Safety Committee

In depots of twenty (20) or more employees and Owner/Operators the Health and Safety Committee is formed as follows:

- two (2) members designated by the Union.
- two (2) members designated by the Company.

Note: The two (2) members designated by the Union may include either Owner/Operators or employees of the Company.

For all other depots, the provisions of Part II of the Canada Labour Code will apply.

The functions of the Health and Safety Committee are the following:

- a) To recommend training, information and prevention programs in matters of health and safety;
- b) To suggest means and equipment for individual protection;
- c) To receive the suggestions and complaints of the Owner/Operators, the Union and the Company relating to health, safety and hygiene and to take them into consideration;
- d) To receive a copy of the notices of work accidents submitted to the Worker's Compensation Board and to obtain a copy of the internal reports of work accidents which have been investigated by the Company.
- e) To fulfill any other function which is jointly referred to it by the parties to the present agreement.

11.2 Committee Meetings

The Health and Safety Committee shall meet once (1) per month, for a period of time not generally exceeding one (1) hour. Minutes of each meeting must be taken and remitted to each of its members and posted on the bulletin board. Members of the Health and Safety Committee shall not be required to perform their normal

functions during the time necessary to attend the said meetings and shall be remunerated at the applicable waiting time rate.

Article 12. MISCELLANEOUS

Section 12.1 - Uniforms

The present Company practice regarding uniforms for Owner/Operators will be maintained for the duration of the collective agreement.

Section 12.2 - Technological Change

The Company will abide by the technological change provisions of Part I of the Canada Labour Code.

Article 13. INTERPRETATION

Section 13.1 - Collective Agreement in Printed Form

The Company shall have the text of the Collective Agreement printed. It shall distribute one (1) copy to each of the present and future Owner/Operators in the bargaining unit and shall remit a number to the Union not more than sixty (60) days after the signing of the Collective Agreement.

Article 14. OWNER/OPERATOR CONTRACT AND STANDARD OF PERFORMANCE

Copies of these standard documents are attached to this Collective Agreement and remain in effect for the duration of this Agreement.

Article 15. OWNER/OPERATOR COMPENSATION

The Owner/Operator compensation schedule is attached to this Collective Agreement and remains in effect for the duration of this Agreement.

ATTACHMENT 1

OWNER/OPERATOR CONTRACT

AGREEMENT FOR SUPPLY AND OPERATIONS OF MOTOR
VEHICLE

THIS AGREEMENT made the of , 2000
between

PUROLATOR COURIER LIMITED
("PUROLATOR")

and

("OWNER/OPERATOR")

WHEREAS the Owner/Operator owns or leases a vehicle ("the Vehicle") suitable for the pick-up and delivery of small parcels ("the Services") and

WHEREAS Owner/Operator is willing to make available and operate the Vehicle to perform the Services for Purolator upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties covenant and agree as follows;

1. Owner/Operator, making use of the Vehicle, shall perform the Services in a timely and efficient manner.
2. Owner/Operator shall maintain the Vehicle in safe, serviceable and clean condition.

3. All costs of Vehicle operation and maintenance shall be borne by the Owner/Operator.
4. Owner/Operator shall, at Owner/Operator's expense, maintain liability insurance on the Vehicle in accordance with provincial requirements.
5. Owner/Operator shall, at Purolator's expense decorate the Vehicle in accordance with Purolator's specifications.
6. If deemed necessary by the Company, the Owner/Operator will be supplied with a Company issued pager. The Company is responsible for the cost of supplying and maintaining the pagers.
7. Owner/Operator shall deliver to Purolator a daily summary of Services performed including but not limited to, delivery route sheets, pick-up waybills and manifest sheets, plus a daily pay summary.
8. For the service rendered pursuant to this Agreement, Purolator shall pay Owner/Operator every two (2) weeks in accordance with Owner/Operator Compensation Plan.
9. Owner/Operators undertake to indemnify and hold Purolator harmless from all claims, debts, demands, suits, actions, and causes of actions whatsoever for loss, damages, delay and liability of any nature or kind whatsoever, made or brought by any person, firm or corporation against Purolator arising out of or in connection with the Services rendered by the Owner/Operator.
10. The sole relationship between the parties hereto is that of principal and businessman and nothing herein shall be deemed to create any other relationship including, without limiting the generality of the foregoing, any relationship of employer and employee, agency, partnership, association or joint venture.
11. This Agreement is terminable by either of the parties without advance notice in the event of:
 - a) default by the other party in the performance of any of its obligations under this Agreement; or

- b) bankruptcy of the other party or the seizure or attachment of such other party's assets by third party.
- 12. Upon termination of this Agreement, Owner/Operator shall forthwith remove from the Vehicle the word "Purolator" and all the trademarks, logos and other elements of decoration which are distinctive of Purolator.
- 13. No waiver on behalf of either party hereto or any of the provisions of this Agreement shall be effective unless expressed in writing and any waiver so expressed shall not limit or affect the rights of the party granting such waiver with respect to any other or future matter arising hereunder.
- 14. This Agreement supersedes all former agreements whether oral or written, in force between the parties hereto concerning the subject matter of this Agreement, all which are terminated as of the date hereof.
- 15. Any notice given under this Agreement shall be in writing and personally delivered or mailed by registered letter at the last known address of the other party. In the event of mailing in the matter aforesaid, such notice shall be deemed to have been received six, (6), business days after mailing.
- 16. In the event the Vehicle is used to transport freight for others, the Purolator vehicle markings, the "Purolator" trademark, distinctive colours and designs, license plates and operating authority shall not be displayed or relied upon.
- 17. The Owner/Operator will be governed at all times by the attached Standards of Performance.

IN WITNESS WHEREOF the Parties hereto have set their hands and seals on the day and year first above written.

PUROLATOR COURIER LIMITED

BY: _____

(WITNESS)

(OWNER/OPERATOR)

ATTACHMENT II

OWNER/OPERATOR

STANDARDS OF PERFORMANCE

SECTION 1 - VEHICLE SPECIFICATIONS:

Owner/Operators are required to supply their own vehicle for the purpose of providing service to Purolator.

1. It is the responsibility of Purolator to determine the size and specifications of vehicles used on any particular route. Upon hiring, transferring, route growth and vehicle replacement, as a condition of continuous employment, Owner/Operator will be required to provide a vehicle which complies with Purolator's size and specifications. Any change in requirements will be communicated to the Owner/Operator as soon as reasonably possible.
2. Depending upon route requirements, the Owner/Operator will provide a suitable vehicle. Within sixty (60) days of replacement of vehicle, the Owner/Operator must have his vehicle painted according to Purolator's standards and specifications.
3. Other than Driver/Passenger windows, side or rear glass are not permitted. Owner/Operators who, at the time of the signing of the Collective Agreement, do not have vehicles which meet this standard will be allowed to retain such vehicle. Any such deviation from this requirement must have the written approval of the Managing Director of Operations.
4. Owner/Operator shall at Purolator's expense decorate the vehicle in accordance with Purolator's specifications. This is to be completed within sixty (60) days of hire or

replacement. The Purolator trademarks, distinctive colours and designs used in connection with the business and service provided by Purolator shall remain at all times during the term and any renewal thereof the property of Purolator and any benefit associated with such use shall accrue wholly to Purolator. The Owner/Operator can use the Purolator trademark, distinctive colours and designs only with the consent of Purolator and only in connection with the services provided to Purolator.

On termination of the Owner/Operator's contract with Purolator, or at the time of indefinite layoff, the Owner/Operator shall immediately and at Purolator's expense remove from the vehicle the Purolator trademarks, distinctive colours or designs before receipt of his/her final cheque.

Purolator may require the placement of M.C.C. or other Provincial or Area Identification. If such is the case, Purolator will pay for the expense. No other vehicle markings are to be placed on the vehicle unless approved in writing by Purolator.

5. Modifications to existing or replacement vehicles must be approved by Purolator in writing.
6. All rust spots, dents and body repair work is to be completed within 30 days of Purolator's request in writing, with a copy to the Union, to have such work completed. The Owner/Operator is responsible for all expenses in this area including the rental of a vehicle to maintain regular service.
7. All maintenance and operating costs are borne by the Owner/Operator.
8. The Owner/Operator shall be responsible to provide a vehicle at his/her expense at any time his vehicle is unavailable for regular service. The replacement vehicle must conform to Purolator's standards as to size and conditions but not colors. Replacement vans must not be

used for more than one, (1), week unless extenuating circumstances warrant an extension which must be approved by Purolator in writing.

9. Owner/Operator will ensure their vehicle complies with all security, licensing, cleanliness, insurance, mechanical, maintenance, safety, physical condition and appearance requirements as established and amended from time to time by Purolator.
10. The serviceable age of the vehicle shall be deemed to be six (6) years and any vehicle which is older than three (3) years must be inspected annually. The six (6) years may be extended to ten (10) years based on vehicle condition and reliability. Such extension would be approved by Purolator, in writing, subject to the results of the vehicle inspection.

SECTION 2 - OPERATION OF VEHICLE:

Courteous driving and compliance with applicable, traffic ordinances, motor vehicle regulations and security of our packages will be adhered to at all times.

1. Owner/Operators making personal use of the vehicle outside normal working hours shall operate their vehicle in a safe, courteous and professional manner.
2. Unless previously approved by Purolator, no hitchhikers, unauthorized personnel, or animals shall be transported in an Owner/Operator vehicle while performing services for Purolator. This will not apply to situations where an Owner/Operator is providing emergency assistance to another motorist.
3. The use of substitute drivers must be approved by Purolator and this approval will not be unreasonably withheld. Where required the Owner/Operator assumes all liability insurance and Worker's Compensation for any substitute

- driver operating their vehicle. The Owner/Operator shall comply with all responsibilities, as an employer under the requirements of municipal, provincial and federal statutes.
4. As a condition of employment, the Owner/Operator at his/her expense will provide Purolator with a copy of their Driver's Abstract annually.
 5. Where required, the Owner/Operator will supply Purolator with a copy of their vehicle registration showing Purolator's safety number and Purolator Courier listed on the registration. Also, the Owner/Operator must provide a copy of the vehicle route class code and Motor Carrier License.
 6. All Owner/Operators will provide and maintain at their own cost and expense all tools, machinery, supplies, fuels and oils necessary to perform the services undertaken by the Owner/Operator.
 7. All Owner/Operators are responsible for having on hand appropriate supplies such as Bills of Lading, Puroletters, Puroletters Plus, Puropaks and all service labels while ensuring proper utilization and control. On termination of the Owner/Operator service, the Owner/Operator shall surrender all paper products of materials with the Purolator trademark, distinctive colour or designs before the final payment is made to the Owner/Operator. This includes any keys and identification tags.
 8. All Owner/Operators are responsible to identify and communicate to his/her respective terminal all shipments that cannot be delivered for whatever reason.
 9. It shall be the responsibility of the Owner/Operator to provide an adequate vehicle and assure a Purolator approved replacement in the case of absenteeism.
 10. The Owner/Operator shall maintain independent coverage with the Workers Compensation Board and make remittance for the workers compensation coverage for the Owner/Operator and his operators/employees. Proof of

coverage in the form of a clearance certificate will be submitted to the Company upon request.

SECTION 3 - GENERAL OPERATING STANDARDS:

Purolator has certain rules of conduct for the guidance and benefit of all Owner/Operators. It is the responsibility of each and every Owner/Operator to protect our customers' property and to ensure safe, prompt and secure services. In addition, we must take every possible precaution to provide for the safety and security of all personnel, vehicles, terminals, customer's premises and general public. All Owner/Operators are expected to demonstrate integrity, courtesy, safety and conduct of the highest standard.

The rules and regulations listed below are not exhaustive and do not cover every possible situation. When unsure of the proper procedures to follow, Owner/Operators are responsible for contacting their immediate supervisors.

An Owner/Operator who fails at any time to maintain proper standards of conduct or who violates company rules shall be subject to disciplinary measures up to and including termination of contract.

GENERAL RULES

1. Truthful, accurate and complete reports must be made at all times. Falsification of any report is strictly prohibited.
2. All personal injuries or illness must be promptly reported to your supervisor, whether suffered while on duty.
3. Uniforms must be worn while performing Purolator business in a decaled vehicle and are not to be worn during off-duty hours.
 - a) Any Owner/Operators who have been assigned a uniform and reports to work without a proper uniform will be relieved of their duties without pay

- and expected to return in uniform as directed by their supervisor.
- b) The Owner/Operator is expected to maintain and clean such uniforms.
 - c) All uniforms must be returned to Purolator upon leaving Purolator before the final cheque is released.
 - d) Purolator will pay for new uniforms according to Purolator's uniform policy.
 - e) No deviation in the uniform such as T-shirts or shorts are permitted which are not part of Purolator's uniform policy. Likewise garments bearing the Purolator logo which are not part of the uniform are not to be worn to work.
- 4. Having in possession, using or being under the influence of intoxicating drugs or alcohol at any time during the period between start and finishing time, whether or not on company premises, is forbidden and will result in immediate contract termination.
 - 5. Owner/Operators shall not carry or have in their possession firearms or other weapons while on duty.
 - 6. Owner/Operators agree to pick-up and/or deliver at all regular customer locations as assigned on the route sheets and at all unscheduled locations as instructed.
 - 7. The use of abusive language is prohibited.
 - 8. Fighting, horseplay or engaging in any conduct which creates a safety hazard to oneself and/or others is prohibited.
 - 9. The Owner/Operator agrees not to abuse or misuse any of Purolator's property.
 - 10. No soliciting or gambling is permitted on Purolator's property.
 - 11. Owner/Operators shall not guarantee levels of service or time of pick-up.

12. Owner/Operators are responsible for the accurate and legible manifesting of all shipments moved in each work day and in obtaining receipts of all items that are delivered.
13. All Bills of Lading and/or Manifests shall be carefully checked by the Owner/Operator to see that they properly reflect the name and address of the consignor and consignee, the accurate number and weight of all packages included in the shipment, the service type and payment method.
14. The Owner/Operator is responsible for submitting to Purolator an accurate and legible summary of each day's transactions along with all Bills of Lading, cash, cheques, money orders, route sheets and other forms of payments received on behalf and for delivery to Purolator.
15. The Owner/Operator will invoice Purolator as required for services rendered according to the Owner/Operator invoicing procedures.
16. Cash to Courier and C.S. (Controlled Shipments) Procedures must be adhered to at all times. Refer to the Operations Procedures Manual for complete details.
17. It is each Owner/Operators duty to properly guard and account for all packages. Any breach of security suspected theft or any incident that arouses the Owner/Operator's concern or suspicion must be reported to a supervisor immediately.
18. The Owner/Operator agrees that Customer Shipments will not be thrown or mishandled in any way. Particular attention must be paid to package handling such as "This Side Up", "Caution", and "Fragile".
19. No Owner/Operator may open, attempt to open, or reach into an opened shipment unless authorized to do so by a supervisor. Any merchandise which falls out of an opened or damaged package may not be kept or used by an Owner/Operator. All such merchandise or shipments must be brought to the attention of a supervisor immediately.

20. Theft of Purolator, customer or other employee's property or Owner/Operator's property will result in immediate contract termination and may also result in criminal prosecution.
21. Owner/Operator must comply with placarding and all other regulations applicable to the handling of Dangerous Goods. Refer to your Dangerous Goods handbook for details.
22. All accidents whether involving other vehicles or not, shall be immediately reported to a supervisor.
23. Unless previously authorized by a supervisor, keys must be removed from the ignition of a vehicle left unattended.
24. Vehicle windows may be left open while the vehicle is unattended provided that all cargo is behind a solid cargo barrier and the cargo compartment is locked.
25. Packages shall not be placed on the roof, hood, or trunk of any vehicle.
26. As required, all Owner/Operator vehicles transporting shipments must enter the Department of Highway's weigh scales. A copy of the vehicle registration, insurance certificate, operating authority, radio license and provincial certificate (where applicable) must be carried by each vehicle and be shown upon request.
27. While in uniform Owner/Operators are expected to behave in a responsible and professional manner.
28. A daily regime of good grooming and hygiene is expected of the Owner/Operator, in order to create and maintain a favourable impression on our customers and prospective customers.
 - a) Hair must be trimmed and combed as to present a neat appearance.
 - b) Hair must be groomed to avoid interference with the job function.
 - c) Facial hair must be trimmed neatly so that it does not appear "bushy".

29. The Owner/Operator agrees not to enter any action which may be harmful to Purolator or cause an unfavorable reaction from current or potential customers.

_____	_____	_____
Owner/Operator Name	Owner/Operator Signature	Date

_____	_____	_____
Witness Name	Witness Signature	Date

SECTION 4 – LETTERS OF UNDERSTANDING

Letter of Understanding

Between

Purolator Courier Limited

And

The Canada Council of Teamsters

Where an Owner/Operator is unable to meet his service commitments due to emergency situations, the Company may provide assistance in finding a suitable replacement operator.

For the Union

For the Company

ATTACHMENT III

**OWNER/OPERATOR
RATES**

SECTION 1 - BASE RATE:

- a) Base Rate
Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
Base Rate 144.49	148.82	153.29	157.89

SECTION 2 - KILOMETER RATE:

The following rate per kilometer traveled will be earned by Owner/Operators based on the type of vehicle driven and required by the Company.

	Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
Car	0.319	0.329	0.339	0.349
Van	0.361	0.372	0.383	0.394
1 Ton	0.433	0.446	0.459	0.473
2 Ton	0.536	0.552	0.569	0.586
5 Ton	0.546	0.562	0.579	0.596

SECTION 3 - PIECE RATE:

The following rate per piece delivered and picked up will be earned by Owner/Operators:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
0.278	0.286	0.295	0.304

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle, and a properly completed waybill, manifest, or other shipping document on the pick-up cycle.

SECTION 4 - STOP RATE:

The following rate per stop will be earned by Owner/Operators:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1.648	1.697	1.748	1.800

A stop generally can be defined as a single address, regardless of the number of pieces to be delivered and / or picked-up.

SECTION 5 - SPECIAL SERVICES:

The following is a list of recognized special services:

- a) Lead Hand
Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.

b) Non-Route Specials

Where an Owner/Operator is expected to perform a pickup or delivery that does not normally form part of his route, he will earn the appropriate kilometer rate noted in 2 above in addition to the stop and piece rate note in 3 and 4 above with a minimum payment of \$10.00.

c) Wait Time

Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate below providing the wait exceeds thirty (30) minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
14.42	14.85	15.30	15.76

d) Cellular Phone / Pagers

\$25.00 per month or actual usage whichever is greater (where authorized).

e) Sort Time

Where it is required by the Company to have an Owner/Operator sort freight from an air or ground linehaul to more than one (1) route, the Owner/Operator will be compensated at the following rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
14.42	14.85	15.30	15.76

The Owner/Operator will be paid a minimum of thirty (30) minutes.

- f) **Health and Welfare**
Owner/Operators shall receive the same Health and Welfare benefits excluding Weekly Indemnity, Long Term Disability, and the Pension Plan, as the hourly employees effective January 1, 1998. Owner/Operators must meet the Company eligibility criteria for hourly employees. The monthly premiums to be paid by Owner/Operators are \$10.00 for single coverage and \$20.00 for family coverage.
- g) **Provincial Health Care**
The cost of premiums for Alberta Health Care will be paid by the Company. Owner/Operators must meet the Company eligibility criteria for hourly employees.
- h) **Opting out of Benefits**
Should an Owner/Operator decide not to participate in both (f) and (g) above, they may bill the Company \$7.50 per day worked. In order to withdraw from the benefit plan (both (f) and (g) above), the Owner/Operator must notify the Alberta Human Resources Manager in Calgary, in writing within 30 days of the ratification of this agreement. Failure to notify the designated Company representative will be indication by the Owner/Operator of his wish to participate in the above mentioned plans.
- i) **Cargo Insurance**
The Company will reimburse the Owner/Operator up to \$1,500.00 upon proof of payment by the Owner/Operator of Cargo Insurance, once per calendar year.
- j) **Additional Payments**
Any additional payments to an Owner/Operator must be in writing and signed by the Manager, Human Resources.

Negotiating Committee

For the Union

Val Neal	Small Package Director
Robert Bouvier	President, Teamsters Canada
Ross Peterson	Asst. Small Package Director
Richard Charruau	Asst. Small Package Director
Kelly Gegear	Recording Secretary
Randy Powers	Local 395
David Froelich	Local 987
Al Mikl	Local 987
Carl Dutton	Local 987
Richard Gill	Local 855
Gary Bailey	Local 855
Harvey Edwards	Local 927
Jim Russell	Local 927
Gordon S. Marshall	Local 927
John Boudreau	Local 927
Chris Ashford	Local 927
Louis Guay	Local 69
Nelson Dubois	Local 69
Christian Lemay	Local 69
Michel Aubin	Local 931
Alain Coursol	Local 931
Pierre Cormier	Local 931
Paul-André Thériault	Local 931
Luc Vigneault	Local 931
Sylvain Leclerc	Local 931
Stéphane Skelling	Local 931
Gérald Corriveau	Local 931

For the Company

Stephen Deegan
Stephen Gould
John Dienesch
Michael Boucher
Bill Henderson
Keith Gartley
David Warner
Scot Birnie
Cathy Maddigan
Norbert Wolf
Stuart McDonald
Debbie Boolinoff
Guy Wilson
Francine Huot
Alan Gibson
Denis Roch
Terry Ewanchyna
Rob Petryzyn

Grant Coleman	Local 31
Mark Field	Local 31
Keith Kennedy	Local 213
Bob Miles	Local 938
Fred Randall	Local 938
Phil Séguin	Local 938
Stuart Villeneuve	Local 938
Mick Gersen	Local 938
Mike Schembri	Local 938
Robin Venedam	Local 938
Roy Graham	Local 91
Allen Burrell	Local 91
Donny Young	Local 91
Barb Adam	Local 879
Bruce Adamson	Local 879
Tim Freeman	Local 879
Dave Barnes	Local 879
Rob Fletcher	Local 879
Dave McLeod	Local 879
Kelly Gorzen	Local 979
Frank Biexk	Local 880
Guy Hicky	Local 880

NOTES

PUROLATOR COURIER/TEAMSTERS

FINAL OFFER FOR ALL REMAINING PROPOSALS AND UNRESOLVED ISSUES

February 11, 2004 1:30 a.m.

- **PROBATIONARY PERIOD:**
Article 12.02 - Amend language to read:
“During the probationary period provided in Clause 12.01, an employee is entitled to the advantages provided for in the present collective agreement, except as otherwise provided. However, the Union acknowledges that probationary employees may be dismissed for reasons less serious than would justify the dismissal of a regular employee. During the probationary period, the employer undertakes to evaluate the employee and should such employee be unsuitable he/she may be dismissed at the sole discretion of the employer.”
- **SPLIT SHIFTS**
Article 16.04(c) (NEW):
“The Company shall not create split shifts of greater than two (2) hours. Compensation for split shifts are outlined in Appendix “A” 1.06 of the Collective Agreement.
- **ANNUAL VACATIONS**
Article 19.03 (g) (NEW):
“An employee having thirty (30) years and more of continuous service with the Company shall be entitled to six (6) weeks vacation; such employee shall receive as vacation pay an indemnity of twelve percent (12%) of his earnings, in the manner provided for in Clause 19.04. ”
- **BEREAVEMENT LEAVE:**
Article 20.01 (a): Amend the article to read:
“In the event of the death of his spouse, child, stepchild, mother, or father an employee has a right to a bereavement leave during the working days falling within the five (5) days immediately following that of the death;”
- **MEDICAL EXAMINATION (LINEHAUL) – LICENSE REQUIREMENT:**
Article 24.06 (NEW):
“Where an employee in the functional group of driver in the linehaul classification is required to submit to a medical examination for the purpose of renewing his license, the employee will be entitled to be reimbursed for the full cost of such medical examination provided the employee successfully renews the required license and submits the appropriate receipt for such examination.”

- PENSION PLAN

26.02: Amend to read:

- (c) Effective the date of ratification the monthly pension benefit will be \$52.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective January 1, 2005 the monthly pension benefit will be \$54.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective January 1, 2006 the monthly pension benefit will be \$56.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective January 1, 2007 the monthly pension benefit will be \$58.00 per month for each year of credited service for future service only for all eligible hourly employees.

Effective October 1, 2007 the monthly pension benefit will be \$60.00 per month for each year of credited service for future service only for all eligible hourly employees.

- (d) (NEW) For the life of the present Collective Agreement, employees who retire during the present Collective Agreement will receive a lump sum retirement payment of \$15,000.00.

- PENSION PLAN

The Company will eliminate the offset in the death benefit provision of the pension plan as it pertains to the life insurance benefit.

- UNIFORMS:

Article 29.01: Add to current language in the Collective Agreement:

“1 raingear (air employees only)”

- DURATION AND RENEWAL:

Article 31.01: Amend the article to read:

“The present Collective Agreement shall come into force on its date of signing and shall terminate on December 31, 2007 and, barring express provisions to the contrary, does not have retroactive effect.

Either of the parties to the present agreement may give notice in writing of its intention to re-negotiate the present agreement within a delay of not less than ninety (90) and not more than a hundred and twenty (120) days prior to its expiry date.”

- APPENDIX “A” WAGES AND PREMIUMS:

General wage increase:

Effective January 1st, 2004	3.0%
Effective January 1 st , 2005	3.0%
Effective January 1 st , 2006	3.0%
Effective January 1 st , 2007	3.0%

In addition to the three (3%) percent general wage increase, classification 113 (Sorters) will receive a additional five (\$0.05) cent increase on the adjusted hourly rate on the effective January dates.

- APPENDIX “A” 1.05 – UTILITY COURIER / UTILITY FOOT COURIER / LINEHAUL FLOAT PREMIUMS:

Amend to read:

“A premium of thirty dollars (\$30.00) per week will be maintained for the life of the Collective Agreement for all employees in the Utility Courier, Utility Foot Courier and Linehaul Float classifications.”

- APPENDIX “A” 1.06 - SPLIT SHIFTS:

Amend to read:

“For employees in the Courier classifications who are assigned to pick-up and delivery duties, and who work a split shift, the following premium schedule will apply for each day worked on a split shift:

<u>Number of Minutes</u>	<u>Premium</u>
60 or less	\$4.00
61 to 120	\$5.00

A split shift is deemed to exist only where the pick-ups and deliveries performed by the employee are within the same territory. This premium does not apply to the merging of two part-time runs from different territories to form a full-time run. Lunch periods are excluded from split shift calculations.”

- APPENDIX “A” 1.07 LEADHAND:

Maintain current language in the Collective Agreement.

- APPENDIX “A” 1.09 (NEW):

“Employees scheduled to perform shunting work on ground linehaul equipment will be remunerated at the 117 rate.

Employees performing shunting work on P & D vehicles will be remunerated at the sorter rate.”

- APPENDIX “D” – Letter of Understanding (New) - Reason – Split Shifts
 “During negotiations the Union raised concerns regarding the number of split shifts. As a result, in addition to Article 16.04 (a) of the Collective Agreement, the Company will address the number of split shifts by:
 1. Freezing the number of split shifts that currently exist;
 2. **Reducing the number of split shifts by a minimum of twenty (20%) percent in each region over the term of the Collective Agreement with a minimum of ten (10) percent in the first year;**
 3. Working with the Union to develop, evaluate and implement alternatives to reduce the number of split shifts nationally.
 4. In reference to point 2 above, there are six (6) regions within Canada. They are as follows:
 - (a) Atlantic;
 - (b) Quebec;
 - (c) Ontario;
 - (d) Metropolitan Toronto;
 - (e) Prairies (including Southern Alberta);
 - (f) Pacific (including Northern Alberta).”
 5. **For Metropolitan Toronto only, the number of split shifts will be reduced by a minimum of forty (40%) percent over the term of the Collective Agreement and with a minimum of ten (10%) percent in the first year. Metropolitan Toronto is defined as Mississauga East and West, Brampton, Vaughn, Downsview, Scarborough, Morse St., Logan, Pickering and Metro West (new facility).**

- APPENDIX “D” – Letter of Understanding (New) - Owner Operator
Conversions:

“It is understood by the parties, that on occasion, the Company may consider the conversion of an Owner Operator run to Hourly run or vice versa, to meet its operational needs and requirements and service commitments. These conversions are only considered when there has been a significant change in volume density and business levels.

As has happened in the past with any conversion, the Company will discuss and advise the appropriate Business Agent of the nature and reason for the conversion being considered. The Business Agent will have the opportunity to provide any input on the conversion prior to implementing the change.

If there is no agreement on the conversion between the Business Agent and the Company then the matter will be subject to a grievance and be resolved through the grievance procedure.

This letter only applies to those regions that have Owner Operators as defined in the collective agreement.”

- **APPENDIX “D” – Letter of Understanding (New) - Labour Relations Meetings:**
“The Company and the Union will meet four (4) times a year on pre-scheduled dates that may not be changed by anybody other than the Director of Labour Relations for Purolator Courier and the Local Union President for the Union. Minutes of these meetings will be transmitted to the Director of Labour Relations for Purolator Courier and the Local Union President for the Union. The purpose of these meetings is to discuss labour relations issues other than grievances.

Dates for these meetings will be scheduled between the Director of Labour Relations for Purolator Courier and the Local Union President for the Union.”
- **APPENDIX “G” ONTARIO HUB**
9 - Maintenance Department (b): Amend to read:
“All full-time licensed and unlicensed tradespersons who have completed their probationary period, will be entitled to \$225.00 annually for tools.”
- **APPENDIX “H” – AIR DIVISION 1.02 HEALTH AND SAFETY**
NEW (vi):
A premium of thirty-five dollars (\$35.00) per week shall be paid to all employees required to perform de-icing duties in any week.”
- **APPENDIX “H” 1.05 (NEW)**
TRANSPORT CANADA RESTRICTED AREA PASS
“The employer will cover all costs associated with the Transport Canada Restricted Area Pass for Purolator employees who transfer to a position who require the said pass. This does not apply to new employees hired.”
- **APPENDIX “I” – TECHNICIANS 2.02 TOOLS:**
Amend (d) to read:
“All full-time Vehicle Technicians who have completed their probationary period will be entitled to two hundred and twenty-five dollars (\$225.00) annually for tools.”

- **APPENDIX “P” – TECHNICIANS NEW 8.01 LEADHAND PREMIUM:**
“In a garage where there is only one (1) mechanic that mechanic will receive the lead hand premium outlined in Appendix “A” 1.07 of the Collective Agreement.”

- **APPENDIX “L” 15.02 BUMPING PROCEDURE:**
 “Any employee having completed his probationary period, whose position is eliminated, or modified to a split shift of one (1) hour or more, or whose start or finish time is modified by a cumulative total of one (1) hour or more within a consecutive three (3) month period (i.e. This is either one (1) hour or more before or one (1) hour or more after the previous scheduled start time at the beginning of the three (3) month period), or whose scheduled daily hour band is reduced by one (1) hour or more, or who is laid-off from his position may exercise his bumping rights within his classification wherever his seniority permits, provided he possesses the qualifications required and according to the following procedure:
 - a) The first employee so affected may bump a junior employee in any hour band.
 - b) The second employee so affected may bump a junior employee in any hour band.
 - c) The third employee so affected may bump a junior employee in any hour band.
 - d) The fourth employee so affected may bump a junior employee in any hour band.
 - e) The fifth employee so affected may bump a junior employee in any hour band.
 - f) The sixth employee so affected may bump a junior employee in any hour band.
 - g) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any hour band or the most junior incumbent in any hour band.
 - h) The employee so bumped may in turn bump the most junior incumbent in any given band of scheduled weekly hours. This same procedure will be followed until all employees so affected/bumped within this classification have exercised their seniority rights.
 - i) The most junior incumbent in the classification may elect to exercise his bumping rights in other classifications within the depot.
 - j) Should the employee elect not to bump or be unable to exercise his right to bump, he is then laid-off.
 - k) For the purpose of this clause, since daily hour bands do not apply to them, employees in the Utility Courier and Relief classifications obtain bumping rights if their weekly schedule is reduced by five (5) or more hours.
 - l) Employees who are not covered by the hour bands, i.e. 113 and 114 at the Ontario Hub only; all 117, having completed his probationary period, whose position is eliminated, or modified to a split shift of one (1) hour or

more, or whose start or finish time is modified by a cumulative total of one (1) hour or more within a consecutive three (3) month period (i.e. This is either one (1) hour or more before or one (1) hour or more after the previous scheduled start time at the beginning of the three (3) month period) or whose weekly scheduled hours are reduced by five (5) hours or more, or who is laid-off from his position may exercise his bumping rights within his classification wherever his seniority permits, provided he possesses the qualifications required and according to the following procedure:

- i) The first employee so affected may bump a junior incumbent in any weekly hour schedule.
 - ii) The second employee so affected may bump a junior incumbent in any weekly hour schedule.
 - iii) The third employee so affected may bump a junior incumbent in any weekly hour schedule.
 - iv) The fourth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - v) The fifth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - vi) The sixth employee so affected may bump a junior incumbent in any weekly hour schedule.
 - vii) The seventh employee so affected may bump the most junior incumbent within thirty (30) minutes of his current start and finish time in any weekly hour schedule or the most junior incumbent in any weekly hour schedule.
 - viii) The employee so bumped may in turn bump the most junior incumbent in any given weekly hours schedule. This same procedure will be followed until all employees so affected/bumped within this classification have exercised their seniority rights.
 - ix) The most junior incumbent in the classification may elect to exercise his bumping rights in other classifications within the depot.
 - x) Should the employee elect not to bump or be unable to exercise his right to bump, he is then laid-off.
- m) Employees off work for any reason who are bumped from their position or those employees whose positions are lost due to the application of Article 14.04, shall not be allowed or required to bump until such time as they are able to return to work.
- n) Employees will be required to exercise their bumping rights at a time determined by the Company. However, it is understood that employees will not be expected to exercise their bumping rights within the same day as having been advised.”

- **NOTE: The Company will withdraw all letters for those employees who failed to show up for work at Locke and Laval depots.**

- **OWNER OPERATORS – BRITISH COLUMBIA**

Compensation rates for Owner Operators will be adjusted to yield a **3.0%** increase in compensation rates. Section C, No. 10.0 Owner Operator Compensation, will be amended as follows:

10.0 Owner Operator Compensation

Section C.1 - Basic Rates:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
a) First Shipment			
2.196	2.262	2.330	2.400
Multiple			
0.996	0.996	0.996	0.996

A First Shipment is defined as up to six sequential parcel identification numbers (P.I.N.'s) from one shipper to one consignee on the same day. Not more than one (1) First Shipment can be claimed at any single stop.

A Multiple is defined as up to six (6) sequential parcel identification numbers (P.I.N.'s), excluding the First Shipment.

Examples (using \$1.879 for the First Shipment and \$0.929 per Multiple):

- (i) If a shipment from one shipper to one consignee on the same day has fifteen (15) sequential P.I.N.'s, then the Owner/Operator will be paid \$1.879 for the first six (6) sequential P.I.N.'s (the First Shipment), \$0.929 for the next six (6) sequential P.I.N.'s (a Multiple) and \$0.929 for the final three (3) sequential P.I.N.'s (an additional Multiple) for a total of \$3.737.
- (ii) If two (2) shipments from different shippers, one with five (5) sequential P.I.N.'s and the other with four (4) sequential P.I.N.'s, are delivered to the same consignee on the same day the Owner/Operator will be paid \$1.879 for one of the shipments (the First Shipment) and \$0.929 for the other shipment (a Multiple) for a total of \$2.808.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
b) <u>Base Van</u>			
12.67	13.05	13.44	13.84

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1 Ton Cube			
25.33	26.09	26.87	27.68

c) Overweight
(>210 lbs.)

0.01

Overweight Shipment is defined as a shipment which meets all of the following criteria:

- (i) is in excess of 210 pounds (the premium is paid for that weight which exceeds 210 pounds);
- (ii) is required to be broken down in order to load into the Owner/Operator's vehicle;
- (iii) the vehicle is either a van or a 1 ton cube van (this does not apply to any larger vehicles); and
- (iv) the weight, PIN and customer is recorded on each occasion.

Section C.2 - Guarantees

- a) The following guarantees will apply on the basis of one rate per day worked. Mileage is based on the distance from the depot to the farthest point on the Owner/Operator's route and back (straight line mileage).

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Van Guarantee 0 to 160 km.			
178.19	183.54	189.05	194.72
161 to 320 km.			
195.70	201.57	207.62	213.85
321 to 480 km.			
229.69	236.58	243.68	250.99
481 to 640 km.			
248.23	255.68	263.35	271.25
641 to 800 km.			
276.04	284.32	292.85	301.64

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1 Ton Cube			
Van Guarantee			
0 to 160 km.			
189.52	195.21	201.07	207.10
161 to 320 km.			
207.03	213.24	219.64	226.23
321 to 480 km.			
236.90	244.01	251.33	258.87
481 to 640 km.			
258.53	266.29	274.28	282.51
641 to 800 km.			
286.34	294.93	303.78	312.89
5 Ton Guarantee			
291.49	300.23	309.24	318.52

Section C.3 - Compensation

For each day's work, the Owner/Operator will be paid the greater of the daily guarantee or the compensation calculated using earnings from Shipments, Multiples and Base. Overweights are paid regardless of whether or not the Owner/Operator exceeds his guarantee.

Section C.4 – Workers' Compensation

The Owner Operators shall pay his own monthly premiums to the Workers' Compensation Board.

Section C.5 - Health & Welfare

Owner/Operators shall receive the same Health and Welfare benefits (excluding weekly indemnity and long term disability) and B.C. Medical coverage as full-time employees provided for in clause 26.01 a) of the Collective Agreement, based on the same eligibility rules. The Owner/Operator must pay a premium of \$10.00 for single coverage and \$20.00 for family coverage.

Section C.6 – Work on a Day Off

Any owner operator called in on a day off to perform pick up and delivery services (requiring use of his vehicle) for the Company shall receive a minimum of three hours at the “time special hourly rate” [reference Letter of Understanding p. 304 of the master agreement]. Any hours over the three hours shall be paid for actual hours rounded to the nearest quarter hour.

- **OWNER OPERATORS – ALBERTA**

Compensation rates for Owner Operators will be adjusted to yield a 3.0% increase in compensation rates. Attachment III Owner Operator Rates, will be amended as follows:

ATTACHMENT III

**OWNER/OPERATOR
RATES**

SECTION 1 - BASE RATE:

a) Base Rate

Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
Base Rate 144.49	148.82	153.29	157.89

SECTION 2 - KILOMETER RATE:

The following rate per kilometer traveled will be earned by Owner/Operators based on the type of vehicle driven and required by the Company.

	Effective First Monday in Jan 2004	Effective First Monday in Jan 2005	Effective First Monday in Jan 2006	Effective First Monday in Jan 2007
Car	0.319	0.329	0.339	0.349
Van	0.361	0.372	0.383	0.394
1 Ton	0.433	0.446	0.459	0.473
2 Ton	0.536	0.552	0.569	0.586
5 Ton	0.546	0.562	0.579	0.596

SECTION 3 - PIECE RATE:

The following rate per piece delivered and picked up will be earned by Owner/Operators:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
0.278	0.286	0.295	0.304

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle, and a properly completed waybill, manifest, or other shipping document on the pick-up cycle.

SECTION 4 - STOP RATE:

The following rate per stop will be earned by Owner/Operators:

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
1.648	1.697	1.748	1.800

A stop generally can be defined as a single address, regardless of the number of pieces to be delivered and / or picked-up.

SECTION 5 - SPECIAL SERVICES:

The following is a list of recognized special services:

- a) **Lead Hand**
Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.

- b) **Non-Route Specials**
Where an Owner/Operator is expected to perform a pickup or delivery that does not normally form part of his route, he will earn the appropriate kilometer rate noted in 2 above in addition to the stop and piece rate note in 3 and 4 above with a minimum payment of \$10.00.

- c) **Wait Time**
 Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate below providing the wait exceeds thirty (30) minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
14.42	14.85	15.30	15.76

- d) **Cellular Phone / Pagers**
 \$25.00 per month or actual usage whichever is greater (where authorized).

- e) **Sort Time**
 Where it is required by the Company to have an Owner/Operator sort freight from an air or ground linehaul to more than one (1) route, the Owner/Operator will be compensated at the following rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
14.42	14.85	15.30	15.76

The Owner/Operator will be paid a minimum of thirty (30) minutes.

- f) **Health and Welfare**
 Owner/Operators shall receive the same Health and Welfare benefits excluding Weekly Indemnity, Long Term Disability, and the Pension Plan, as the hourly employees effective January 1, 1998. Owner/Operators must meet the Company eligibility criteria for hourly employees. The monthly premiums to be paid by Owner/Operators are \$10.00 for single coverage and \$20.00 for family coverage.

- g) **Provincial Health Care**
 The cost of premiums for Alberta Health Care will be paid by the Company. Owner/Operators must meet the Company eligibility criteria for hourly employees.

- h) **Opting out of Benefits**
Should an Owner/Operator decide not to participate in both (f) and (g) above, they may bill the Company \$7.50 per day worked. In order to withdraw from the benefit plan (both (f) and (g) above), the Owner/Operator must notify the Alberta Human Resources Manager in Calgary, in writing within 30 days of the ratification of this agreement. Failure to notify the designated Company representative will be indication by the Owner/Operator of his wish to participate in the above mentioned plans.
- i) **Cargo Insurance**
The Company will reimburse the Owner/Operator up to \$1,500.00 upon proof of payment by the Owner/Operator of Cargo Insurance, once per calendar year.
- j) **Additional Payments**
Any additional payments to an Owner/Operator must be in writing and signed by the Manager, Human Resources.
- **OWNER OPERATORS – MANITOBA**
Compensation rates for Owner Operators will be adjusted to yield a 3.0% increase in compensation rates. Attachment III Owner Operator Compensation Schedule, will be amended as follows:

ATTACHMENT III

OWNER OPERATOR COMPENSATION SCHEDULE

- 1. BASE RATE**
Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

Effective First Monday <u>in Jan 2004</u>	Effective First Monday <u>in Jan 2005</u>	Effective First Monday <u>in Jan 2006</u>	Effective First Monday <u>in Jan 2007</u>
Base Rate Minivan 162.68	167.56	172.59	177.77
Base Rate Van/1 Ton 171.11	176.24	181.53	186.98

2.

i)

KILOMETRE RATE

The following rate per kilometre travelled will be earned by Owner/Operators.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Minivan 0.481	0.495	0.510	0.526
Van 0.495	0.510	0.526	0.541
1 Ton 0.547	0.563	0.580	0.598

The kilometre base will be determined by:

- a) The audit results for the route.
- b) If no audit results are available, map kilometres will be used.

ii)

PIECE RATE

The following rate per piece will be earned by Owner/Operators.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
0.651	0.670	0.691	0.711

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle; and a properly completed waybill, manifest or other shipping document on the pick-up cycle.

iii)

SPECIAL SERVICE

The following is a list of recognized special services:

- a) Kilometres

Where an Owner/Operator is expected to increase the kilometres driven during their route to effect a pick-up or delivery outside their normal audited route, they will be compensated at the appropriate kilometre rate noted in 2 i) above only if the round trip distance exceeds 10% of their kilometre base.

- b) Lead Hand
Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.
- c) Non-Route Specials
Where an Owner/Operator is expected to perform a pick-up or delivery that does not normally form part of his/her route, they will earn the appropriate kilometre rate noted in 2 i) above with a \$10.00 minimum.
- d) Wait Times
Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate provided below the wait exceeds 30 minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
13.06	13.45	13.85	14.27

3. ADDITIONAL INFORMATION

- 1. Where an Owner/Operator is required to be in radio contact a radio will be provided by Purolator at a usage cost of \$1.00 per working day.
- 2. Owner/Operators will be paid bi-weekly on the sixth (6th) working day following receipt of their completed documents.
- 3. Cell Phones: \$25.00/month or actual usage cost, whichever is greater.

- **OWNER OPERATORS – SASKATCHEWAN**

Compensation rates for Owner Operators will be adjusted to yield a 3.0% increase in compensation rates. Attachment III Owner Operator Compensation Schedule, will be amended as follows:

ATTACHMENT III

OWNER OPERATOR COMPENSATION SCHEDULE

1. BASE RATE

Each Owner/Operator who is required to provide his services to the Company for a full day will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the base rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Base Rate			
157.94	176.24	181.53	186.98

PROPORTIONAL BASE RATE

Each Owner/Operator who is required to provide his services to the Company for less than a full day, but greater than four (4) hours will receive the following base rate per working day. This will be paid only if the total remuneration from the following points do not exceed the proportional base rate.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Proportional Rate			
78.97	88.12	90.77	93.49

2. (i) KILOMETRE RATE

The following rate per kilometre traveled will be earned by Owner/Operators.

	<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
Van	0.461	0.510	0.526	0.541
Ext	0.461	0.510	0.526	0.541
Cube	0.520	0.563	0.580	0.598

(ii) PIECE RATE

The following rate per piece will be earned by Owner/Operators.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
0.617	0.670	0.691	0.711

A piece generally can be defined as a parcel identification number with an associated proof of delivery on the delivery cycle; and a properly completed waybill, manifest or other shipping document on the pick-up cycle.

3. SPECIAL SERVICE

The following is a list of recognized special services:

a) Lead Hand

Where an Owner/Operator is contracted to be the Lead Hand, a rate of \$5.00 per working day will be earned.

b) Non-Route Specials

Where an Owner/Operator is expected to perform a pick-up or delivery that does not form part of his/her route area, they will earn the appropriate kilometre and piece rate noted in 3 i) & 3 ii) above with a \$10.00 minimum.

c) Wait Times

Where an Owner/Operator is expected to wait for air and ground linehaul systems, they will earn the hourly rate provided below the wait exceeds 30 minutes from the scheduled arrival time of the linehaul. Customer waits are not included in this formula.

<u>Effective First Monday in Jan 2004</u>	<u>Effective First Monday in Jan 2005</u>	<u>Effective First Monday in Jan 2006</u>	<u>Effective First Monday in Jan 2007</u>
12.50	13.45	13.85	14.27

(d) Cell Phone/Pagers

Where the Company determines an Owner/Operator requires the use of a Cellular phone as a result of an Owner/Operator operating in an area where the reception of the Company issued pager is restricted, the Company will reimburse the Owner/Operator for business related phone calls to and from authorized Purolator facilities. Pagers will be supplied by the Company where required.

(e) Workers' Compensation

The Company agrees to pay for Workers' Compensation coverage for Owner/Operators effective July 1, 1999.

- OWNER OPERATORS – FUEL SURCHARGE:

The Company will provide a letter which reflects the current formula used in determining the fuel surcharge for each of the Owner Operators groups.

The base in the formula shall be as follows:

Effective January 1 st , 2004	61.80¢
Effective January 1 st , 2005	61.80¢
Effective January 1 st , 2006	61.80¢
Effective January 1 st , 2007	61.80¢

For tractor trailers/ground linehaul the burn rate used in the fuel surcharge formula will be .34 (34 litres per 100 kilometers). The burn rate for Owner Operators of all other equipment in the fuel surcharge formula will be .24 (24 litres per 100 kilometers).