

Wagner
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COLLECTIVE AGREEMENT

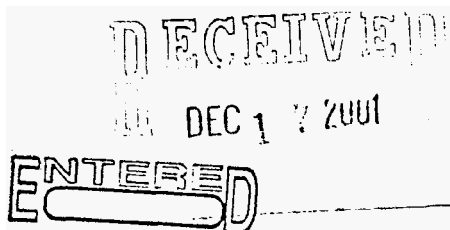
BETWEEN



AND

The CANADA COUNCIL OF
TEAMSTERS
(OWNERS/OPERATORS)
TEAMSTERS LOCAL UNION 395
SASKATCHEWAN

Expiry: December 31, 2004



12069 (02)

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

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 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.

Article 2. RECOGNITION

2.01 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.

2.02 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 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 Owner Operators 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.

4.02 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 5. GENERAL PROVISIONS

5.01 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.

5.02 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.

5.03 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.

5.04 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.

5.05 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.

5.06 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.

5.07 Regulations and Policies

- a) The Company has the exclusive right to make, modify and implement regulations, policies and procedures to be observed by the Owner Operators; 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 Owner Operators of any such new or modified regulation or policy, including potentially distributing written notices ~~with~~ the Owner Operators' pay cheques. A notice will also be posted on the Owner Operator bulletin board.
- c) The Company agrees to provide the Union *with* a copy of its current Company policies upon request.

5.08 Work Performed by Non-Bargaining Unit Employees

The **Company agrees** that the function of managers is the management of Owner/Operators. **The** work of managers will not include assignments to work normally performed by Owner/Operators in the bargaining unit except for the purpose of **training** and demonstration or to prevent service failures.

Managers and non-bargaining unit Owner/Operators will not perform bargaining unit work until after all reasonable efforts have

been made to have the work covered by qualified bargaining unit Owner/Operators.

In cases where a dispute arises **as** to the appropriateness of management personnel performing bargaining unit work, the Union Business Agent may request a meeting with the District Manager and the Managing Director to discuss the dispute.

5.09 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.

5.10 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).

5.11 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.

5.12 Headings and Sub-Headings

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

5.13 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.

A handwritten signature in black ink, appearing to be 'JOL' or similar, is written over a light gray rectangular background.

5.14 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. OBLIGATIONS

6.01 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.

6.02 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.

6.03 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.

6.04 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.

6.05 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

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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.

6.06 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.

6.07 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 7. UNION SECURITY

7.01 Maintenance of Membership

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

7.02 Union Membership

Any Owner Operator 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.

7.03 Union Dues

The Company agrees for the duration of this agreement, to deduct the monthly dues from the first pay cheque each month of any Owner Operator under the scope of this agreement, and to remit such monies so deducted to the Head Office of the Local Union along with a list of the Owner Operators 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 Owner Operator, the Company shall deduct ~~from~~ the Owner Operator's pay **an** amount equal to the initiation fee(s). Furthermore, the Company agrees to deduct from the Owner Operator 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 Owner Operators from whom the money ~~was~~ deducted, at the same time **as** the Union dues **are** remitted. Such deductions shall be made at **a** rate so prescribed by each **Local** Union.

7.04 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.

7.05 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 Owner Operators 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.

7.06 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.

7.07 Probationary Owner Operators

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

7.08 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.

7.09 Inscription of Union Dues on Tax Forms

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

Article 8. SENIORITY

8.01 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.

8.02 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.

8.03 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.

8.04 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.

8.05 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 9. UNION REPRESENTATION

9.01 Negotiation Committee

In the four (4) months preceding the expiration of the Collective Agreement, the parties agree to determine the number ~~of~~ Owner Operators 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 Owner Operators.

9.02 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.

9.03 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 Owner Operator, Union steward or **officer**, without interrupting normal operations.
These meetings will be conducted outside of the working hours of the Owner Operator concerned and/or the Union steward.

9.04 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.

9.05 Union Leave of Absence

In the event that the Union requires the services of one 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 10. GRIEVANCE PROCEDURE

10.01 Definition of Grievance

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

10.02 Verbal Step

Any Owner Operator having a problem concerning his working conditions which may give rise to a grievance, must discuss it first **with his** immediate supervisor, 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 will give **his** answer **as soon as** possible, but no later **than** five (5) working days following the discussion.

10.03 Written Step

The Owner Operator 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 Owner Operator.

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 Owner Operator 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 Owner Operator 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.

10.04 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.

10.05 Union Grievance

The **Union** may make **and** submit a grievance, commencing at the written step, in the name of a group of Owner Operators or the whole of the Owner Operators, 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.

10.06 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.

10.07 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.

10.08 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 Owner Operators.
- 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.

10.09 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.

10.10 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.

10.11 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.

10.12 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.

10.13 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 11. ARBITRATION

11.01 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.

11.02 Appointment of an Arbitrator

Appointment **of** an arbitrator shall be determined on a local basis **as** follows:

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

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

Should the parties be unable to agree to a sole arbitrator, application may be made by either party to the Ministry of Labour.

11.03 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.

11.04 Final and Binding Decision

The arbitrator's decision shall be final and bind the Company, the Union and the Owner Operators 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.

11.05 Fees and Expenses

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

11.06 Disciplinary Measures

Except in the cases provided for in Article 4.04, 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.

11.07 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.

11.08 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.

Article 12. DISCIPLINARY MEASURES

12.01 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**.

12.02 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.

12.03 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.

12.04 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.

12.05 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 Owner Operator.

12.06 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 13. HEALTH AND SAFETY AT WORK

13.01 Cooperation

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

13.02 Respect of the Law

The Company, the Union and the Owner Operators 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 Owner Operators.

13.03 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.

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.

13.04 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.
- c) All time spent in such health and safety meetings shall be remunerated at the applicable waiting time rate.

13.05 Right of Refusal

An Owner Operator 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.

13.06 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.

13.07 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.

Article 14. MISCELLANEOUS

14.01 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 15. INTERPRETATION

15.01 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 16. DURATION AND RENEWAL

16.01 Duration and Renewal

The present Collective Agreement shall come into force on its date of signing and shall terminate on December 31, 2004 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.

16.02 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.

16.03 Annex or Appendix

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

**Article 17. 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 18. OWNEWOPERATOR COMPENSATION

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

Article 19. 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.

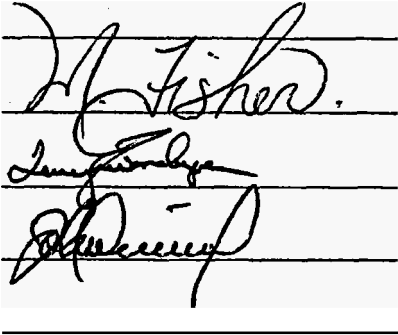
The Owner/Operator must pay a premium of \$10.00 for single coverage and \$20.00 for family coverage.

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

IN WITNESS WHEREOF, the parties have signed, through their
duly authorized representatives, in _____, this 24th
day of September, 2001.

TEAMSTERS LOCAL 395

PUROLATOR COURIER LTD.



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

and 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.

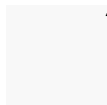
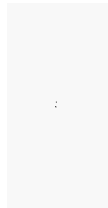
IN **WITNESS WHEREOF** the Parties hereto have set their hands and seals on the day and year first above written.

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</u> <u>First Monday</u> <u>after date of</u> <u>Ratification</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2001</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2002</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2003</u>	<u>Effective</u> <u>Dec. 31, 2004</u>
Base Rate				
\$146.67	\$150.33	\$154.09	\$157.94	\$157.94

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</u> <u>First Monday</u> <u>after date of</u> <u>Ratification</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2001</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2002</u>	<u>Effective</u> <u>First Monday</u> <u>in July 2003</u>	<u>Effective</u> <u>Dec. 31, 2004</u>
Proportional Rate				
\$73.34	\$75.17	\$77.05	\$78.97	\$78.97

2. (i) KILOMETRE RATE

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

	<u>Effective First Monday after date of Ratification</u>	<u>Effective First Monday in July 2001</u>	<u>Effective First Monday in July 2002</u>	<u>Effective First Monday in July 2003</u>	<u>Effective Dec. 31, 2004</u>
Regul	\$0.425	\$0.435	\$0.445	\$0.461	\$0.481
Extend	\$0.425	\$0.435	\$0.445	\$0.461	\$0.481
Cube	\$0.465	\$0.483	\$0.515	\$0.520	\$0.531

(ii) PIECE RATE

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

	<u>Effective First Monday after date of Ratification</u>	<u>Effective First Monday in July 2001</u>	<u>Effective First Monday in July 2002</u>	<u>Effective First Monday in July 2003</u>	<u>Effective Dec. 31, 2004</u>
	\$0.564	\$0.587	\$0.602	\$0.617	\$0.632

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 after date of Ratification</u>	<u>Effective First Monday in July 2001</u>	<u>Effective First Monday in July 2002</u>	<u>Effective First Monday in July 2003</u>	<u>Effective Dec.31, 2004</u>
\$11.50	\$12.00	\$12.25	\$12.50	\$12.68

(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.

ATTACHMENT IV

VOLUME FORMULA

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.