

COLLECTIVE AGREEMENT

BETWEEN

**DYNAMEX CANADA CORP
(SASKATOON BRANCH)**

(Hereinafter referred to as “the Company”)

AND

**THE CANADIAN UNION OF POSTAL WORKERS
(Hereinafter referred to as the “the Union”)**

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ARTICLE 1

JOSE : AGREEMENT

1.01 The purpose of this Collective agreement between the Canadian Union of Postal Workers hereinafter referred to as “the Union” and Dynamex Canada Corp hereinafter referred to as the “Company” is to establish and maintain rates of remuneration, hours of work and other working conditions, and to provide appropriate procedures for the resolution of grievances and problems arising during the term of the Collective Agreement.

ARTICLE 2

DEFINITIONS

- 2.01** “Owner operator” means dependent contractors who are commissioned drivers and own their own vehicles. “Employees” means walkers and warehouse workers.
- 2.02** “Union Representative” shall mean an employee/owner operator appointed or elected by the Union to act as an authorized representative of the Union or any other authorized representative of the Union.
- 2.03** “Company Representative” shall mean a person designated as such by the Company for the purposes required under this Agreement.
- 2.04** “Agreement” means the Collective Agreement herein except as otherwise specified.

ARTICLE 3

RECOGNITION

3.01 Sole and Exclusive Bargaining Agent

The Company recognizes that the Union is the sole and exclusive bargaining agent for all employees and owner operators as described in the bargaining certificate.

ti and Discussion

In view of this recognition and in accordance with structures provided for in this Collective Agreement, the parties agree to discuss and consult each other on all matters pertaining to their working relationship.

3.03 Full Force and Effect

All matters covered under the provisions of this Collective Agreement shall have full force and effect on the company and the bargaining unit.

3.04 Owner Operator Contact

It is understood that every Owner Operator engaged by the company as a condition of his/her engagement is obliged to enter into an Owner Operator Contract for Retention of Services annexed and marked as Appendix "A" (the terms of which may be varied as otherwise permitted or required pursuant to the terms of the Collective Agreement and all amendments thereto).

The Company agrees not to enter into any individual Owner Operator agreement or contract with members of the bargaining unit, either individually or collectively, which conflicts with the terms and provisions of this Collective Agreement.

ARTICLE 4

DISCRIMINATION

4.01 There shall be no discrimination, interference, restriction, coercion, harassment, intimidation, or stronger disciplinary action exercised or practised with respect to an employee/owner operator by reason of age, race, creed, colour, national origin, political or religious affiliation, gender, physical or emotional handicap, sexual orientation, marital status, family status, conviction for an offence for which a pardon has been received, or membership or activity in the Union.

4.02 Common-Law Spouse

For the purpose of this Collective Agreement and the benefits it provides for, including insurance plans, a "common-law spouse" relationship is said to exist when, for a continuous period of at least one (1) year, an employee/owner operator has lived with a person, represented that person to be his or her spouse, and lives and intends to continue to live with that person as if that person were his or her spouse, and the word, "spouse" includes a "common-law spouse".

ARTICLE 5

UNION DUES

5.01 Compulsory Check-Off

(a) The Company shall, as a condition of work, deduct from the monthly earnings of all the members in the bargaining unit, the ordinary membership dues of the Union. This shall be done on the 1st pay/settlement cheque of the month. The Company shall then remit such monies deducted, along with a list of these employees/owner operators and their Social Insurance numbers, to the National Office of the C.U.P.W. no later than the 20th day of the following month upon which such monies were deducted. The Company shall show the yearly dues deducted on employee/owner operator statements of earnings.

(b) The Company shall not levy a charge upon the Union or its members for rendering this service.

(c) Subject to the provisions of this Article, the Company shall also deduct, as Union dues, a special levy ordered by the Union, not more than once a year, provided that this levy is uniform and is payable by all the employees of the bargaining unit. The special levy shall, at the request of the Union, be deducted over a period of more than one (1) month.

5.02 Setting of Dues

The Union shall inform the Company in writing of the authorized membership dues to be checked off.

5.03 Dues Begin Immediately

For the purpose of dues deductions from pay/settlement cheques for each employee/owner operator in respect of each month will start from the first month of employment to the extent that earnings are available. Where an employee/owner operator does not have sufficient earnings in respect of any month to permit deductions, the Company shall not be obliged to make such deductions from subsequent pay/settlement cheques.

5.04 Remit Dues the Next Month

The amounts deducted shall be remitted to the union by cheque on the 20th day of the month following the month in which the deductions were made and shall be accompanied by particulars identifying each employee/owner operator and the deductions made on his/her behalf.

5.05 Company's Liability on Check-Off

The Union agrees to indemnify and save the Company harmless against any claim or liability arising out of the application of this Article, except for an error committed by the Company in the amount of dues deducted; however,

(a) where such error results in the employee/owner operator being in arrears for dues deductions, recovery is to be made by making one additional deduction each month in an amount not to exceed the established monthly deduction until the arrears are recovered in full;

(b) where such **an** error results in an over deduction of dues and the money has not been remitted to the Union, the Company shall reimburse the employee/owner operator in the amount of the over deduction. Such over deduction shall be reimbursed under normal circumstances in the month following the month in which the over deduction and the failure to remit the dues to the Union are verified.

5.06 Additional Information

The Company agrees to provide the Union with all necessary supplementary information in order that the bargaining agent may adequately verify the check-off of union dues for all employee/owner operators belonging to the bargaining unit.

The Company will provide the Union with all available information related to union dues.

5.07 (a) Compulsory Membership

Every employee/owner operator who is covered by this agreement now or hereafter, shall make application for Union membership **and** maintain union membership as a condition of engagement.

(b) Employee / Owner Operators

The Company agrees to acquaint new employees/owner operators with the fact that a collective agreement is in effect and provide them with a current collective agreement. The Union agrees to print and provide all employees/owner operators with a copy of the collective agreement within 90 days of the signing of any new collective agreement.

ARTICLE 6

NO STRIKE OR LOCK-OUT

- 6.01** For the duration of this Agreement, the Union agrees that there will be no strike and if such action is taken by the employees/owner operators, the Officers of the Union shall instruct the employees/owner operators to return to service. The Company agrees that there will be no lockout of employees/owner operators during the duration of the Agreement.

ARTICLE 7

UNION RIGHTS

7.01 UNION ACCESS

An authorized representative of the Union shall have access to the employees/owner operators on company premises only for the purpose of conducting Union Business provided prior permission to do so has been granted by the company manager and such permission shall not be unreasonably denied.

7.02 BULLETIN BOARD

The Company shall provide a bulletin board for posting of Union notices and communications which must be signed by a representative of the Union. The bulletin board will not be located in any place where the general public has access.

7.03 MEMBERSHIP

It is agreed that all employees/owner operators hired by the Company for the purposes of bargaining unit work become members of the Canadian Union of Postal Workers within 30 days and shall, as a condition of employment/engagement, remain members in good standing of the Union.

7.04 UNION COMMUNICATION TIME

The company agrees to provide pager communication time upon the request of an authorized representative of the Union for the purpose of informing bargaining unit members of Union meetings, provided prior permission to do so has been granted by the company manager and such permission shall not be unreasonably denied.

ARTICLE 8

COMPANY RIGHTS IN RESPECT TO EMPLOYEES/OWNER OPERATORS

- 8.01** The Company's rights in respect of a presently engaged employee/owner operator shall be those rights expressly set forth in this agreement.
- 8.02** Except as it is specifically limited by the terms of this Agreement, the Company has the right, power and authority to enter into any contract with customers present or future, as it sees fit from time to time.
- 8.03** The Union acknowledges that it is the exclusive function of the Company to:
- a) increase and decrease the workforce;
 - b) maintain order and discipline;
 - c) in the case of the Owner Operators, engage, modify, transfer, suspend or cancel the Owner Operator contract showing just cause;
in the case of Employees, hire, discharge, transfer, classify, promote, layoff, suspend or otherwise discipline Employees showing just cause;
 - d) establish and enforce procedures, rules and regulations not inconsistent with the provisions of the collective agreement, governing the relationship with the Owner Operators and/or the conduct of the Employees;
 - e) enter into any contract and/or establish any rates with its customers, both present and future, as it deems appropriate;
 - f) generally to manage and operate the company.
- 8.04** Each employee/owner operator will perform delivery services for customers faithfully and in a good and responsible manner and within the rules, which the Company may make from time to time to fulfill specific customers' needs.
- 8.05** The Union shall not be liable for any breach by an employee/owner operator pursuant to this Agreement unless the Union instructs or induces such employee/owner operator to breach the Agreement.
- 8.06** Where by virtue of a contract with a customer the terms of which are such that the implementation thereof would result in the breach of any one of the terms of this Agreement **and** no employee/owner operator is willing to carry out such service after having been requested to do so, then regardless of any other provision of this agreement, the Company shall:

- a) be entitled to engage a replacement for the purpose of carrying out such services and
- b) or by virtue of a contract with a customer in which the work involved is subjected to the normal bid process, and/or materially different from the normal services usually provided by an employee/owner operator, and no existing owner operator has bid on the work, the company can outsource the work to a party other than those involved in the collective agreement. In such circumstances the Union is to be given twenty-four (24) hours written notice, providing particulars of such customers' and drivers contracts (excluding Saturday and Sunday from such time calculation). The Union shall within said time give its written approval or disapproval, same not to be unreasonably withheld; and further provided that if it is not timely or practical to obtain the written consent of the union then no notice shall be required to be given as above set forth but the Company shall nevertheless within forty-eight (48) hours of entering into such customer and driver contracts provide written particulars thereof to the Union **and** the right of grievance with respect thereto shall be preserved, and
- c) be entitled to enter into a contract with such replacement which for the purpose of providing such service, may contain terms different to that as provided for in the Collective Agreement and/or "Condition of employment," such replacement or contracted service will not be considered part of the Union.
- d) The company will review any outsourced or contracted services every twelve (12) months with the intent of bringing it into the bargaining unit.

8.07 The Company shall have the right to take immediate possession of the mobile two-way radio equipment and/or pager in any employee's/owner operator's vehicle. For the purpose of this clause, any one of the occurrences such as, but not limited to, the following shall constitute "Just Cause", namely:

- a) an act of bankruptcy being committed by the employee/owner operator;
- b) if any distress or any execution shall be issued against the employee/owner operator;
- c) if the employee/owner operator leaves the company with no other recourse.

The Company shall bear the onus of proving any such occurrence.

Following such repossession, the Company shall within five (5) days deliver to the employee/owner operator or send by registered mail to his/her last known address, written particulars of the circumstances justifying such repossession.

Upon finding of "Just Cause" herein, it shall, subject to grievance hereunder, be deemed that the Lease Agreement between the Company and the employee/owner operator as encompassed in this Agreement in respect of such equipment shall have terminated.

It is further understood that upon re-delivery of the said radio equipment to the Company whether voluntarily by the employee/owner operator or pursuant to the terms of this clause, same shall be in good order and repair, reasonable wear and tear resulting from proper use only excepted.

It is further understood and agreed that in the event that the Company should be entitled to repossess the said radio equipment pursuant to this clause, and within twenty-four (24) hours of demand served upon or mailed to the employee/owner operator he shall fail to surrender the said equipment, the parties hereby acknowledge that the Company will suffer damage by his failure to so return the equipment. The parties further hereby acknowledge that the amount of such damage being difficult to determine, accordingly and as a genuine pre-estimate of such damage the employee/owner operator agrees to the payment to the Company of the sum of ten dollars (\$10.00) (as liquidated damages and not as a penalty) for each day or part thereof that the said equipment has not been surrendered.

8.08

Subject to the provisions of 8.09, in consideration of the receipt by the Company of that percentile entitled to be received by it as its share of the amount realized from customers by an employee/owner operator pursuant to the terms of this Agreement, the Company shall supply and pay for:

- a) office space;
- b) office supplies;
- c) telephone(s);
- d) postage;
- e) stationery;
- f) photocopying;
- g) bookkeeping;
- h) accounting equipment;
- i) taking and listing of orders;
- j) dispatching service;
- k) rendering of accounts;
- l) payment of bills (except those specifically the responsibility of the employee/owner operator);
- m) entering and securing of contracts;
- n) carrying out of advertising programs;
- o) managerial services;
- p) sufficient **staff** and any other requirements as are necessary to carry out the business commitments of the Company;

Payroll inquiries, to a maximum of four (4) inquiries per calendar year by any individual bargaining unit member, will be responded to at no charge. Inquiries in excess of the maximum will be subject to an administrative fee levied by the company on the membership.

Within thirty (30) days of ratification of this collective agreement, the company will reduce the fuel administration fee to 0.5% of fuel invoiced amounts. If fuel rebates are made available by the supplier, said rebates will be passed on to the owner operators.

8.09 The Company and the Union acknowledge that it might be mutually advantageous for the Company to provide extraordinary services to its customers in special situations. In such an event a reasonable rate shall be charged by the Company to the customer for such extraordinary services as part of the agreed to rate. In such instance the Company shall determine the actual amount which will remain available for division between it and the employee/owner operator pursuant to the terms of such contract after first deducting the said rate charged for such extraordinary services. The Company shall provide written particulars of such contract and any amendments to it from time to time including particulars of the rate charged by the Company to the said customer for extraordinary services and the amount that will be left for division between it and the employee/owner operator, to the Union and shall upon request allow the Union executive to examine at the Company's office a true copy of such contract and any amendments to it. Taking into consideration all circumstances the Company agrees to meet as soon as possible, after the contract has been entered into, with those employees/owner operators selected by the Company as being most appropriate to carry out the said contract, in order to explain the said contract to them. The Union representatives to the Rate Committee and the Union executive shall be given reasonable advance notice of said meeting and be entitled to attend. The Company shall at such meeting explain the said contract, the cost of such extraordinary services, and the allocation as between the Company and such employee/owner operator. If the Union through its officers or the selected employee/owner operator reject the said contract, then the Company shall, regardless of any other provisions of this Agreement, offer the first opportunity to service the said customer to the senior permanent employee/owner operator and failing sufficient support there, shall offer the second opportunity by seniority to other employees/owner operators and failing sufficient support there, the Company may engage a new employee/owner operator. It is intended that a reasonable rate shall be a rate that fairly reimburses the Company for its actual costs of said extraordinary services taking into consideration the following:

- a) Any additional charges to the customer, including but not limited to the following and not being part of the regular rates, such as warehousing, not covered above, cargo insurance, air freight charges, handling charges, forwarding charges, whether on a regular or irregular basis, etc. shall be solely the revenue of the Company and shall not be included in the commission payable to the employees/owner operator.

8.10 The Union shall not be liable for any loss suffered by the Company under any contract entered into by the Company provided that the loss has not occurred as a result of any act of commission or omission on the part of the Union. It is understood that this provision

shall not relieve any employee/owner operator for any loss for which he/she may be liable pursuant to the terms of this Agreement.

- 8.11** All money received or collected by an employee/owner operator for or on behalf of the Company shall, if required by the Company, be securely held by the employee/owner operator as a fiduciary trust and shall not be used by him for personal or other purposes whatsoever but shall be paid over by the employee/owner operator to the Company within twenty-four (24) hours of its receipt by the employee/owner operator together with any shortages the employee/owner operator may have incurred. If not so designated in writing by the Company as being required to be paid over to it by the employee/owner operator, the same shall be forthwith accounted for to the Company in writing in the form required for that purpose by the employee/owner operator to the Company from time to time. All money received or collected by the employee/owner operator for or on behalf of the customers of the Company shall be securely held by the employee/owner operator as a fiduciary trust on behalf of all such customers and shall be used by such employee/owner operator for no personal or other purposes whatsoever and shall be forthwith paid over by such employee/owner operator to such customers and accounted for concurrently to the Company, or alternatively, paid over to the Company for remittance to the customers.
- 8.12** The Company shall endeavor, within the reasonable confines of ensuring a high quality of customer service, to use the least amount of employees/ owner operators as possible.
- 8.13** The employee/owner operator shall:
- a) Obtain and maintain all licenses and permits required to carry out services to be performed by him/her under this Agreement;
 - b) Maintain in sound physical and mechanical condition, repair, insure (in a manner and for amounts prescribed by the Company) and operate each vehicle used by him/her, at his/her expense under the applicable laws of the province in which he/she works and provide proof.

Voluntary Termination By An Employee/ Owner Operator

- 8.14** In the event that an employee/owner operator intends to terminate his/her services hereunder he/she shall first give to the Company a fourteen (14) day written notice of such intent. He/she shall continue to perform his/her commitments hereunder for the said fourteen (14) days and on the expiration of the fourteenth day the termination shall be effective.

- 8.15** It is understood and acknowledged that an employee/owner operator is paid for services rendered hereunder for each working period from the first to the fifteenth inclusive of each month on the last day of the said month. If the last day of the said month falls on a Saturday, Sunday or holiday, he/she is paid on the previous working day. For services rendered by the employee/owner operator pursuant hereto from and including the sixteenth day to and including the last day of the month he/she is paid on the fifteenth day of the month following. If the fifteenth day of the month following falls on a Saturday, Sunday or holiday, he/she is paid on the working day proceeding such day.
- 8.16** The following procedures shall be carried out by the employee/owner operator for the purpose of enabling the Company to calculate that to be billed to the customers for services performed by such employee/owner operator, namely:
- a) each job as allocated shall be written up by him/her on the form prescribed by the Company and concurrently with the completion of the service required of him/her, he/she shall obtain a legible or printed signature of an authorized person accepting the delivery, and any other information required. As the company introduces technology in the form of Mobile Data, the employee/owner operator, may be required to capture customer signature utilizing Two-Way Pager, computer or other equipment, as introduced by the company;
 - b) at the end of each working day complete all paperwork required by the Company, along with all waybills performed by him/her that day for all customers;
 - c) upon completion of each working day and by no later than 12 noon in the afternoon of the following day, he/she shall deliver to the Company's rate department or authorized drop box, such manifest referred to in sub-clause (b) herein together with all individual order cards as referred to in sub-clauses (a) and (b) herein.
- 8.17** The Company as its accounting responsibility to the employees/owner operators shall carry out the following:
- a) Determine the price to be billed to the customer by the accounting policies and billing system in effect at that time, and which may be changed from time to time at the Company's sole discretion, and may require the member to price his/her bills.
 - b) Give to the employee/owner operator a listing (i.e. settlement report) of all the work done by that employee/owner operator and the net transportation portion of the rate charged the client excepting those customers who are billed for warehousing, cargo insurance, air freight charges, handling charges, forwarding charges, and other extraordinary charges such listing concurrent with and dependent on an integrated payables and receivable

accounting policy. In addition, the “rate committee” will have access to customer rates and contracts, the purpose being to confirm revenues that drivers are being paid their commission percentage from.

- c) The employees/owner operators agree that they will comply with any changes in the accounting system designed to improve customer service provided that such changes will not in any way diminish the need for the Company to provide complete and accurate settlement information to the employees/owner operators.
- d) Concurrent with making payment to the employee/owner operator of the revenue required to be paid to him/her for the relevant settlement period **as** determined pursuant to this Article, the company will itemize any charge-back's and overcharges, and include any documentation the driver may require to balance his/her payroll settlement.

8.18 Subject to Article 11 hereof, the Company has the right to allocate the employee/owner operator a delivery route covering that portion of the territory being serviced by the Company as the Company in its discretion may decide for the servicing of certain contract customers regardless of location.

8.19 Within ninety (90) days of entering into the company, at the company's discretion, the employee/owner operator shall have the vehicle or vehicles used by him/her in servicing the Company's customers painted in the colour scheme by which the Company is identified by the public, at which time the Company shall supply identifying decals to be affixed, which decals shall be returned to the Company upon termination.

8.20 The trademark “Dynamex”, distinctive colours and designs used in connection therewith, are all the property of the Company and their use accrues wholly to the benefit of the Company. Upon written request of the Company, the employee/owner operator shall immediately surrender to the Company, any item bearing any of its trademarks and shall remove any such trademarks from its vehicle.

The employee/owner operator shall permit and shall have placed upon his vehicle such Company advertising, decals or trade names and marks as the Company may specify, the cost of such advertising, decals or trade marks to be borne by the Company. In the event that other advertising be specified by the Company, same shall be done at the expense of the Company.

Upon termination of this Agreement for any cause or by any means whatsoever and in particular as hereinafter set out, the employee/owner operator shall, at his/her own expense, within ten (10) days from the date of the said termination, remove all advertising, decals or trade names and **marks** as was specified by the Company and have

his/her vehicle repainted in one colour or a colour scheme of other colours which shall not be confused in any way with the colour scheme identifying the Company to the public. Should such termination be by way of discharge and it is subsequently determined that discharge was not for just cause and said identification has been removed, the Company shall be required to replace the identification at its cost.

The employee/owner operator covenants and undertakes to indemnify and save harmless the Company from any loss or damage which the Company may suffer in any form or manner whatsoever by reason of the failure of employee/owner operator to comply strictly with the terms of this paragraph.

8.21 The employee/owner operator agrees that he will not transfer or assign any interest in this Agreement without the written consent of the Company and the Union.

8.22 In addition to the insurance requirements the employee/owner operator shall at all times during the continuance of this Agreement, carry and keep in force such policies of insurance which may from time to time be required by any governmental authority.

ARTICLE 9

GRIEVANCE PROCEDURE

9.01 Grievance

Any complaint, disagreement, or difference of opinion between the Company, the Union or the employees/owner operators covered by this Agreement, which concerns the interpretation, application, operation or alleged violation of this Agreement, including the question of whether a matter of the grievance is arbitrable or not, shall be considered as a grievance and shall be settled as hereinafter provided.

9.02 Authorized Representative of the Union

A person designated by the Union to deal with grievances.

9.03 Union Steward

Any employee/owner operator appointed or elected by the Union to act as an authorized representative of the Union. In the event that the Union steward is unable to perform his or her function, the Union will designate or substitute another person to act on his or her behalf.

The Union steward shall have the right to prepare and present grievances, in accordance with the procedure herein provided for and, for that purpose shall have the right to meet with the employee/owner operator on behalf of whom the grievance could be submitted, during non-working hours.

No person who is employed in a managerial or confidential capacity shall seek to intimidate, by threat of discharge or by any other kind of threat, a representative of the Union or a employee/owner operator on whose behalf he/she is preparing a grievance to cause him/her to refrain from so doing or withdraw a grievance or refrain from representing a grievance as provided for in this Agreement.

The company agrees that Union stewards shall not be hindered, constrained, prevented nor impeded in any way in the accomplishment of their duties while investigating complaints and representing employee/owner operators in accordance with the provisions of this Article.

A grievance shall be presented in writing by an authorized representative of the Union to the branch manager or his/her designate of the Company no later than the 10th calendar day after the date on which the employee/owner operator or the Union first became aware of the action or circumstances giving rise to the grievance, failing which the right to grieve shall be forfeited and waived by the aggrieved party.

The written description of the nature of the grievance shall be sufficiently clear so as to determine the relationship between the grievance and the provisions of the Collective Agreement. During the grievance procedure, the Union shall, at the request of the company, endeavour to clarify the written description of the grievance. The Union may clarify the written description of the grievance without changing its substance. It shall not be sufficient to allege a violation of the Agreement as a whole.

The Union may file a general, union or policy grievance only where the matter at issue is not a matter capable of being dealt with as an individual grievance.

The company agrees to acknowledge receipt of the grievance by returning a signed copy to:

- the Local Office of the Union; and
- the employee/owner operator on behalf of whom the grievance has been submitted, if available at the workplace.

The procedure for resolution of grievances shall be as follows:

Step 1: By discussion between the authorized Union representative with the branch manager or his/her designate

Within seven (7) days after receipt of the grievance the company shall submit to the Local Union a written response to the grievance.

Step 2: Where the decision of the company is not satisfactory to the Union, the grievance may be presented to the second step of the grievance procedure, not later than the 10th day after the written decision of the Company has been received by the Union.

The designated Union representative and the Vice President Dynamex Canada Corp or his/her designate shall discuss the grievance in an attempt to resolve the matter.

Step 3: If the grievance is not resolved to the satisfaction of the Union within twenty (20) days from the date it is received by the company, the Union may refer the matter to arbitration.

Grievances submitted to arbitration shall be heard by a single arbitrator selected by mutual agreement of the parties. Failing such an agreement, either party may apply to the Minister of Labour for the appointment of an arbitrator.

The arbitrator shall be vested with all the powers that are necessary for the complete resolution of the dispute. Where the arbitrator comes to the conclusion that the grievance is well-founded, he or she may grant any remedy or compensation that is deemed appropriate.

It is understood that the arbitrator shall be vested with all the powers conferred upon him/her by the Canada Labour Code.

The arbitrator shall not be vested with the power to change, modify or alter any of the terms of this Agreement. All grievances submitted shall present an arbitrable issue under this Agreement and shall not involve the determination of a subject matter not covered by or arising during the term of this Agreement. The arbitrator shall have no jurisdiction to waive any time limit under this Article, or to declare that any irregularity as to time limits does not affect the validity of his/her decisions or awards.

The award of the arbitrator shall be final and executory. It shall be binding upon the Company, the Union and the employee/owner operator.

The final decision rendered by an arbitrator binds the Company, the Union and the employee/owner operator in all cases involving identical and/or substantially identical circumstances.

The expenses and fees of the arbitrator shall be borne equally by the parties to the arbitration proceedings.

The Union may, by written notice, withdraw a grievance at any time. The withdrawal of a grievance shall not prejudice the position of the Union on any other grievance of a similar nature.

ARTICLE 10**DISCIPLINE AND CONTRACT CANCELLATION****10.01 Just Cause**

- (a) No disciplinary measure in the form of a notice of discipline, emergency suspension or discharge, or in any other form shall be imposed on any employee/owner operator without just cause and without his/her receiving beforehand or at the same time, a written notice showing the grounds on which a disciplinary measure is imposed.
- (b) In any arbitration relating to a disciplinary matter, the proof of the allegations at issue shall be confined to the grounds mentioned in the notice referred to in paragraph (a) above, except that, if, subsequent to the date of the notice additional grounds are discovered by the Company which it intends to rely upon in support of the disciplinary action taken, then such additional grounds shall be provided to the Union in writing forthwith.

10.02 Personal File

- (a) The Company agrees that no report relating to the employee's/owner operator's conduct or performance may be used against him/her in the grievance procedure nor at arbitration unless such report is part of the personal file.
- (b) No report may be placed in the file or constitute a part thereof unless a copy of the said report is sent to the employee/owner operator within ten (10) days after the date of the employee's/owner operator's alleged infraction, or of its coming to the attention of the Company, or of the Company's alleged source of dissatisfaction with him/her.
- (c) Any unfavourable report concerning an employee/owner operator which predates the date that this collective agreement was signed shall be withdrawn from the employee's/ owner operator's personal file after a period of twelve months from the date of alleged infraction, provided there has been no re-occurrence of an infraction of a similar and/or more serious nature during that 12-month period.
- (d) Any unfavourable report concerning an employee/owner operator shall be withdrawn from that personal file after a period of twelve months from the date of the alleged infraction, provided there has been no re-occurrence of an infraction of a similar and/or more serious nature during that 12-month period.
- (e) The company agrees that there will be only one personal file for each employee/owner operator.

10.03 Access to Personal File

Upon written request, an employee/owner operator and his/her Union representative shall have access, within a reasonable time after the request, to the official file of the employee/owner operator in the presence of an authorized representative of the Company.

10.04 Interviews

(a) In the event the Company decides to interview an employee/owner operator, the Company undertakes, as a general rule and where practicable and not likely to be prejudicial or damaging to any examination or investigation by the company, to notify the employee/owner operator twenty-four (24) hours in advance of the interview. Nothing in this provision, however, precludes the imposition of the disciplinary penalty by the company prior to such notice or to an interview being conducted, nor is the company restricted in any manner from conducting interviews immediately and with such notice in emergency situations where required by law or regulation or where required to investigate incidents or occurrences in response to requests, complaints or requirements of customers.

(b) Upon written request, an employee/owner operator shall have access to their personal file in the presence of a Union Representative before any interview by the company.

10.05 Right to Accompaniment

An employee/owner operator summoned for a disciplinary interview shall have the right, if he/she so requests, to be accompanied by a Union representative.

10.06 No Right to Discipline

An employee/owner operator assigned on an interim basis to a managerial position cannot discipline other employees/owner operators included in the bargaining unit.

ARTICLE 11

SERVICE/ SENIORITY

11.01 SERVICE/ SENIORITY

(a) Method of Calculation

Seniority means the length of continuous service in the bargaining unit with the Company.

Seniority is broken by termination with the Company under the provisions of this collective agreement.

Seniority accumulates during the length of continuous service in the bargaining unit at the Company.

Seniority continues to accumulate when an employee/owner operator accepts temporary assignment outside the bargaining unit for a maximum duration of 6 months.

Seniority shall be used to accommodate employee's/owner operator's preferences where the collective agreement so provides.

(b) Seniority Lists

There shall be three (3) separate seniority lists.

Drivers
Walkers
Warehouse employee/Helpers

- (1) An employee/owner operator can only be on one (1) seniority list at any time.
 - (a) Copies of seniority lists shall be posted on the Union bulletin board no later than 2 months following the signing of the Collective Agreement and updated every 6 months with copies on the bulletin board.
 - (b) Copies shall be sent to the Local Union no later than 2 months following the signing of the Collective Agreement and also sent when updated every 6 months.
- (2) The Seniority Lists submitted to the Union shall include addresses and telephone numbers of the employees/owner operators covered by the Collective Agreement.

11.02 POSTING

With respect to all new accounts acquired by the Company where the requirement is greater than four (4) hours, the Company shall post notice of the same in a conspicuous location to be agreed upon by the Union and the Company, at least ten (10) calendar days prior to permanent assignment of such account by the Company. This notice shall also be paged at least twice to the drivers during this period. Any member of the Union who wishes to be assigned such account shall submit his/her application in writing for such assignment to the Company within the aforementioned ten (10) day period. The Company shall then assign such account upon a consideration of seniority, capability for the job, the vehicle required for such job, convenience, training for such job, availability and assurance of competitiveness and efficiency all of which stand in no priority to the other and shall not hinder the unlimited discretion of the Company to such account.

In the event of the Company transferring a member from one account to another and thereby creating a new job opening the Company shall observe the above outlined procedures for the purposes of assignment of such job. In the further event of the Company requiring a job opening or account assignment to be filled immediately the Company shall be at liberty to assign such job or account on an emergency and temporary basis until such time as the above procedure can be observed and the job or account can be assigned on a permanent basis.

11.03 With respect to **trucks** one ton and over, once an account has been assigned to an employee/owner operator and he/she regularly services that account the Company shall not unilaterally transfer such account to another employee/owner operator without "Just Cause". The Company and the employee/owner operator agree that for the purposes of this clause any one of the occurrences such as, but not limited to, the following shall constitute "Just Cause", namely:

- (a) the customer requests that the employee/owner operator be replaced;
- (b) it is evident that the account will probably be lost to the Company should the employee/owner operator not cease serving the same;
- (c) that a complaint of a serious nature is received from a customer and the employee/owner operator fails to promptly rectify the complaint and do all things reasonably necessary to ensure that there will be no re-occurrences of such complaint.

The Company shall bear the onus of proving any such occurrence.

Proviso: If the Company has transferred an account after a customer has requested the same pursuant to Clause 11.03 (a) herein, the Company shall give written notice of the said transfer to the Union within twenty-four (24) hours excluding Saturday, Sunday and statutory holidays of such transfer.

11.04 With respect to calls for service, the employee/owner operator and the Company agree and acknowledge that incidental calls for service are to be handed out by the Company to

the individual employee/owner operator in a manner that assures competitiveness and efficiency as delivery orders are placed and accepted without any favoritism or preference on the part of the Company but subject to the Company first considering the individual employee/owner operator's availability and route. Provided, however, that in the event of a dispute between the Company and the employee/owner operator, the same shall be subject to grievance.

- 11.05** The employee/owner operator shall have at all times the right to ask the Company to transfer an account or accounts from him/her for "Just Cause" which the Company will do if possible, and if another employee/owner operator is willing to accept the business, pursuant to 11.04. The holder of such an account agrees to keep it until such change can be made.
- 11.06** With respect to any of the Company's customers, it is often the case that as part of a larger service there shall exist business that by itself would not be profitable for the employee/owner operator, but that as part of the larger service forms a very profitable total billing. Therefore, it is agreed by the Union and the Company that such calls will be, to the best of the dispatcher's ability, rotated among the whole pool of drivers who benefit from the account and that such calls will not, on a continuous basis, be assigned to one driver. The Union agrees with the Company that such work must be done in a timely manner subject to the Company first considering the individual employee's/owner operator's availability and route, and that the employee/owner operator will accept such a delivery on a timely basis. Provided, however, that after such a delivery has been made, if a dispute between the Company and the employee/owner operator exists, the same shall be subject to grievance.
- 11.07** Vacant routes will be posted. Posting and awarding of such vacancies shall be consistent with Article 11.02. All postings shall be posted on the Union bulletin board with an indication of the time and date it was posted and copied to the Local Union on the date of posting.
- 11.08** The following will also apply to bidding on assignments:
- (a) if a specific route or assignment is terminated, the displaced employee/owner operator is entitled to displace a employee/owner operator with the least service on the service list. If the person with the least amount of service is on a dedicated route, this clause will not apply to them until six (6) months after their start date on such route, except in the case of a general reduction in fleet size.
 - (b) if an employee/owner operator wishes to transfer to another list, they would be entitled to the first recurring vacancy on that list. After they are in an assignment on the new list they will carry, and be able to exercise, their full seniority on that list as it applies to this Article.

(c) no new employee/owner operator shall be hired until all employees/owner operators on the seniority list have had an opportunity to bid on all assignments/routes.

(d) the Company will devote its best efforts toward keeping employees/owner operators engaged in providing services.

11.09 DEFINITIONS

Scheduled run - 40% of assigned work

11.10 POSTED RUNS FOR BID

Dedicated Fleet Drivers -- Job bid by assignment

Scheduled Runs -- Job bid by scheduled assignment, pursuant to 11.09

The company shall utilize the Scheduled Run Fleet or On-Call (on-and-gone) fleet as the relief drivers, by seniority, subject to availability and provision of required equipment if applicable, for any and all posted temporary runs, or as back-up of regular run or route drivers where the vacancy is the result of a known absence of more than 5 days.

11.11

Notwithstanding any other provisions of the Collective Agreement, the restructuring and realignment of work, undertaken from time to time by the Company in response to service requirements, route/stop densities, volumes, yields and other operational considerations, shall be subject to the posting procedures contained in Article 11.02. Where such restructuring or realignment of work will result in posting(s), the Company will consult with the Union prior to implementing the changes but in all respects retains its exclusive functions to manage and operate the business.

ARTICLE 12

HEALTH & SAFETY

12.01

The Company and the Union recognize the need for constructive and meaningful consultations on Health and Safety matters. Consequently, a joint Health & Safety Committee shall be formed, and operate, in accordance with the provisions of the Canada Labour Code, ~~Part II~~, and all applicable provisions of the Canada Labour Code, ~~Part II~~, shall apply.

ARTICLE 13

LEAVE

13.01 Special Leave

Subject to reasonable advance written notice, with supporting documentation where applicable, leave of absence may be granted when circumstances not directly attributable to the employee/ owner operator, including but not limited to illness in the immediate family, prevent him/her from reporting for duty. The granting of such leave shall not be unreasonably withheld.

13.02 Bereavement Leave

- a) The provisions of the Canada Labour Code shall apply to employees. It is understood that owner operators shall be allowed time off from their contractual obligations.
- b) An employee/ owner operator shall be entitled to 1 day of unpaid special leave for any bereavement not covered in paragraph (a).

13.03 Union Leave

An employee/ owner operator who is selected as a delegate pursuant to paragraphs (a) to (d) below shall be entitled to leave without pay for the following:

- a) a constitutional meeting of the Union;
- b) a negotiating committee for the purpose of collective bargaining
- c) a convention of the Canadian Labour Congress or provincial Federation of Labour;
- d) a union education program, including travelling to and from such event.

Recognizing that circumstances may arise whereby a employee/ owner operator is required to serve or work on behalf of the Union, the company agrees, on receipt of reasonable advance notice in writing, to grant leave without pay.

ARTICLE 14

SPECIFIED LEAVE AND SCHEDULED LEAVE ENTITLEMENTS

14.01 Specified Leave Entitlement

The company recognizes the following general holidays:

New Years' Day
 Good Friday
 Victoria Day
 Canada Day
 August Civic Holiday
 Labour Day
 Thanksgiving Day
 Remembrance Day
 Christmas Day
 Boxing Day

- (a) Warehouse employees shall receive the equivalent of the wages they would have received for a normal day's work.
- (b) Drivers, walkers shall be remunerated as per Article 18.

14.02 Scheduled Leave Entitlement

a) An employee/owner operator shall during his/her first five years of service with the Company be entitled annually to absent himself/herself and his/her vehicle from carrying out his/her contractual obligations for a period of up to two (2) weeks. In addition he/she shall not be required to carry out said contractual obligations on any day which is designated as a Specified Leave day except for those customers whom he/she regularly services and who required said service on such days.

b) In respect to an employee/owner operator with over five years service with the Company he/she shall thereafter be entitled to absent himself/herself and his/her vehicle from carrying out his/her contractual obligations for **up** to three (3) weeks. In addition he/she shall not be required to carry out his/her obligations on any day or days which are designated as a statutory and/or civic holidays except for those customers which he/she regularly services and who require service on such days. Provided, however, that if the employee/owner operator desires to take three (3) weeks in any year he/she shall give the Company reasonable advance notice thereof and it shall be at the Company's sole discretion whether the third week may be taken consecutively with the other two (2) weeks or at some other time.

c) The Company shall have the right to allocate time-off on a rotation basis.

d) In the event that an employee/owner operator wishes to absent himself/herself for vacation purposes in the months of July and August he/she shall be required to

put the Company on notice of the proposed date and duration of such time by the first day of May prior to such vacation period, subject to Article "C" above.

e) For a period, not to exceed twenty (20) business days in one year, the employee/owner operator is permitted to substitute another driver for his/her vehicle while on leave, subject to this collective agreement. The replacement must have all appropriate deductions, and payments, as required by law. Such permission shall not be unreasonably denied by the Company. Additional time would be subject to approval by the Union.

In the event that an employee/owner operator wishes to absent himself/herself at any time during the year excluding the months of July and August he/she shall be required to put the Company on notice of such proposed date and duration of such time at least one (1) month (30 days) prior to such period.

ARTICLE 15

COMMITTEES

15.01 Union/ Management Committees

Upon ratification of this collective agreement the Company and the Union shall commence quarterly Union/Management meetings.

Past practice respecting meeting arrangements shall be maintained for the term of the collective agreement.

15.02 Rate Committee

The Company acknowledges that the assistance of the Union in determining rates charged to customers is invaluable and welcomes such support. With this spirit of cooperation as a basis a joint committee of three (3) representatives of the Company and three (3) from the Union shall be formed immediately and shall meet monthly and at such additional other times as shall be agreed upon by this committee to review the rates charged customers by the Company. The committee shall consider all rate change proposals made by the Union. The rising cost of living shall be one of the factors taken into account in determining whether or not there should be a rate increase. Whenever possible decisions as to rate increases and the time of such rate increases shall be made during the meeting in which the proposals are made. Provided however that the Company reserves the right to take any rate increase proposal under advisement in which case a decision regarding such proposal shall be communicated to the Union members of the committee at the next meeting of the committee or sooner as the Company so desires. The parties acknowledge that certain individual calls if required to be serviced in isolation may result in an inadequate return to an employee/owner operator being required to service it. Accordingly, the Company dispatcher shall whenever possible use his/her best efforts to combine other calls with

such a single call in order to compensate for such situations and that the dispatchers will be obligated by the Company to rotate such calls fairly among the pool of drivers normally servicing such accounts so that no employee/owner operator shall be obliged to do all such calls, unless he/she exclusively services such client, and that the employees/ owner operators agree that they will not refuse to handle such calls. Provided, however, and it is hereby understood and agreed that the provisions of this Article in no way modify or limit the Company's rights as set forth in Article 8.02, and that it is distinctly understood and agreed that regardless of any other provision of this Agreement the Company has the absolute right to fix such rates with its customers as it desires.

ARTICLE 16

DURATION

This Agreement shall be effective until December 31st, 2004. The same shall be deemed to be renewed thereafter from year to year unless written notice to negotiate a new agreement is given by either party to the other party during the period (120) days prior to the expiration date, which period may be waived by either party to expedite such discussions. Within twenty (20) days after the receipt of such notice or within such additional time as may be mutually agreed upon, the representatives of the Company and of the Union shall meet for the purpose of negotiating a new Agreement. While negotiations continue this Agreement shall remain in full force and effect.

ARTICLE 17

GENERAL

17.01 Colour and Decal Policy

At anytime the company establishes a new paint / colour / logo policy all existing employee/ owner operator vehicles will conform to that policy at the company's cost with no financial loss to the employee/ owner operator.

The company or the customer will pay for all signage for employee/ owner operator vehicles.

17.02 One Driver One Vehicle

No employee/ owner operator will be allowed to represent, or act on behalf of, or control another driver/owner operator or their vehicles. Notwithstanding this provision, it is understood and agreed that Article 14.02(e) applies and further that owner operators who currently have more **than** one vehicle in operation, said vehicles being operated by employees engaged by the owner

operator or other category of driver, shall continue to operate in such a manner and to such a degree without any violation of this Article.

17.03 Access to Settlement Documents

An employee/owner operator shall be provided reasonable access to their settlement records upon request, subject to Article 8.08.

17.04 Transfer of Company Title or Interest and Mergers

This agreement shall be binding upon the partners thereto, their successors, administrators, executors or assigns, in the event an entire operation or rights are sold, leased, transferred or taken over by sale, such rights shall continue to be subject to the terms and conditions of this collective agreement.

17.05 Union Label

It shall be an acceptable practice for an owner operator to post a Canadian Union of Postal Workers label on the glass area of their vehicle. The size being no more than 3 inches in diameter and not attached to any area which will impair the vision of the driver.

17.06 Picket Lines

The company recognizes the right of members of the Bargaining Unit to refuse to cross a legal picket line. In the event a driver exercises this Right of Refusal they will immediately advise their immediate supervisor.

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

17.07 Helpers

The driver shall be empowered to hire helpers to assist with deliveries under the following conditions:

- a) Helpers must be bondable and insured.
- b) The employee/owner operator is responsible for payment of Workers Compensation premiums for his/her helpers.
- c) Helpers must be screened by representatives of the company and meet company uniform and image components.
- d) Helpers will be members of the collective bargaining unit and pay dues.

17.08

For purposes of ensuring adequate service levels and fleet/vehicle coverage for its customers and in accordance with the objectives referenced in Article 8.12, the Company may schedule the minimum daily availability of Owner Operators/Employees and will, where possible, consult with the Union prior to scheduling continuing changes.

ARTICLE 18**Remuneration and Benefits****18.01 Minimum Expectancy Benchmark**

- a) The Minimum Expectancy Benchmark is defined as the amount that it is expected the Driver/Walker will make for providing their services on a full working day basis.
- b) After three (3) months engagement or employment, Employees/Owner Operators and Walkers shall have the right to request that the Rate Committee undertake a review and assessment of their revenues or earnings where such fall below the following Minimum Expectancy Benchmarks:

Vehicle Type	Daily Commission Level
Cars/Mini-vans	\$75.00
Vans/Pick-ups	\$80.00
Walkers	\$60.00
Cartage	\$125.00

- c) This will take effect 6 months after the signing of the collective agreement to allow the committee to work with the low earners and the committee can establish the guidelines to work under.
- d) The Committee shall determine the reason and causes behind an instance where an individual's revenues or earnings fall below the monthly Expectancy Benchmark based on a calculation of the per diem rate multiplied by the actual complete days worked. Calculations are based on the Employees/Owner Operators being available to work on each complete business day of the month and measured and applied against the resulting monthly total. However, the Employees/Owner Operators on leave approved for under this collective agreement or absent not more than two days during the month will receive a pro-

rated Minimum Expectancy Benchmark. The Committee shall recommend appropriate corrective action including revenue or wage adjustments up to and including the daily Expectancy Benchmark as required in specific cases. It is understood and agreed that minority recommendations respecting revenue or wage adjustments, by at least one-half (1/2) of the Committee members, may be, if not accepted by the District Manager or designate, referred to the grievance/arbitration process under the collective agreement.

18.02 Wage Schedule

a) Wage Schedule – Owner Operators

Effective January 1, 2003 the following shall come into effect. Owner operator commission rates shall be reduced by five per cent (5%). However, no owner operator's rate shall be reduced below 58 % and 58% shall be the minimum commission rate during the term of the agreement.

b) Wage Schedule – Warehouse Worker

Effective January 1, 2003 the warehouse worker wage shall be \$8.50 per hour and effective January 1, 2004 the warehouse worker wage shall be \$9.00 per hour.

c) The walker shall continue to receive his present commission rate and vacation pay rate.

18.03 Uniforms

Effective January 1, 2003 the cost of uniforms supplied by the Company shall be on a (50/50) cost share basis to a maximum of \$75.00 paid by the Company in each year of the collective agreement.

18.04 Remuneration for Specified Leave Entitlement

a) Remuneration for Specified Leave Entitlement

Owner Operators shall be entitled to Special Leave at the rate of \$55.00 per day for each of the ten (10) Specified Leave days, said entitlement in accordance with the conditions contained in the Canada Labour Code, Part III, Division V.

- b) Walkers will continue to receive payment for Statutory Holidays in accordance with the present practice.

18.05 Scheduled Leave

Owner Operators shall receive Special Leave entitlement of four percent (4%) of their annual adjusted commission earnings up to and including their fifth year of engagement and six percent (6%) of their annual adjusted commission earnings after being engaged for five complete years.

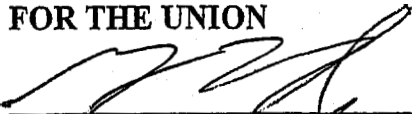
ARTICLE 19

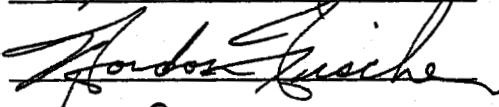
CHARGES

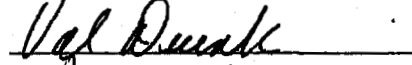
Current charges and practices for communications equipment and Cargo Insurance/Bonding shall be maintained for the term of the Collective Agreement. Prior to the future introduction of new communication equipment/technology, the Company agrees to consult with the Union.

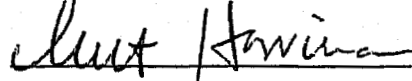
Dated this 31st day of December, 2002.

FOR THE UNION

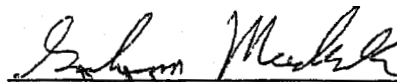


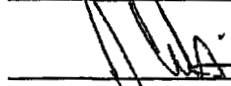


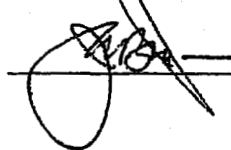




FOR THE COMPANY







**OWNER OPERATOR CONTRACT FOR
RETENTION OF SERVICES**

This Agreement made this _____ day of _____, 2002.

Between:

DYNAMEX CANADA CORP

(Hereinafter referred to as “the Company”)

AND

OWNER OPERATOR

NAME **AND** _____

ADDRESS _____

INFULL _____

WHEREAS the Company carries on a same day transportation and distribution business and is licensed to use certain trademarks in connection therewith;

AND WHEREAS the Owner Operator owns/leases a vehicle (the “Vehicle”) suitable to the business and the provision of services for the Company, and the Owner Operator desires to perform, and the company desires to engage the Owner Operator to perform, certain distribution and delivery services for the Company;

AND WHEREAS subject to the prevailing provisions of any applicable Collective Agreement, the Company and the Owner Operator desire to **fix** and determine between themselves their respective rights and obligations;

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained the parties hereto agree as follows:

1. The Owner Operator making use of the Vehicle shall perform the Services by the Company standards in a timely and efficient manner.
2. The Owner Operator shall maintain the Vehicle in a safe, damage-free, serviceable and clean condition and shall maintain, repair, license, insure (for Public Liability and

Property damage in the amount of \$1,000,000 all-inclusive coverage and supply proof of same to the Company), and operate each Vehicle used by it at its own expense.

3. Provide all services in a safe, efficient, courteous and lawful manner and comply with all relevant laws, rules and regulations concerning the operation of the Vehicle and the provision of services hereunder. The Owner Operator shall at all times conduct itself so as not to jeopardize the relationship between the Company and its customers.
4. In consideration of the Company entering into this Agreement with the Owner Operator and allowing the Owner Operator to Service the Company's customers, the Owner Operator hereby covenants, agrees, acknowledges and confirms that during the term hereof, and upon the cancellation of this Agreement for any cause or means whatsoever, then for a period of one (1) year from the cancellation of this Agreement, the Owner Operator shall not either personally or by its agents, or by letters, circulars or advertisements, or in any other manner whatsoever, whether on its own behalf or on behalf of any person, persons, firm, association, syndicate, company or corporation, canvas, solicit or do business of a similar nature as that of the Company with any person, persons, firm, association, syndicate, company or corporation who:
 - 4.1 Either are customers of the Company at the time of the cancellation of this Agreement, or,
 - 4.2 Have been customers of the Company within a period of twelve (12) months prior to the cancellation of the Agreement; and,
 - 4.3 Have become known to the Owner Operator as customers of the Company, and,
 - 4.4 By reason of the Owner Operator having over a period of time Services such customers, have become known to the Owner Operator.
5. In consideration of the Company entering into this Agreement with the Owner Operator and allowing the Owner Operator to Service the Company's customers, the Owner Operator hereby covenants, agrees, acknowledges and confirms that, during the term hereof, and upon the termination of this Agreement for any cause or by means whatsoever, then for a period of one (1) year **from** the termination of this Agreement, the Owner Operator shall not use or disclose any information concerning the business or customers of the Company which may have been acquired by it during the course of its relationship with the Company for its own benefit or to the detriment or to the intended or probable detriment of the Company.
6. The Owner Operator agrees that by virtue of the nature of the Service provided by it to the Company's customers, a close relationship may develop with the said customers and therefore, the Owner Operator further acknowledges that the restriction period of one (1) year as set forth in the paragraphs herein is reasonable and necessary in order to enable the Company to have such relationship re-established with another Owner Operator.

7. The Owner Operator agrees that, should it commit a breach of the paragraphs herein and, as a result thereof, a customer of the Company is lost or should the Company suffer any loss of business from such customer as compared to the amount of business previously enjoyed by the Company prior to the said breach, then by virtue of such breach or by voter of proceedings for relief in respect to such breach, the Company will suffer damage, and the Company shall therefore have the right to seek damages in a court of law against the Owner Operator and such damages shall be based upon, but not restricted to, the Company's actual average annual cost of obtaining new business and retaining old business, which costs the Owner Operator agrees will be substantial.
8. The Owner Operator agrees that, irrespective of any right the Company may have to claim for damages hereunder, the Company shall also have the right to apply for an injunction if the Owner Operator is in breach of the paragraphs herein, and further that the remedy of damages and the remedy of any injunction shall not be mutually exclusive.
9. Upon termination of this Agreement, the Owner Operator shall forthwith remove from the Vehicle all trademarks, logos and other elements of decoration which are distinctive of the Company or its customers and immediately return, in good condition, any Company property, material or documentation, including all communication equipment.
10. The Owner Operator undertakes to indemnify and hold the Company harmless from all claims, debts, demands, suits, actions and causes of action whatsoever for loss, damages, delay and liability of any nature or kind whatsoever made or brought by any person, firm or corporation with the Services rendered by the Owner Operator.
11. The Owner Operator hereby specifically gives and grants to the Company the right to set-off against any monies payable by the Company to the Owner Operator any money owing by the Owner Operator to the Company for any reason or cause whatsoever. The Owner Operator specifically hereby authorizes and empowers the Company to deduct the same from any money payable by the Company to the Owner Operator. This will be subject to the grievance procedure.
12. The Owner Operator acknowledges and agrees that the Owner Operator's function and status under this agreement shall be, and is intended to be wholly and exclusively that of a dependent contractor. No partnership, employer-employee, joint venture or other similar relationship is intended. The Owner Operator agrees that the Owner Operator shall, at all times, hold himself out as a dependent contractor, not as an agent, employee or legal representative of the Company, in any respect. The Owner Operator shall take all necessary steps and shall be responsible for the payment of all federal, provincial and local taxes arising out of his activities.
13. The Owner Operator expressly acknowledges that the Company will not on behalf of the Owner Operator remit employment insurance premiums, nor withhold income tax, C.P.P. or provide T-4 slips and that the Owner Operator shall be solely and wholly liable and responsible therefore.

14. The Owner Operator shall protect and indemnify the Company, and any of its officers, directors, employees and agents from all losses, claims, costs, damages, or liabilities which the Company may suffer or incur, whether at law or in equity, directly or indirectly, from any act or omission, made or not made by the Owner Operator in providing services to the Company under this agreement, including without limitation, any damage to person or property whether it be that of the Company, its customers or accounts or that of a third party.
15. This contract may not be sold, assigned or transferred without the express written consent of the Company.
16. 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.
17. Any notice to be 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. If any provision of this agreement is held invalid by any court order, such findings shall not invalidate the remainder of this agreement.
19. Lease from the Company suitable Radio and Pager or other communications equipment as may be designated by the Company with the terms and conditions contained in the form of lease attached hereto.
20. Either obtain at its own expense, or reimburse the Company for the cost of a Fidelity Bond as per attached Fidelity Bond Schedule.
21. Charge no expense whatsoever for any reason to the Company except where authorized by the Company.
22. The Parties hereto acknowledge and agree that they both would benefit by the greater exposure of the Company's presence in the marketplace and to that end agree as follows:
 - i) The Owner Operator shall wear uniforms approved by the Company while servicing the Company's customers. Uniforms for purchase by the Owner Operator at the Company's cost price, plus applicable taxes, payable by the Owner Operator on invoice therefore.
 - ii) When the Company's trademarks, tradename, logos or decals are displayed or shown on a uniform or the Owner Operator's motor vehicle, not to place any other name, notice, advertising, decal or painting of any nature or kind whatsoever on

the uniform or motor vehicle other than as expressly permitted by the Company which may not be unreasonably and arbitrarily withheld.

- iii) The trademark "Dynamex", distinctive colour and designs used in connection therewith, are all the property of the Company and their use accrues wholly to the benefit of the Company. Upon written request of the Company, the Owner Operator shall immediately surrender to the Company, any item bearing any of its trademarks and shall remove any such trademarks from its vehicle.
23. In the event the Contractor is successful in obtaining a new customer for the Company, the Company shall pay the Owner Operator as additional compensation five percent (5%) of the first three (3) months billings the customer uses the Company's service. This compensation shall only apply if the amount billed to the customer exceeds one hundred dollars (\$100) per month. In the course of accepting new business, the Owner Operator may pledge the credit of the Company to the limited extent of such credit being acceptable to the Company and subject to a credit application being completed and turned in to the Company by the Contractor and the new client subsequently passing the Company's credit check.
24. The parties agree that this Agreement shall be terminated as follows:
- i) With 2 weeks notice by the Owner Operator or the Company upon written notice of either to the other; or
 - ii) By the Company following a material breach by the Contractor of the terms of this agreement; or
 - iii) Upon the insolvency or bankruptcy of either Party. In the case of drivers, only if unable to provide the requisite equipment to perform the work.
25. Upon the demand from the Company the Owner Operator shall immediately return to the Company, but not limited, all equipment loaned and provided, including identification cards, radios and advertising signs.
26. All notices to the Company shall be in writing, addressed and delivered to it at 3275 Miners Avenue, Saskatoon, Saskatchewan, S7K 7Z1, attention of the Business Centre Manager.
27. The failure of the Company to exercise any right, power or option given to it hereunder, or to insist upon strict compliance with the terms hereof by the Owner Operator shall not constitute a waiver of the terms and conditions of the Agreement with respect to any other or subsequent breach thereof, nor a waiver by the Company of its rights at any time thereafter to require exact and strict compliance with all the terms hereof, the right and remedies hereunder are cumulative to any other right or remedies which are granted by law.