

THIS AGREEMENT entered into this 13th day of June, 2011.

BETWEEN:

**LOOMIS EXPRESS (CANADA), LTD.
In the Province of Ontario
(Hereinafter referred to as the "Company")**

AND:

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

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

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

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

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ARTICLE 1 - UNION RECOGNITION

- 1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all Hourly Employees and Owner Operators save and except Supervisors, those above the rank of Supervisor, sales staff, regional office clerks and dispatchers. Properly qualified officers of the Union shall be recognized by the Company in discussing any and all matters affecting the Collective Agreement between the Company and the Hourly Employees and Owner Operators who are members of the Union.
- 1.02 Hourly Employees and Owner Operators shall be represented by a Union Committee which shall consist of Hourly Employees and Owner Operators elected at each centre of operation of the Company. The Chairperson of this Committee shall act as the liaison between the Hourly Employees and Owner Operators and the Company. The Committee and/or Local Chairperson may at any time call upon the services of an accredited representative of the Union to assist them. The Company shall designate an individual representative to act as liaison between the Local Chairperson and the Company.
- 1.03 The provisions of Part I, Chapter L-2, Section 44 of the Canada Labour Code dealing with successor rights and obligations are recognized by the parties.
- 1.04 The Company shall not discriminate against any of the Hourly Employees and Owner Operators who are representatives of the Union, and who, from time to time, represent other Union members.
- 1.05 The Union shall promptly notify the Company in writing of the names of elected Union members that shall act as Union representatives and any changes in personnel thereof. Understanding that from time to time appointments may be necessary to fill vacancies and non-elected positions.
- 1.06 The Union agrees that there will be no Union activities carried out during working hours, except those necessary in connection with the administration of this Agreement, and/or grievable matters. Accredited representatives of the Union shall have access to the Company's premises during normal working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to provided, however, that there is no interruption of the Company's working schedule.
In a situation which requires a Union representative's attention during working hours, he/she shall not leave his/her regular duties without first obtaining permission to do so from their immediate Supervisor.

It is understood that the taking of such time away from their regular duties shall be kept to a minimum, and that permission will not be unreasonably withheld. The Union representative shall return to their regular duties as expeditiously as possible. The Employer reserves the right to limit such time, if the time requested is unreasonable.

- 1.07 The Company agrees to provide a locked, glass enclosed bulletin board at each of its terminals for use by the Union for posting matters relating to Union meetings and other Union business, provided they are authorized and the documents are signed by an officer of the Union. The said bulletin board shall not be located in any place where the general public has access. No postings on such boards shall be of a derogatory or inflammatory nature towards the Company or any individual.
- 1.08 It is hereby agreed that all Hourly Employees and Owner Operators shall become members of the Union and shall, as a condition of employment or their Business Agreement, remain members of the Union.
- 1.09 The Company agrees to deduct from the pay of each Hourly Employee and Owner Operator covered by this Agreement, an amount of Union dues as specified by the Union and the local Union and forward the full amount to the Secretary-Treasurer of the Local Union. Deductions will be made from the last pay in each month and forwarded to the Local Secretary-Treasurer, accompanied by a list of Owner Operators and Hourly Employees from whom dues were deducted. Dues and lists will be received by the Local no later than the 15th of the month following the month from which deductions were made.
- 1.10 The Company shall show the total amount of Union dues deducted on the Hourly Employees' T-4 slips issued at the end of each calendar year and Owner Operator pay slips on a bi-weekly basis.
- 1.11 **The Company shall furnish to the Union a list of all new Hourly Employees taken into employment and all new Owner Operators with signed business agreements by the Company on the last day of each month. The Union will supply deduction authorization forms and membership applications which shall be signed by all new Hourly Employees on the date of hire and new owner operators that sign business agreements. It will be the responsibility of the Company to ensure that all membership application forms are forwarded to the Secretary-Treasurer of the Local within fourteen (14) working days from the date of hire. The Company shall, at the time of hiring, inform the Hourly Employee(s), Owner operator(s) as to his/her status regarding whether they are full-time, part-time, part-time unassigned Hourly Employee(s) or Owner Operators.**

- 1.12 The Company shall not require any Hourly Employees or Owner Operators covered by this Agreement to cross a legal picket line or to accept any product or goods from any person or persons with whom a Union has a legal picket or placard line around or against, or to deliver any product or goods to any person with whom a Union has a picket or placard line around or against. This Article does not prevent any Employee or Owner Operator from accepting or delivering freight that arrives at their home facility so long as they do not have to cross a legal picket line or accept freight from any local Union that has a Collective Agreement with Loomis and is on strike to deliver said freight.
- 1.13 Any Hourly Employee or Owner Operator elected or appointed to a full-time position with the C.A.W. Canada or any affiliated organization, shall be granted an indefinite leave of absence provided that thirty (30) days notice is given to the Company prior to the beginning of such absence. During such absence, the Hourly Employee and/or Owner Operator's seniority will accumulate and as such they will be able to exercise their bumping rights upon completion of said leave if their prior position is no longer available.
- 1.14 The Company shall grant a leave of absence to any Hourly Employee or Owner Operator who attends essential Union business. The Union will give a minimum of ten (10) days notice of such request. It is understood that a maximum of ten (10) Union members will be allowed off at one time. It is agreed that in the event of an emergency occurring, the Executive, Stewards, WSIB reps and the provincial Joint Health & Safety reps of the Local will be granted a leave of absence upon request.**
- 1.15 The Company shall pay to Local 4457 the sum of four thousand dollars (\$4,000.00) per month for the purpose of carrying on Union business with the Company. Said monies are to be paid to the Local on or before the 15th of each month.
- 1.16 It is understood that the Company's officers and sales staff shall not perform the work of the regular Hourly Employees and Owner Operators, except in an emergency situation where no members of the Union are readily available to be called to perform such work. After an emergency where salaried staff were employed on bargaining unit work, management will discuss with the Union upon request. Should it be discovered that any Hourly Employee or Owner Operator was available and was not contacted by way of the extra work roster, the Company shall make them whole.

- 1.17 The Company shall not contract out any bargaining unit work or use any lease operator, or lease vehicle, with respect to existing Company-operated facilities on date of ratification except as indicated in LOU contracting out.**
- 1.18 The Company agrees not to enter into any Agreement or Contract with the Hourly Employees and Owner Operators, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such Agreement will be null and void.
- 1.19 The Company as of date of ratification shall, on a quarterly basis, provide to the Local Chair a list of agents and temp Employees used in the Province of Ontario. The Area Vice President or designate and the Local Chair will meet and discuss agent and temp usage when this list is prepared. The Area Vice President or designate and the Local Chair agree to work together to reduce agent and temp usage, wherever economically feasible.**
- 1.20 All company and owner operator vehicles will display an appropriate union logo to indicate the cooperative relationship between the company and the CAW. Said logo to be placed on a side window and to be no more 4 inches in diameter.**
- 1.21 The Company will pay to the local 4457, fifty-three dollars and fifty cents (\$53.50) per year per owner operator on or around April 1st, annually.**
- 1.22 The union will select and the company will recognize a full time Unit Chairperson who shall be a Loomis employee. The unit Chairperson shall attend to Union business as required and as necessary for the administration of the collective agreement, and shall be given free access to all branches and depots and the union office for these purposes. The Unit Chairperson shall be permitted to attend all meetings related to bargaining unit members if requested. The Unit Chairperson shall not be laid off or have any reduction or freezing of hours, pay, seniority, or any other benefit during the term of office.**
- 1.23 The company agrees that the Unit Chair position shall receive all existing benefits and pension as per classification. The wage rate shall be 120% of the top hourly P&D non HQ driving rate based on Forty (40) hours per week.**

1.24 If the Unit Chair who is away from their position for a period of six (6) months or longer they will receive if needed sufficient on the job training in line with the training requirements of their classification and position in order to re-familiarize and to perform their tasks adequately.

1.25 If the Unit Chair is an Owner Operator they shall be allowed to either retain their run with a relief driver or elect to give up their run.

ARTICLE 2 - MANAGEMENT RIGHTS

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

- (1) The right to enter a Business Agreement with re-routes, or terminate the Business Agreement in accordance with the Owner Operator addendum or for Breach of Contract.
- (2) The right to hire, transfer, promote, demote, classify, layoff, suspend, discharge for cause or otherwise discipline Hourly Employees and Owner Operators.
- (3) The right to maintain order and establish and enforce just rules and regulations governing the conduct of Hourly Employees and Owner Operators.
- (4) The right to reduce overtime hours wherever and whenever possible.
- (5) The right to determine the products handled and the methods of handling and processing and related scheduling of operations.
- (6) The right to determine productivity standards.

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

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

ARTICLE 3 - GRIEVANCE PROCEDURE

- 3.01 It is the intention of the parties that this procedure shall provide a just and peaceful method of adjusting grievances and the parties agree to act in good faith in the settlement of grievances in accordance with the provisions of this Article.
- 3.02 Any complaint, disagreement, or difference of opinion between the Company and the Union or the Hourly Employees and Owner Operators covered by this Agreement which concerns the application or interpretation of the terms and provisions of this Agreement, shall be considered a grievance.
- 3.03 Any Hourly Employee or Owner Operator, the Union or the Company may present a grievance. A grievance concerning a dismissal shall be submitted at Step 3. Any grievance which is not presented within five (5) working days following the event giving rise to such grievance shall be forfeited and waived by the aggrieved parties. A policy grievance filed on behalf of the Union or the Company shall be submitted at Step 3 of the grievance procedure.
- 3.04 **Step 1:** Any Hourly Employee or Owner Operator having a complaint should first orally discuss the matter with a Supervisor or General Manager. Should such discussion not result in a satisfactory resolution of the problem, the following steps will be followed. Should any Hourly Employee or Owner Operator not feel comfortable with this first step then they may proceed to Step 2.
- Step 2:** The Hourly Employee or Owner Operator and his/her shop steward shall submit his/her formal grievance in writing to his/her General Manager, who shall give his/her reply in writing within five (5) working days. If a satisfactory settlement cannot be reached, then;
- Step 3:** Within Thirty (30) working days of receiving the decision under Step 2, the Local Chairperson of the Local Union, or his/her designate or the Local Union representative, may appeal, orally or in writing, to the officer(s) of the Company who have been designated as the liaison/s of the Company with regards to Union matters who shall give their reply in writing within seven (7) working days. Failing a satisfactory settlement, the grievance may then be referred to a Board of Arbitration, as established in Article 4 of this Agreement.
- 3.05 Any Hourly Employee or Owner Operator subject to discipline and/or investigation will receive the assistance of the Union Representative of their choice at their home depot. The Union Representative will be required to sign, to acknowledge receipt of the discipline.

The Local Chairperson will be given a copy of all disciplinary notices. Any disciplinary notice unsigned as a result of no Union representation will be null and void. No Hourly Employee or Owner Operators shall be subject to investigation and/or questioning from or by corporate security or any representative of the Company without the presence of the Local Chairperson or his/her designate.

- 3.06 Any Hourly Employee or Owner Operator shall be allowed to inspect his/her own personnel file in the presence of the Company, during normal business hours. Any officer of the Union, on behalf of the Hourly Employee or Owner Operator, may accompany the Hourly Employee or Owner Operator to inspect his/her personnel file, subject to written authorization of the Hourly Employee or Owner Operator.
- 3.07 A copy of all disciplinary notices will be withdrawn from the Hourly Employee's and Owner Operator's file after one (1) year, except if there is a recurrence of a same or similar infraction within that year. Any violation concerning a criminal or civil matter, or matters affecting driving records, will remain on the disciplinary record indefinitely. Said files to be removed shall not be considered to be removed but shall be physically removed and destroyed.
- 3.08 Any discipline which is not imposed within five (5) working days from the date of knowledge will be deemed null and void. In the event that the Company is required to investigate a matter prior to discipline being imposed, this time limit may be increased to fifteen (15) days if notice is given to the chairperson before the original five (5) day time limit has elapsed. It is further agreed that these time lines may not be set aside or extended by an Arbitrator or any relevant Labour codes.**

In the event of vehicle accidents, the time lines will commence from the date the Joint Health & Safety Committee renders their decision.

The parties further agree that in the event of accidents of a serious nature, Hourly Employees or Owner Operators may be held out of service pending the decision of the Joint Health & Safety Committee and such time lost may be the subject of a grievance.

- 3.09 Any grievance not answered within the prescribed time limits and/or the proper protocols will be forfeited in favor of the grievor/Company. The time limits prescribed in this Article may be extended, but only by mutual consent of the Company and the Local Chairperson in writing.**

- 3.10 All monetary grievances that are mutually agreed upon will be paid on the following pay period by separate cheque. The parties agree to notify the Local Chairperson of all settlement payments on a monthly basis.
- 3.11 Hourly Employees or Owner Operators who are discharged for cause will have their discharge and reasons for same confirmed in writing. These Hourly Employees and Owner Operators, as well as Hourly Employees and Owner Operators who terminate their employment voluntarily, shall have all monies owing them paid no later than the next scheduled pay day so long as all Company property has been returned and decals removed from vehicles as it pertains to Owner Operators.
- 3.12 Any Hourly Employee or Owner Operator suspended without pay under Article 3.08 or any other Article while under investigation shall be protected by time limit constraints. Should discipline not be imposed within the agreed upon time limit, then the Hourly Employee or Owner Operator shall receive full restitution for all lost wages/revenues and be returned to work as per Article 3.09.

ARTICLE 4 - ARBITRATION

- 4.01 Failing a satisfactory settlement of a grievance at Step 3 of the grievance procedure, either party may request that the matter be referred to Arbitration. Such notification must be made in writing within twenty-one (21) working days of the decision being given at Step 3.
- 4.02 A single Arbitrator will be designated by mutual agreement of the Company and the Union.
- 4.03 Failing agreement on the selection of an Arbitrator within seven (7) working days, or such longer time period as may be agreed between the parties in writing, the matter shall be referred to the Department of Labour, who shall appoint the Arbitrator.

The following six (6) Arbitrators will be appointed on a rotation basis, subject to availability within ninety (90) days of application as the single Arbitrator to resolve outstanding disputes.

1. Ross Kennedy
2. Anne Barrett
3. Al Hinnegan
4. Dana Randall
5. Tim Armstrong
6. Michel Picher

If none of the above named Arbitrators are available within ninety (90) days it will be referred to the Arbitrator on the list who can make themselves available earliest.

- 4.04 No person involved directly in the controversy under consideration shall be the Arbitrator.
- 4.05 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as the Arbitrator deems essential to a full understanding and determination of the issues involved. In reaching a decision, the Arbitrator shall be governed by the provisions of this Collective Agreement. The Arbitrator shall not be vested with the power to change, modify, or alter any of the terms of this Collective Agreement.
- 4.06 The findings and decision of the Arbitrator on all grievance matters shall be binding and enforceable on all parties.
- 4.07 The expense of the Arbitrator shall be borne equally by the Company and the Union.
- 4.08 The single Arbitrator must be prepared to render a decision within thirty (30) days of the completion of the Arbitration hearing. Should the parties agree prior to/or during the hearing that this Clause is impractical, because of the nature of the Arbitration case, the above time provision shall be considered moot.

ARTICLE 5 - RETIREMENT

- 5.01 The mandatory retirement date for all Hourly Employees or Owner Operators will be the first (1st) day of the month following the Hourly Employees' or Owner Operators' sixty-fifth (65th) birthday, unless the Hourly Employee or Owner Operator was born on the first (1st) day of the month, in which case their retirement date is their sixty-fifth (65th) birthday.

ARTICLE 6 - SENIORITY

- 6.01 (a) The purpose of seniority is to provide a policy governing work preferences, layoffs and recalls. Seniority of Hourly Employees and Owner Operators means the duration of continuous service for the Company, since their last hiring or signing of their Business Agreement or combination thereof.
- (b) There will be one (1) seniority list for all classifications.
- 6.02 The Company shall post, on the Union bulletin board, an up-to-date seniority list showing names of the Hourly Employees, date of employment, and will ensure that this list is maintained and kept up-to-date. The seniority list will be posted on or about the 31st of March, the 30th of June, the 30th of September and the 31st of December of each year. The Company on the same list shall show all Owner Operator names, corporate numbers and their original date of hire if ever an Hourly Employee, or their commencement date with a Business Agreement.
- 6.03 All new Hourly Employees shall be considered on probation during the ninety (90) days following the beginning of their employment. After the completion of this ninety (90) day period, the Hourly Employees shall be placed on the seniority list and their seniority shall be established retroactively from their last date of hire.
- 6.04 All Hourly Employees and Owner Operators maintain and accumulate seniority in all cases, except:
- (a) In the case of voluntary resignation or cancellation of Business Agreement; or
- (b) If they are discharged for just and reasonable cause; or
- (c) If, as an Hourly Employee, he/she is absent from work for three (3) consecutive working days without permission, or without reasonable justification, resulting in termination; or
- (d) If, as an Hourly Employee, he/she is laid off for a period exceeding eighteen (18) calendar months; or
- (e) If they remain outside the bargaining unit for ninety (90) calendar days or longer.

- 6.05 All new Hourly Employee hirings or Business Agreement signings within the bargaining unit will be date stamped to ascertain seniority. In the case of multiple hires or Business Agreement signings where disputes and/or exact start dates or time cannot be determined, the determination shall be from the payroll number.**
- 6.06 For Hourly Employees and Owner Operators on a medical leave of absence or W.S.I.B., it will be the Hourly Employees' and Owner Operators' responsibility to be aware of any job postings.

ARTICLE 7 - BEREAVEMENT LEAVE

- 7.01 Every Hourly Employee shall be entitled to a paid leave, up to four (4) working days, in the event of the death of their spouse (included is a spouse of an alternate lifestyle couple), child, father, mother, brother, sister, father-in-law, mother-in-law, or grandparents and grandchildren. Proper justification must be provided upon request.**

Should any of the above listed family members' death occur while the employee is on duty and the employee needs to leave the workplace, they shall be paid for the remainder of their shift.

This provision does not apply if the death occurs while the Hourly Employee or Owner Operator is on a leave of absence, vacation or layoff. Managers, at their discretion, may grant other bereavement leave. The Article applies to Owner Operators as well; however they shall only be granted unpaid leave.

Any bargaining unit member who is a member of Canadian armed forces, (regular or reserve, or emergency services personnel whether paid or voluntary, (To include: EMTs, firefighters, special constables and SARtechs), will be allowed 1 day unpaid time to attend the funeral of a colleague killed in the line of duty.

ARTICLE 8 - JURY DUTY

- 8.01 When a full-time or part-time Hourly Employee is required to serve on a jury, or is subpoenaed as a witness, the Hourly Employee will be paid the wages they would normally have earned at work, but the Hourly Employee shall have to reimburse the Company the amount of fees they receive for the period served while on jury or witness duty. Owner Operators shall be entitled to the same leave but shall not be compensated for same.

ARTICLE 9 - LEAVE OF ABSENCE

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

9.02 Any bargaining unit member who is a member of a military reserve unit who is called to a tour of active duty will have his/her position held until he/she returns from duty and will not suffer a loss of seniority. Further, upon return to work there shall be no waiting period to re-enter the benefit program.

9.03 Family leave:
It is understood that the company will not refuse any reasonable request from hourly employees and P&D owner operators who may be required to tend to family emergencies reasonable time off. Owner operators will make every attempt to find a relief driver for the time required, but will not be refused the time off if they cannot comply.

9.04 Maternity Leave (Owner Operator)

Owner Operators shall be entitled to unpaid maternity leave in line with federal legislation. Owner Operators are required to make every effort to provide route coverage. Should a relief driver not be available to the owner operator the company will provide route coverage and keep route revenue.

ARTICLE 10 - JOB POSTINGS

- 10.01 (a) When a vacancy occurs for any reason, the Company will post within five (5) days the said vacancy for five (5) working days (Monday to Friday), in order that Hourly Employees and Owner Operators may bid for the vacancy in writing. The Owner Operators and the Hourly Employees will have five (5) days to make their intentions known after being provided the necessary information to make an informed decision. Such notice shall provide information regarding classification, route number if applicable, service area if and scheduled hours, and rates of pay. Selection will be on the basis of the applicant's seniority and qualifications. The senior qualified applicant will be awarded the position within **two (2) working** days. The Company will endeavor to place the successful applicant in the position within twenty (20) working days. The successful applicant, who is not placed into the new position within twenty (20) working days shall, if the new position incurs a higher rate of pay and/or more hours, be paid any and all monies they would have earned in the new position.
- (b) No Hourly Employee or Owner Operator shall voluntarily and successfully apply for more than two (2) vacancies in a one (1) year period.
- (c) Any position that changes from part-time to full-time will be re-posted in accordance with Article 10.01(a).
- (d) Only job postings that require work to be performed in the Province of Quebec will be posted as bilingual. A Committee will be struck where both parties will meet to discuss and determine any positions in the Province of Ontario that will be posted as bilingual.
- (e) Any part-time Hourly Employee may bid and successfully hold two (2) part-time positions up to a maximum of eight (8) hours a day. These positions may be bumped either as a whole or individually. Each position will be paid as per the hourly rate of the posting. Should two (2) part-time positions be combined to create an eight (8) hour consecutive shift, then this position must be re-posted as a full-time position.
- (f) No part-time shift or posting shall be less than four (4) hours.
- (g) Part-time unassigned postings shall have no guaranteed hours on the posting.

- (h) Article 10.01(f) may be circumvented by creating a split shift of four (4) hours for one part and less than four (4) hours for the second part, or where a part-time Hourly Employee is in agreement to add a split of less than four (4) hours to their current position.

10.02 In the event that an Hourly Employee's scheduled hours have been increased by sixty (60) minutes or more for a period of ten (10) consecutive days, or an individual's job function has changed, or classification has changed, then said position must be re-posted. In the event that an Hourly Employee's scheduled shift is cut by sixty one (61) minutes or more, or incurs changes to any scheduled start or finish times of sixty one (61) minutes or more, or the job function has changed, the said Hourly Employee has the option of retaining said position or bumping.

In the event of a change in scheduled hours on any position for any reason the individual so effected will be given five (5) working days notice.

During the period between Christmas Day and New Years Day, the Company shall be able to adjust hours by up to two (2) hours per day without triggering a bump situation.

10.03 Eligible Hourly Employees and Owner Operators who apply for posted job vacancies shall be notified of the name of the successful bidder, in writing.

10.04 The individual awarded the position shall receive written notification of such award, including a copy of the original job posting. The Local Chair shall also be given copies of this information.

10.05 All driving postings shall, as above, outline service area.

All owner operator postings will list the last four (4) weeks numbers from the previous owner operators numbers. These items shall be:

- 1. Average stops**
- 2. Average pieces**
- 3. Average kilometers**
- 4. Core zone**

Items 1, 2 and 3 however shall not be guaranteed.

ARTICLE 11 - UNIFORMS

11.01 It is imperative for the Owner Operators to protect the brand and the image of Loomis Express (Canada), Ltd. Therefore the wearing of Company-issued uniforms is mandatory and a condition of maintaining a Business Agreement. The Company will pay for Owner Operator uniforms when such uniforms are required. The Company shall also pay for uniforms when required for Company-mandated co-driver, as well as for one (1) Company-approved Relief Driver. Alterations will be paid for by the Company that are required for uniforms that do not fit at issue. All other alterations shall be the responsibility of the wearer. All uniforms are, and shall remain, the property of the Company, and the Owner Operator shall be expected to properly care for and keep same in good repair and condition at the Owner Operator's expense. All uniforms shall be returned to the Company upon termination of services or when requesting new issue as required.

Where required for Hourly Employees, the wearing of Company-issued uniforms is mandatory and a condition of maintaining employment. The Company will pay for new uniforms when such are required. All alterations, other than those required at issue to ensure fit, shall be the responsibility of the Employee.

All uniforms are and will remain the sole property of the Company, and the Employee shall be required to maintain at their expense, care and good repair of said uniforms. All uniforms shall be returned to the Company for replacement when required, or upon termination of employment.

11.02 As a condition of employment or Business Agreement, it is agreed that the issued uniforms will be worn while on duty.

General Issue, **Drivers, Owner Operators and Customer Counter workers:**

- (5) Shirts (or T-shirts)
- (5) Trousers
- (1) Summer Coat
- (1) Tie (if Hourly Employee and Owner Operator wishes)
- (1) Cap (if Hourly Employee and Owner Operator wishes)
- (5) Pairs of Shorts
- (1) Winter Parka or Bomber Style Jacket (dependant on style availability)

The Company shall reimburse all alteration costs for uniforms that do not fit at issue.

Women will be provided with women's clothing.

11.03 All Hourly drivers, Warehousepersons and Owner Operators must provide their own safety boots during the probationary period at their own cost. If the Hourly Employee successfully completes the probationary period, the Company will refund the prorated cost up to established guidelines. Owner Operators do not have a probationary period and will be refunded the pro-rated cost up to established guidelines.

11.04 (a) Any Warehouse Hourly Employee who wishes to wear coveralls will be supplied with three (3) pairs and the responsibility for repair and cleanliness shall be that of the Employee.

(b) Winter coats will be supplied in October to Warehousepersons who require them to perform their duties. **Each August the Company and the union shall establish a committee to identify those individuals that are entitled to a new coat and submit such list for order on or before September 1st of each year.**

11.05 Any Clerical Hourly Employee working the warehouse will be supplied with suitable clothing and the responsibility for cleanliness and repair shall be that of the Hourly Employee.

11.06 Safety footwear is mandatory for all Owner Operators, Warehouse Employees and Hourly Drivers while on duty. The Company will provide an annual lump sum payment of one hundred twenty dollars (\$120.00) for an equipment refund on the first of January each year. Safety footwear is mandatory and a condition of employment or Business Agreement. Said footwear must be black or brown.

ARTICLE 12 – RETURN TO WORK PROGRAM

12.01 The purpose of an early and safe return to work plan is to provide a fair and consistent practice for accommodating Hourly Employees and Owner Operators who have been injured or have become ill, either permanently or temporarily, so as to ensure that their needs are accommodated in a manner that most respects their dignity as an integral part of the Company.

Every Hourly Employee or Owner Operator who is qualified and capable shall be re-integrated into the workforce at the appropriate time following an illness or injury if the Hourly Employee or Owner Operator is capable of performing any modified position that they are medically deemed capable of performing. Wages earned shall be consistent with the position occupied.

It is agreed to by the Company that there will be no loss of any benefits agreed to in the C.B.A.

It is agreed that all Agreements in place regarding Hourly Employees or Owner Operators with regards to W.S.I.B. or W.I. shall continue to apply.

The Company recognizes their responsibility in accommodating Hourly Employees or Owner Operators in returning to the work place within their restrictions. Accommodating their restrictions may include such things as modification of a position, work station, training, adjustments of the work performed, technical aids, or provide other work that is suitable within the member's restrictions.

The Union understands that each individual shall be addressed on an individual basis and that the situations of other members shall have no bearing.

The Company shall be able to place any Hourly Employee or Owner Operator in any position within the bargaining unit without having to post such position. Understanding that the Hourly Employees or Owner Operators shall not relinquish any rights granted under the C.B.A. if non-unionized work is to be performed.

The Company agrees that all accommodations must take the Hourly Employee's or Owner Operator's current hours of work and time durations into consideration, providing it does not conflict with FAE/FAF.

It is agreed by all parties that this Article shall continually be open to revision when necessary.

The Company must provide work in the Hourly Employee's or Owner Operator's home facility as a priority. Should no work be available at the home facility, then the Company may place the member elsewhere within 100 kilometers of the member's home facility unless agreed otherwise by the Hourly Employee or Owner Operator. **For hourly employees only, driving time to and from a facility other than their home facility shall be included in their scheduled hours for work accommodations.**

Upon any Hourly Employee or Owner Operator being medically cleared to perform the pre-injury/disability job function, or being cleared for full duties, he/she shall at once be placed into the original position and exact job that he/she had held. Should said position no longer be available due to elimination of the position, the Hourly Employee or Owner Operator may then exercise their bumping rights. Any other displaced individual may also then exercise their bumping rights.

12.02 Medical Examinations:

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

Any doctor's note required by the Company for an Hourly Employee or Owner Operator for return to work will be paid by the Company.

A monthly list from the company shall be given to the union WSIB representative and president of the local listing any modified accommodations offered and accepted either temporarily or permanent. As well, a list of any employees that the company cannot accommodate.

Only the name of the individual shall be provided. Further details will require a signed release from the union member.

If the company requests any medical information, it is understood that the union member, if they are actively employed, shall be given time off with pay to comply with the companies request.

- 12.03 (a) When a medical examination is required by the Company, other than a medical for pre-employment or WSIB or a weekly indemnity plan, the Hourly Employee or Owner Operator shall suffer no loss of income for the time spent during said examination, including travel to and from said medical examination location. The Company will pay for medical forms required by insurance companies or the Company.
- (b) In addition to the above procedure on Company-required medical examinations, the Company agrees that, where an Hourly Employee or Owner Operator takes a medical examination to verify his/her right to drive a motor vehicle under the regulations of the Province of Ontario, and if such an examination is not paid for under the Provincial Health Plan, it will be paid for by the Company.
- 12.04 (a) If, following a Company-requested medical examination, an Hourly Employee or Owner Operator is deemed physically incapable of carrying out his/her duties, the following procedure shall be followed:

The Company shall supply the Hourly Employee or Owner Operator with a copy of the medical findings with respect to the Hourly Employee or Owner Operator. Should the Union or the Hourly Employee or Owner Operator disagree with said findings, the Hourly Employee or Owner Operator, at their own expense, shall have the right to be examined by their personal physician.

- (b) Where there is no agreement between the Company's physician and the Hourly Employee's or Owner Operator's physician on the condition of the Hourly Employee or Owner Operator, the Company and the Union together shall select a medical consultant to examine the Hourly Employee or Owner Operator with respect to the dispute.

Further, the Company and the Union shall select three (3) individual physicians to be used as outside consultants, and use the same protocols as set forth in Arbitrator selection. Also, the Company and the Union shall first meet to determine and agree as to criteria to be used on any assessments required.

- (c) The findings of the final consultant shall be final and binding on all parties.
- (d) The remunerations of the consultant shall be borne equally by the Company and the Union if such costs are not covered under the Provincial Health Plan.
- (e) No Hourly Employee or Owner Operator shall suffer any loss of revenue during any medical investigations generated by the Company.

12.05 Should any Hourly Employee be placed into a modified or accommodated job as a result of medical findings from a work related situation, the following shall apply:

If the Hourly Employee is placed into a classification at a lower rate of pay, the Hourly Employee shall suffer no loss of pay regardless of time duration. Should the Hourly Employee be placed into a higher rated pay classification, then the Hourly Employee shall maintain his/her current rate of pay. Should the placement be due to a non work-related situation, the individual shall be paid at the classification schedule, but shall not profit from such placement.

Should any Owner Operator be placed into a modified or accommodated job as a result of medical findings from a work-related situation, one of the following shall apply and shall be at the discretion of the Owner Operator:

- 1) **The Owner Operator will maintain route revenue, and the Company will provide route coverage. The Owner Operator will be expected to work eight (8) hours per day.**
- 2) The Owner Operator will forfeit route revenue, the Company will provide route coverage and the Owner Operator shall be placed into a modified position and be paid at the prevailing rate for the classification.

Any Hourly Employee or Owner Operator not placed into a modified or accommodated job will be able to:

- (a) Qualify for participation in any of the Hourly Employee's and Owner Operator's benefit programs to which they are entitled to and are a participating member, or
- (b) Qualify for W.S.I.B. if their incapacity results from an on-the-job illness or injury.

12.06 Furthermore, the Company shall advise the Hourly Employee or Owner Operator at least seven (7) days in advance, wherever possible, of such medical examination; the time and date of examination to be mutually agreed upon.

12.07 The Company and the Union will establish the conditions of return to work of incapacitated Hourly Employees and Owner Operators and discuss the conditions of return to work with the injured worker representative of the Union. The Company will meet with the Union injured worker representative on a monthly basis to review and assess all ongoing cases.

When an Owner Operator is to be accommodated due to a non work-related situation the following shall govern. If the recovery date is known for the accommodation, then the Owner Operator shall be expected to temporarily relinquish their route and route revenue for said period of time and be paid as an Owner Operator but at the prevailing rate for the position which they have been placed into.

- 12.08 (a) If a job vacancy occurs that an incapacitated Hourly Employee or Owner Operator can perform, based on medical evidence and qualifications, they will be placed on such job without the necessity of a job posting.
- (b) A doctor's certification of disability by the Hourly Employee's or Owner Operator's own doctor must be submitted and verified. A second opinion by a mutually agreed upon independent doctor will be obtained if requested by the Company or the Union.

- (c) Any Hourly Employee or Owner Operator placed on a job because of a disability will have their status reviewed at least annually jointly by both parties.
- (d) The Company will review all the circumstances with the Union before exercising this provision. All exceptions to the seniority provisions of this Collective Agreement must be mutually agreed to by the parties.
- (e) **Should an Owner Operator become permanently disabled and placed on a permanent modified position within an FAE/FAF, they then shall be expected to relinquish their route and Business Agreement, and transfer to the hourly system with such placement.**
- (f) **An FAE will not be required by the company for any union member on any work related accommodation providing that they have been deemed by WSIB as having a permanent injury unless it is required for new modified work offers.**

ARTICLE 13 - SUBSTANCE ABUSE

Substance Abuse is recognized to be a serious medical and social problem that can affect Employees. The Company and the Union have a strong interest in encouraging early treatment and assisting Employees towards full rehabilitation.

The Company will continue to provide a comprehensive approach towards dealing with substance abuse and its related problems. Company assistance will include referral of Employees to appropriate counseling services or treatment and rehabilitation facilities.

The Company will provide all normal group insurance benefits while under a medically prescribed course of treatment. If the selected Institute is not covered under Employer Health Tax (OHIP), the Company will pay the cost of the treatment for Hourly Employees only and refer Owner Operators to appropriate facilities and services as required but shall not pay for same.

ARTICLE 14 - HARASSMENT, DISCRIMINATION AND VIOLENCE IN THE WORKPLACE

All Hourly Employees, Owner Operators, and Management Personnel are expected to treat all persons with courtesy and consideration and must not engage in discrimination, harassment, violence or bullying of any kind. Prohibited grounds for harassment are race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, disability or conviction for an offence for which a pardon has been granted.

Violence in the workplace includes, but is not limited to, bullying, teasing and abusive and aggressive behavior. The aggressor can be a co-worker, management staff, customers, or a member of the public.

(a) It is understood that both the Company and the Union shall cooperate in every way to reduce or eliminate any type of harassment or violence in the workplace and as per the Company Anti-Harassment, Violence, Bullying and Discrimination Policy.

(b) Harassment is in no way to be construed as Supervisory responsibilities that are properly discharged, including the delegation of work assignments, the assessment of discipline, or any conduct that does not undermine the dignity of the individual. Should the direction do so, then it shall be considered a violation of this Article.

(d) Complaint Resolution Procedure:

If an Hourly Employee or Owner Operator believes that his/her rights under the above Article have been violated the following shall apply:

(i) Tell the person involved, as soon as possible, how you feel, and request that he/she stops the conduct you find offensive;

(ii) If you feel uncomfortable approaching the person, or if the violation of rights continues, bring the signed formal complaint to the attention of Human Resources for the Company and the Local Chair of the Union, where each shall then be responsible for delegating the individuals responsible to handle the complaint, or conduct the investigation themselves.

- (iii) The joint Committee will consist of equal members of Management and the Union. The actual composition of the joint Committee will be determined by the parties on a case-by-case basis.
 - (iv) It is the intention of the Company and the Union that, where practical, the joint investigation will begin within five (5) working days of the lodging of the written complaint and shall be completed within fifteen (15) calendar days after the lodging of the written complaint.
 - (v) All matters brought before the Committee will be dealt with in a confidential manner.
 - (vi) Any complaint not resolved through this process may be taken to the Human Rights Council of Canada and/or Article 3 or 4.
- (e) **The Company agrees to, (after development of a new handbook), to conduct training sessions for all workers of the Company within one hundred eighty (180) days of handbook development. Such training to be presented by the Company's Human Resources Department and the Union Local Chair or designate.**

ARTICLE 15 – CLASSIFICATIONS EMPLOYEE AND OWNER OPERATOR

- 15.01 (a) Regular Full-Time Hourly Employees: Any Hourly Employee regularly scheduled to work forty (40) hours per week and who is available for eight (8) hours of work on each day of their regularly scheduled work period shall be considered a full-time Hourly Employee and will be paid forty (40) hours at the basic rate established for their respective classification.
- (b) Clerical only: The clerical full-time work week shall be thirty-seven and a half (37.50) hours per week and shall be paid at time and one half after seven and a half (7.50) hours in a day and thirty-seven and a half (37.50) hours in one week.**
- 15.02 Regular Part-Time Hourly Employees: Scheduled Part-Time Hourly Employees shall be guaranteed twenty (20) hours per week and/or four (4) hours per day.

15.03 Part-Time Unassigned warehouse Hourly Employees: May be employed to relieve positions normally occupied by regular full-time and part-time Hourly Warehouse Employees who are absent from work for any reason. Part-time unassigned warehouse Hourly Employees shall have no weekly guarantee but shall be guaranteed a minimum of three (3) hours when called upon to work in the warehouse.

All other Part-Time Unassigned Hourly Employees: May be employed to relieve positions normally occupied by regular full-time and part-time Hourly Employees who are absent from work for any reason. Part-time unassigned Hourly Employees shall have no weekly guarantee but shall be guaranteed a minimum of four (4) hours when called upon.

Part-time Unassigned Hourly Employees will be utilized to perform work outside of scheduled work periods and during overload or peak periods of activity, but shall not be used to circumvent the hiring of regular and part-time Hourly Employees or the creation of Business Agreements for Owner Operators.

Further they shall not be used until all regular part-time Hourly Employees have been utilized.

Part-time unassigned Hourly Employees are covered by all Articles of this Collective Agreement save and except Article B4.

Any part-time unassigned Hourly Employee whose position works an average twenty (20) hours per week for four (4) weeks in seven (7) shall have that position re-classified and the new part time position shall be re-posted except, as a result of hours worked for coverage in the following areas:

1. Sick leave coverage;
2. Vacation coverage;
3. Open, non bid upon routes or positions;
4. Leave of absence coverage;
5. Owner Operator route relief;
6. **WI and WSIB**

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

Job Classifications

1. General Warehouse
2. Warehouse Induction/Sorter
3. Undeliverables
4. G Driver
5. DZ Driver
6. AZ Driver
7. Clerical Customer Service
8. Clerical Data Entry
9. Clerical Collections
10. Clerical Bilingual Collections
11. Master Load Planner
12. Customer Counter Specialist
13. Owner Operator
14. Walker
15. Lead Hand as required per individual classifications
16. International Sub Classifications as required
17. Relief Driver
- 18. Local Chair Person**

For any job classification listed, omitted or created, seniority shall govern as to choice of specific job or position desired.

The job classifications listed above in no way negate the fact that from time to time the Company shall need to be able to move people around in their general classification group in order to accommodate any staffing shortages or occasional emergency situations, and cross-training requirements.

ARTICLE 16- EXTRA WORK

Each facility, branch, depot, & department shall post bi-weekly two (2) extra work sign up sheets for the Union Members in their facility.

There shall be a short term extra work roster which is to be used for last minute and daily situations. All extra work shall be awarded on the basis of seniority only, understanding that the Union Member must possess the skills or licenses required for work being offered.

There shall be a long term extra work roster which is to be used for all extra work that can foreseeably run for five (5) days or more. The senior qualified applicant from the extra work roster will remain in the position for the duration of the absence.

In the event that a Union Member, for any reason other than capability, is not offered the work they would have been entitled to, the Company shall then pay the Union Member for the extra hours lost in the current or next pay period.

All extra work shall first be offered to part-time and part-time unassigned Union Members first to supplement their hours up to eight (8) hours in a day.

Hourly employees that are on modified duties are also permitted to do extra hours provided that the work falls within their restrictions.

Once part-time and part-time un-assigned Union Member have been utilized as above, the work shall then be offered to all Hourly Employees on the basis of seniority. Understanding that the local Union recommends that no Union Member works more than sixteen (16) hours in one day or eighty (80) hours in one (1) week.

The additional supplemental hours offered to Union Members on the short-term extra work roster cannot conflict with their regularly scheduled hours or shifts.

In the event that an individual that puts his/her name on the extra work roster and refuses offered work three (3) consecutive times, then the Company shall be under no obligation to call that individual in for extra work for the next ninety (90) days. In order for this to apply the individual shall be served a letter of notice with the presence of a Union Steward so as to determine a start date of the ninety (90) day denial period. The onus will be on the company to prove the calls were made.

Extra work that is not a continuation of a scheduled shift shall be paid at the prevailing rate of the work offered.

When regular bilingual hourly employees are absent from work for any reason the work will first be offered at the appropriate rate to qualified bilingual employees.

ARTICLE 17 - WORKING TOGETHER

The Company and the Union agree to the principle of working together to resolve problems relating to any Article or clause of this Agreement. To this end, the parties recognize that with selected problems, the Company and the Union will be required to meet. In these cases, the Local Chairperson of the Local Union will coordinate with the HR Manager to discuss and resolve the situation(s).

It is understood by both parties that the intention of this Article is not to infringe upon the rights of either party, but rather to provide a method of conflict resolution through: (a) the grievance process; and (b) regular monthly labour management meetings.

ARTICLE 18 - PRODUCTIVITY STANDARDS

The Company agrees to advise the Union Local Chair of changes in productivity standards within any classification group or department and will provide the Union the opportunity to submit any concerns it may have with the proposed changes in productivity standards prior to such standards being implemented.

It is understood that the Company continues to maintain its rights in establishing productivity standards.

ARTICLE 19 - CBA

The parties agree to provide a limited quantity of Collective Agreements in French.

The company will supply an electronic copy of the collective agreement to the union.

ARTICLE 20 - ELECTRONIC VIDEO SURVEILLANCE EQUIPMENT

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

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

The Company will provide video surveillance in all security huts.

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

ARTICLE 21 - PAID EDUCATION LEAVE

Effective November 1st, 2005, the Company agrees to pay twenty cents (\$0.20) per service day per Hourly Employee and Owner Operator into a special fund for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union, CAW and sent by the Company to the following address:

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

The Company further agrees that members of the bargaining unit, selected by the Union to attend such courses, will be granted a leave of absence without pay for twenty (20) days class time, plus travel time where necessary. Said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Hourly Employees and Owner Operators on said leave of absence will continue to accrue seniority and benefits.

ARTICLE 22 - SENIORITY LIST

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

ARTICLE 23 - LETTERS of UNDERSTANDING

As of the date of ratification, it is hereby agreed that all Letters of Understanding and Agreements not in this ratified Agreement shall be null and void, save and except those relating to the Schedule "A's" of the Owner Operator Business Agreements.

ARTICLE 24 - MANDATORY CONVERSIONS

In the event of mandatory conversion from Hourly Employee to Owner Operator, the parties agree that the prior articles on mandatory conversion shall be brought back and shall apply.

All Hourly Rated Drivers with eleven (11) years of service as of January 1st, 1994, who choose to remain as Hourly Employees, will have their rate of pay and hours of work protected and further will be scheduled in shifts between 06:00 and 21:00, and shifts will be no greater than ten (10) hours and the splits will be no longer than two (2) hours in duration.

ARTICLE 25 - BUMPING

The following situations shall trigger a bump situation:

1. Route or shift cancellation;
2. Facility or branch/depot closures;
3. Article 10.02;
4. Re-routes as per article A15;
5. Facility or branch/depot move of greater than 49 kilometers;
6. Layoffs;
7. **Permanent change of service area;**
8. **Permanent change of awarded job;**
9. Any displacement;
10. Any change in classifications.

Permanent change is defined as a period of fourteen (14) days or longer.

Bumping Protocols:

Displaced bargaining unit members may exercise their seniority bumping rights in the following manner;

- 1. Within classification within their branch a position with like hours (within 1/2 hour) and/or no more than ten percent (10%) revenue loss. If no such position exists.**
- 2. Any junior bargaining unit member within their branch in any classification provided they possess the required skills and qualifications or any junior bargaining unit member within their classification at any other branch.**

Any displaced individual shall have three (3) business days from the time they are provided with all the necessary information, (to make an informed decision), to inform the company of their desired bump.

Note: For the purposes of bumping 201 Westcreek Blvd. and 200 Westcreek Blvd. shall be considered one (1) facility.

ARTICLE 26 - VEHICLE SECURITY

Outlined below are the vehicle security procedures that will be followed by Owner Operators and Hourly Drivers:

- Vehicles used in the transport of shipments must have secure doors (front, side, rear and roll-up doors);
- Vehicles must be locked when shipments are being transported at all times;
- Custodial control of the shipments while on route, shall be the responsibility of the Owner Operator or Driver;
- Vehicles shall be locked at all times when unattended;
- Cargo vans require a pad lock on the back door and the Owner Operator is responsible to ensure this occurs and the lock is used;
- Cargo located on loading docks or ramps shall at no time be left unattended.

It is also understood that should these procedures be violated and a loss occur to the Company and/or its customer, this will lead to the termination of the Owner Operator's Business Agreement, and in the case of an Hourly Driver, termination of their employment.

Failing a loss to the Company or its customers, then the Owner Operator or the Hourly Employee will be subject to progressive discipline. A loss is deemed to be freight of any kind or customer property. For Hourly Employees a loss will also include Company vehicles. Any other loss of Company property will be addressed as outlined as per the C.B.A.

ARTICLE 27 – ROUTE FLEX

In the event it is determined that the owner operator is unable to make a delivery(s) or pickup(s) in his/her area, management reserves the right to assign these stops to surrounding routes in order to maintain customer service.

The above is not to be used on an ongoing basis but rather is intended for one off or short term situations.

It is further understood that the company position is that all hourly rated driver positions shall be flexible, in accordance with the operational needs of the company and the service levels to our customers. It is also understood that seniority will be respected in the application of this clause.

ARTICLE 28 DRIVING REQUIREMENTS

In order to ensure competent, safe driving by all Employees and Owner Operators, Loomis Express (Canada), Ltd., (Loomis), has established the following criteria for hiring and awarding of all positions which require driving in the performance of duties for Loomis Express Canada and its customers.

GENERAL:

All positions requiring driving, (Hourly Drivers, Owner Operators and any other positions which require the Employee to drive), require the following minimum requirements:

- 1. All positions require a valid driver's license that meets the requirements of the position applied for. (Graduated licenses are not permitted.)**
- 2. Minimum eighteen (18) months licensed after completion of all graduated license requirements.**
- 3. No preventable accidents within past five (5) years.**
- 4. No more than three (3) outstanding demerit points in past twenty-four (24) months for moving violations on current driver's abstract.**
- 5. No more than one (1) seat belt infraction on current driver's abstract.**
- 6. No positions to be awarded if abstract shows any past driver's license suspension due to impairment or moving violations.**
- 7. No disciplines for safety infractions within past twelve (12) months.**

Additional Specific Requirements:

- 1. Owner Operators are to provide a vehicle that meets Company standards.**
- 2. Heavy equipment positions must hold valid appropriate license with air endorsement.**
- 3. Linehaul positions to have minimum two (2) years highway experience and be verifiable.**
- 4. Western Linehaul requiring trips into mountain regions to have minimum five (5) years mountain experience and be verifiable.**

All minimum work experience listed above is full-time minimum work experience.

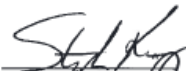
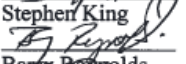

Any Owner Operator or position which requires driving for Loomis may require a written and/or road test at the Company's discretion

ARTICLE 29 - DURATION OF AGREEMENT


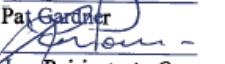

This Agreement shall be in full force and effective from and including November 1st, 2008, up to and including March 31st, 2013, and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement and within four (4) months immediately prior to the expiry date in any year thereafter by written notice to require the other party to commence collective bargaining, with the view to conclusion or renewal of a Collective Agreement, or a new Collective Agreement.

Dated at Brampton Ontario this 13 day of June, 2011

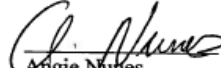
For the Company


Stephen King

Barry Reynolds

Tania Berardi

For the Union

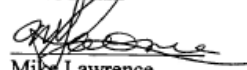

Pat Gardner

Len Poirier

Bryant LeRoux

Joanne Delorme

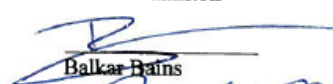


Argie Nunes


Tracey Walker


Asif Makani


Mike Lawrence

Sharon Hamilton


Balkar Bains

Derek Mitchell

LETTER OF UNDERSTANDING CONTRACTING OUT

Contracting Out

The union recognizes that the express business is under severe pressure; however, any restructuring must be done ensuring that employees are fairly compensated for a layoff/termination from the company as a result of this restructuring based on the provisions below, (LOU Severance). The union also reserves the right to put forward an alternative strategy for future locations, and, if it can be demonstrated that such a strategy is viable, then the company will consider each alternative.

The restructuring period will be in effect until all facilities identified to the union have been closed down.

The following procedures will apply when a restructuring (facility closure or contracting out) is to be considered.

- (a) The company will notify the unit chair or president of the local and the national representative in writing stating reasons for such action.
- (b) The company commits to continually monitor all contracted out work and agent usage to determine the economic viability of having the work transitioned back to Loomis brand and Loomis employees and/or owner operators. The company also agrees that any work formerly performed by CAW members that is again performed by a Loomis employee or in a Loomis branded or painted truck will immediately become covered under the collective agreement. The company agrees to provide relevant information to the union in writing including the financials in order to allow the union to investigate. The company will also provide any financial information to the research & benefit / national representative of the CAW to ensure an informed evaluation can be made. The union agrees to sign any necessary confidentiality documents to receive this information.
- (c) Within fifteen (15) days, the company and the union will meet to review all of the relevant information including the implementation of a viable strategy jointly or otherwise.
- (d) The company has committed that no Linehaul, warehouse or clerical position will be contracted out.

Major Centre Parameters

The major centers' listed below (and as outlined on the attached maps) will not be contracted out in their entirety during the life of the agreement and will be protected from contracting out as per the collective agreement and the provisions below.

If there is a major loss of business in a major centre listed below that requires change, the company will first pursue its ability to re-route, abolish runs, and apply facility consolidation. If these measures are instituted and there are still problems, the company may contract out a route or routes in each major centre up to a maximum of ten percent (10%) of the total provinces number of owner operators at a time (calculated every anniversary) unless otherwise mutually agreed with the union in writing. The company will not use this percentage to close or contract out an entire facility identified below.

The company will justify each move outlined above to the union using the procedure outlined in contracting out above.

Any P&D contractor (agent) must load and unload their freight to their vehicle at a Loomis unionized facility. The company is in agreement with the principle that our warehouse staff will prepare the loads and unloads and the language may need to be revised for any HQ loads. The intent is that no contractor (agent) shall perform warehouse work at Loomis facilities.

Major Centers' for Ontario

- Ottawa
- Greater Toronto area (bordered by Oshawa, Oakville and Newmarket)*
- Markham*
- Brampton*
- Burlington
- Kitchener
- London

* These area will be protected from a complete closure over the life of the agreement.

LETTER OF UNDERSTANDING SEVERANCE

The severance benefits outlined in this document is a one time offer to owner operators and hourly employees for closures, contracting out, facility consolidations and re-routes as per severance listed. All other situations remain status quo as per CBA.

Severance benefits identified in the CBA may be nullified with the acceptance of this offer based on discussions in local bargaining where it can be shown that the overall total of severance provided under this agreement meets or exceeds the severance in the CBA. Situations falling outside of the current restructuring / re-routing initiatives of the company are not intended to be captured in this understanding.

Hourly Employees

If the termination is a result of a closure or contracting out of an area or abolishment of hourly driver runs due to closure, facility consolidation, or contracting out, then the company agrees to offer severance based on the following;

- Two weeks per year of service (prorated) based on forty (40) hours per week at straight time for full time status employees on date of ratification. Severance for part time employees shall be based on average earnings for the previous twelve (12) months active paid earnings.
- Extended benefits to be provided for six (6) months following date of termination.

Note: Hourly employee severance as shown above is also applicable to Data Entry employees who are unable to acquire alternate employment through the bump process for those employees that are displaced due to the current technological changes that are to be implemented.

Owner Operators

Initial Restructuring and Re-Routes

Under the initial major restructuring re-routes...

- 10 years + seniority \$11,500
- 5 to 10 years seniority \$8,000
- Less than 5 years seniority \$4,500

Other Initial Restructuring

Under the current major restructuring, those owner operators impacted by a facility closure, contracting out, and facility consolidation will be paid severance calculated at two (2) weeks per year of service (prorated) at fifty (50) hours per week based on the straight time hourly P&D driver rate. This formula will also be offered to any re-route in an area already listed on the restructuring lists provided to the union during the week of January 19-23, 2009.

Further Re-routes

Owner Operators affected by a re-route after the initial major restructuring will be paid severance based on the following...

- 10 years + seniority \$10,000**
- 5 to 10 years seniority \$7,000**
- Less than 5 years seniority \$4,000**

This clause shall be in effect for two (2) years after the date of ratification.

Further Restructuring

Those owner operators impacted by facility closures, contracting out and facility consolidation will be paid severance calculated at two (2) weeks per year of service (prorated) at forty (40) hours per week based on the straight time hourly P&D driver rate.

Adjustment Committee

The company agrees to provide the union with \$500 per person in affected contracting out or closures. The company will work with the union to provide office space to set up an action centre for the adjustment committee to perform work.

The severance packages may be put in escrow where possible provided there are no additional costs to Loomis.

The company will work with the union to protect severance pay from EI clawbacks.

**Letter of Understanding
Between
Canadian Auto Workers Local 4457
And
Loomis Express (Canada) Ltd.**

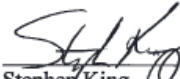
Hybrid Classification

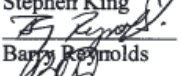
The parties agree to the creation of a Hybrid position classification in an attempt to create where possible viable full time jobs.


Hybrid classification positions shall be paid the prevailing rate for each type of work being done as per the classification rate of each portion.

Dated at Brampton Ontario this 13 day of June, 2011

For the Company



Stephen King


Barry Reynolds


Tania Berardi

For the Union

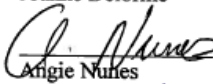


Pat Gardner


Len Poirier


Bryant LeRoux

Joanne Delorme



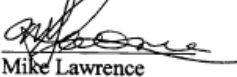
Angie Nunes



Tracey Walker



Asif Makani



Mike Lawrence

Sharon Hamilton



Balkar Brains



Derek Mitchell

APPENDIX "A"

The following Articles are Owner Operator specific and are in no way to include Hourly Employees.

ARTICLE A1 - INCORPORATION OF OWNER OPERATORS

All newly acquired Owner Operators after the date of May 1st 2006 must be incorporated as a condition of signing the Business Agreement.

The above is not mandatory to hourly employees who become owner operators that were members of the bargaining unit prior to May 1st 2006.

Should the company decide that for those individuals not required to be incorporated that it become mandatory, the cost shall be borne by the company.

This Article in no way is to deprive any Owner Operator or Hourly Employee the rights, benefits or protections that they now or in future are entitled to in this Collective Agreement.

ARTICLE A2 - HEALTH & WELFARE

A2.01 Owner Operators shall have the option, at their own cost, to be included in the Company benefit program as detailed below. The Company will deduct the cost of benefits selected from the Owner Operator's invoice. These benefits include:

- Provincial Medical;
- Major Medical (extended health benefit);
- Dental Plan;
- Vision Care;
- Eye exams (Max \$65.00 per year each);
- Life Insurance;
- Accidental Death and Dismemberment Insurance;
- Optional A. D. & D.

A2.02 The Company will make available to all Owner Operators a group accident insurance plan for those who voluntarily enroll and who continue to pay the required monthly premiums.

A2.03 If an Owner Operator chooses to participate in the above benefits plans, he/she must participate in the plans for a minimum of twenty-four (24) months. Should an Owner Operator terminate participation in the plans, the Owner Operator shall not be eligible to rejoin the plan for a period of twenty-four (24) months from the date the coverage was terminated. In this event, life insurance coverage shall be subject to medical evidence of insurability to the insurance carrier. In the event of a change in status under a spousal benefit plan, the twenty-four (24) month waiting period will be waived. Evidence of prior coverage will be required.

ARTICLE A3 – OWNER OPERATOR PERSONAL LEAVE

Owner Operators who service a city or rural P&D route, and/or a heavy equipment P&D city route, will be entitled to two (2) weeks personal leave per calendar year. During this leave the Company will provide coverage for the Owner Operator, and the Owner Operator will forego all route revenues during the leave. The Company will cover the Owner Operator's route by utilizing the second wave Owner Operators, hourly part-time and part-time unassigned Hourly Employees, and agents where necessary.

The Owner Operators are required to apply in writing to their General Manager by March 31st of each calendar year the selected dates for their personal leave. The selection should also include their second (2nd) and third (3rd) alternative preferred dates for leave. A minimum of two (2) weeks notice must be given when submitting for personal leave.

Owner Operator's leave will be included in the ten percent (10%) hourly rule as per Article B3.03 of the C.B.A.

Such leave will be granted by seniority using one seniority list for Owner Operators and Hourly Employees. This means that ten percent (10%) combined Hourly Employees and Owner Operators are allowed off during the same time period.

The Owner Operators must take their personal leave time between December 26th and October 1st for each calendar year. Personal leave must be taken during the prescribed time and cannot be banked and carried over from year to year. Owner Operators who do not book or take personal leave will forfeit their right to personal leave for that calendar year. Owner Operators who do not select or take personal leave time during any calendar year will not be compensated for any or all unused personal leave time.

Owner Operators may take their personal leave time in one two (2) week block or two one (1) week blocks but may not split leave time by the day.

Owner Operators, while on personal leave, cannot be called into work unless the Owner Operator agrees. When an Owner Operator is called in, by mutual agreement, the Owner Operator will have the right to negotiate their remaining personal leave prior to returning to work.

ARTICLE A4 - EQUIPMENT

A4.01 The Company assumes responsibility for the supply and installation of the decal kit. Where the Company is changing the required colour scheme, the Company assumes the full cost of painting in accordance with the painting price available to the Company at an accredited CAA shop. Based on the above prices the Owner Operator is free to get his/her work done elsewhere, as long as it is done to Loomis global standards.

The Owner Operator is responsible for all body work prior to the vehicle being painted.

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

A4.02 The Company reserves the right to refuse to sign Business Agreements, or terminate present Business Agreements with Owner Operators, whose equipment does not meet the Loomis Express (Canada) Ltd. global appearance standards. The Company must first give the Owner Operator no less than ninety (90) days written notice to meet appearance standards.

A4.03 The Company will reimburse Owner Operators for expenses related to obtaining C.V.O.R. licenses if required by the Company or the Ministry of Transportation.

A4.04 Placard holders to be installed and paid for by the Company, if required.

A4.05 Where deemed necessary by the Joint Health & Safety Committee, safety equipment will be supplied and paid for by the Company, except as amended by this Collective Agreement.

ARTICLE A5 - TRAINING

- A5.01 From time to time Owner Operators will be required to attend training and/or educational meetings outside their normal work schedule. These hours shall be paid at straight time, at the Hourly Driver rate. Two (2) weeks advance notice will be given. There will be a guaranteed minimum of four (4) hours pay for attending. If the Owner Operator is unable to attend the training session they will be required to attend at an alternative time, at the discretion of the General Manager, within two (2) weeks of the original training date. A letter of concern will be issued if the Owner Operator does not attend the alternate session.
- A5.02 The Company will ensure that all Owner Operators are properly trained as to their full responsibilities and duties.
- A5.03 The Company may require an Owner Operator to attend a defensive driving course at the Company's expense.
- A5.04 The cost for Company-approved training and upgrading the skills or qualifications of one replacement Driver per Owner Operator, approved by the Company, to comply with the requirements of the Company, will be borne by the Company. Relief or Replacement Drivers shall be paid at the hourly rate for the classification.
- A5.05 When adding to the Owner Operator group and/or when any individual is on what to them is a new Owner Operator route, they shall receive a minimum of three (3) days training on the route for experienced Owner Operators and/or Hourly Drivers and a minimum of five (5) days training for new Owner Operators. During training, the trainer will be paid at the prevailing hourly rate, and the new Owner Operator will receive full route revenue. Visa versa if the training Owner Operator's vehicle is used.

ARTICLE A6 - MISCELLANEOUS

- A6.01 In the event an Owner Operator's Business Agreement is cancelled for other than breach of contract, and he/she cannot exercise his/her seniority, the Owner Operator will receive the thirty (30) day notice in the Business Agreement and receive a buy out of one (1) weeks revenue per year of service with the Company, including time served as an Hourly Employee at the Owner Operator's current earnings.
- A6.02 Owner Operators and the Company will be able to negotiate individual rates above or below the minimums. Any such negotiated rates must be agreed to by the Area Director and the Local Chairperson.

A6.03 It is recognized by both parties that from time to time, customer specific rates are required to build the business, and as such in these circumstances the Area Director and the Local Chair of the Union shall meet to negotiate such individual rates together and present the proposal to the affected or new Owner Operator, at which time after satisfying the needs of all affected, the Area Director and Local Chair person shall sign off on said negotiated rates.

A6.04 The Local Union Chairperson and/or Local Union Rep (L.U.R.) will be present during the Owner Operator Business Agreement negotiation and be given a copy of the signed Agreement.

A6.05 In the event of a major expenditure for business purposes, the Company will assist all Owner Operators by extending credit to all Owner Operators up to one thousand two hundred dollars (\$1,200.00). Repayment within twelve (12) months of having received funds will be agreed to by the Owner Operator and the Company on an interest free basis.

Replacement Drivers:

A6.06 (a) When an Owner Operator must be absent for emergency purposes, it will be the responsibility of the Owner Operator to supply a Relief Driver. If the Company must supply a Driver and a truck, the Company will retain the revenue for the relief period.

(b) Should an Owner Operator be absent from their route due to an illness or family emergency, and not supply a Relief Driver, he/she must supply a doctor's note or documentation to substantiate the validity of the absence, or corrective action may be taken.

It is also noted that bona fide or substantiated absences shall not be occurrences.

(c) Should an Owner Operator have a vehicle breakdown while coming to work or on duty, and not supply a Relief Driver, he/she must supply valid documentation to substantiate that the breakdown occurred on the date of their absence. If the repairs take more than one day to complete, the onus will be on the Owner Operator to ensure that the route is covered beyond the first day of the vehicle breakdown. If the above terms are not met, the Owner Operator will be subject to corrective action.

The company where feasible will help the owner operator to acquire rental vehicle and road side assistance if necessary. The owner operator in order to receive vehicle assistance shall be required to sign and initial in advance where appropriate their business agreement to allow the company to recover this cost from their revenue.

- (d) The death of an immediate family member will be considered a bona fide emergency.
- (e) **The Company will provide a Relief Driver up to a maximum of four (4) occurrences per calendar year. An occurrence will be a maximum of two (2) days and cannot be consecutive or used to add to any other benefits the Owner Operator may have under the terms of this C.B.A. Any doctor's note required by the Company will be paid for by the Company.**

A6.07 If an Owner Operator is a member of the Executive or a Steward and is required to be absent for Union business, the Company will cover the route and keep route revenue for the number of days required, if requested.

A6.08 Part-time unassigned Hourly Employees will be available to the Owner Operator. The use of the part-time unassigned Hourly Employee is approved if the part-time unassigned Hourly Employee calls his Supervisor to inform the Supervisor of his intention to take the Owner Operator assignment, and has not already accepted another assignment. If the part-time unassigned Hourly Employee is scheduled to relieve an Owner Operator, the Company will not be able to re-schedule the part-time unassigned Hourly Employee.

A6.09 All Owner Operators will have their invoices paid by direct deposit. The payment records will be distributed at the end of day on Thursday every second week. Any shortages in excess of one hundred-fifty dollars (\$150.00) will be paid within forty-eight (48) hours of the Company being notified.

A6.10 The Company agrees that a maximum of eight (8) Union negotiating committee members who would have normally been on route during contract negotiations shall suffer no loss of earnings while involved in negotiations.

A6.11 There will be only one operator per truck except in the case of Linehaul Drivers.

- A6.12 Owner Operators must be on their own route at least 60% of the time.
- A6.13 No Owner Operator can hold more than one (1) route nor can any Owner Operator from the bargaining unit act as an agent or have any other routes or positions with Loomis Express (Canada), Ltd.
- A6.14 Article A6.14 may be exempt in the case of holding a Saturday or Sunday posted and awarded route.
- A6.15 All owner operators must inform the company when they learn that their driving privileges are knowingly suspended or revoked for any reason. Failure to do so may result in the termination of their business agreement.**

ARTICLE A7 - CONVERTING BARGAINING UNIT OWNER OPERATOR MEMBERS TO HOURLY EMPLOYEES

In the event that the Company decides to convert any Owner Operator route(s) to hourly, the following shall apply:

- A7.01 The Company will provide at least ninety (90) days notice of the conversion to the Union and the affected Owner Operator(s).
- A7.02 The Company will meet with the Union and the affected Owner Operator(s) to discuss any issues of mutual concern relating to the conversion.
- A7.03 The affected Owner Operator(s) will be given the first opportunity to accept any hourly route(s) resulting from the conversion or may exercise their seniority rights pursuant to this Collective Agreement or may elect to resign and accept a buy out equivalent to two (2) weeks per year of service at the prevailing Hourly Driver rate of pay. These options will also be available to any Owner Operator who is bumped by another Owner Operator as a direct result of the conversion. An Owner Operator who, by accepting an hourly route or otherwise exercising his/her seniority rights to bump into an hourly position, will be given credit for all continuous service since his/her original date of service for the purposes of this Collective Agreement.

A7.04 If the Owner Operator requests, the Company will either assume responsibility for the vehicle leases of affected Owner Operator(s) or, if the Owner Operator(s) owns his/her vehicle, the Company will purchase it at fair market value, provided the vehicle was acquired or committed to by the Owner Operator prior to the date of notice under section 7.01 above. If the vehicle is leased and there remains residual equity in the lease, the Owner Operator will be compensated accordingly.

A7.05 The Company will indemnify the affected Owner Operator(s) for any reasonable and customary business expenses already incurred or committed to for the current year which are not otherwise recoverable by the Owner Operator, including insurance, benefits, permits, and cancellation fees, provided such costs were incurred prior to the date of the notice under section 7.01.

A7.06 The Company will indemnify the affected Owner Operator(s) for any legal or accounting fees reasonably incurred as a result of the conversion, to a maximum of one thousand dollars (\$1,000) per Owner Operator.

A7.07 If, as a result of conversion, an Owner Operator incurs an unexpected income tax liability because of the inability to claim a reserve under the Income Tax Act with respect to the deferred income, the Company will provide the Owner Operator with reasonable financing assistance relating to such tax liability including, if necessary, a loan, subject to the following conditions:

- The Owner Operator must provide satisfactory proof that such loan is required for the above purpose;
- The loan will be to a maximum of twenty thousand dollars (\$20,000) for a $\frac{3}{4}$ ton vehicle, twenty-five thousand dollars (\$25,000) for a one ton vehicle, thirty thousand dollars (\$30,000) for a five ton vehicle, and thirty-five thousand dollars (\$35,000) for a tractor;
- The Owner Operator shall sign a promissory note for the loan;
- The interest rate shall be 2% above the prime rate at the date the promissory note is signed;
- The repayment schedule shall be based on an equal number of monthly installments of five hundred dollars (\$500) per month, unless the parties agree otherwise, provided the loan is repaid in full over a twenty-four (24) month period;
- The Owner Operator must have elected to become an hourly rated Employee and must continue to be an Employee of the Company. If his/her employment is terminated prior to full repayment, the outstanding balance shall become due and payable upon termination.

- A7.08 If, prior to the notice under section 7.01 above, the Owner Operator has incurred indebtedness directly related to the operation of his/her vehicle which exceeds the equity in the vehicle, the Company will provide the Owner Operator with reasonable financing assistance relating to such indebtedness including, if necessary, a loan to a maximum of five thousand dollars (\$5,000) subject to the conditions set out in section 7.07 above.
- A7.09 Any dispute over the application of this Article may be submitted to arbitration in accordance with Article 4 of this Collective Agreement.
- A7.10 It is understood that any Owner Operator that takes an hourly driving position as a result of these provisions will be awarded an eight (8) hour position.

ARTICLE A8 - WAGES

The parties agree for all classifications of Owner Operators to use the following rate increases applied to...

(Non Heavy Equipment)

**Core Zone
Stops
Pieces
Quality Payment**

(Heavy Equipment) and (Western and Regional Linehaul)

GWI Status quo

**Year 1 Nov 1st, 2008 2.50%
Year 2 Nov 1st, 2009 2.50%
Year 3 Nov 1st, 2010 2.50%
Year 4 Nov 1st, 2011 2.50%**

Until the new owner operator payment methodology is implemented the GWI will apply to the current methodology as applied in the past.

ARTICLE A9 – DISCIPLINE

As of the date of ratification the following protocols shall govern with regards to progressive discipline for all Owner Operators:

1. Verbal Warning;
2. Letter of Concern;
3. Level 2 Letter of Concern;
4. Level 3 Letter of Concern;
5. Level 4 Letter of Concern;
6. 30 Day Suspension;
7. Termination.

The above list shall be adhered to and followed in listed order for any and all cases of discipline save and except the following which shall start at the level of discipline so indicated and progress accordingly:

Occurrence	Discipline
Theft	Termination
Violence causing bodily injury	Termination
Physical altercation	30 day suspension for aggressor only
Destruction of Company property (non accidental)	Termination
Negligence causing a loss to the Company	Level 3 Letter of Concern
Negligence causing a loss to a customer	30 day suspension
Negligence causing a loss to the Company or a customer and lying about it	Termination
Falsifying documentation relating to proof of delivery and/or payment	Termination

Note: Progressive discipline means the discipline imposed for specific actions and not a cumulative compiling of disciplines, but rather individual situations and progressing accordingly with each circumstance.

Note: A second occurrence causing a loss of a scanner or damage to a scanner shall not have discipline imposed but the Owner Operator shall be responsible to pay the Company the full cost of replacement or repair of said scanner.

ARTICLE A10 – RELIEF DRIVERS

The parties agree that Hourly Employees who are engaged by an Owner Operator, in accordance with this Collective Agreement, to act as a Relief Driver, will be subject to the discipline procedure should they fail to act in accordance with the duties and responsibilities of an Owner Operator.

In the event that an Owner Operator engages a Relief Driver from outside the bargaining unit, the Owner Operator assumes all responsibility for the actions of said Relief Driver and shall be disciplined accordingly should the Relief Driver fail to act in accordance with the duties and responsibilities of an Owner Operator.

It is further agreed that no Owner Operator shall be disciplined with greater than a level three letter of concern issued in progressive discipline for the actions of a non bargaining unit Relief Driver.

Should any Owner Operator receive a level three letter of concern for the actions of their Relief Driver, the Relief Driver shall be deemed terminated from being an approved Relief Driver. In the event the relief driver is terminated in conjunction with this article all discipline issued to the owner operator due to the actions of the relief driver shall be removed from the owner operators file.

ARTICLE A11 – INDIVIDUAL TERMS

It is hereby understood and agreed that during the period after contract ratification no individual terms more advantageous than provided for in this Agreement will be eroded.

E.g.: Piece rates higher than the Collective Agreement minimums or guarantees more advantageous to the Owner Operator than Collective Agreement minimums will not be eroded.

This does not apply to resigning Agreements after a route change or the elimination of payment for services that are no longer performed.

ARTICLE A12 - WSIB PREMIUMS

As of the date of ratification it is hereby agreed that the Company does and continues to pay all WSIB premiums for all Owner Operators, Relief Drivers and approved modified work accommodation runners/helpers.

ARTICLE A13 - M.B.R.'D OWNER OPERATORS

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

Peter Lee Hoy

Bob Finnie

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

ARTICLE A14 – FUEL REBATE FORMULA

The parties agree from the date of ratification to the following fuel rebate subsidy formula.

Said formula to be applied as follows:

Every other Monday AM your General Manager shall post the previous two week average price per litre for regular unleaded fuel to determine the baseline for the following formula.

Fuel Cost	Rebate (A) Runs to 200 Km.	Rebate (B) Runs Over 200 Km.
0.499	0.0000	0.0000
0.509	0.0022	0.0016
0.519	0.0045	0.0033
0.529	0.0068	0.0050
0.539	0.0090	0.0066
0.549	0.0113	0.0083
0.559	0.0135	0.0099
0.569	0.0158	0.0116
0.579	0.0180	0.0132
0.589	0.0203	0.0149
0.599	0.0225	0.0165
0.609	0.0248	0.0182
0.619	0.0270	0.0198
0.629	0.0293	0.0215
0.639	0.0315	0.0231

0.649	0.0338	0.0248
0.659	0.0360	0.0264
0.669	0.0383	0.0281
0.679	0.0405	0.0297
0.689	0.0428	0.0314
0.699	0.0450	0.0330
0.709	0.0473	0.0347
0.719	0.0495	0.0363
0.729	0.0518	0.0380
0.739	0.0540	0.0396
0.749	0.0563	0.0413
0.759	0.0585	0.0429
0.769	0.0608	0.0446
0.779	0.0630	0.0462
0.789	0.0653	0.0479
0.799	0.0675	0.0495
0.809	0.0698	0.0512
0.819	0.0720	0.0528
0.829	0.0743	0.0545
0.839	0.0765	0.0561
0.849	0.0788	0.0578
0.859	0.0810	0.0594
0.869	0.0833	0.0611
0.879	0.0855	0.0627
0.889	0.0878	0.0644
0.899	0.0900	0.0660
0.909	0.0923	0.0677
0.919	0.0945	0.0693
0.929	0.0968	0.0710
0.939	0.0990	0.0726
0.949	0.1013	0.0743
0.959	0.1035	0.0759
0.969	0.1058	0.0776
0.979	0.1080	0.0792
0.989	0.1103	0.0809
0.999	0.1125	0.0825
1.009	0.1148	0.0842
1.019	0.1170	0.0858
1.029	0.1193	0.0875
1.039	0.1215	0.0891
1.049	0.1238	0.0908

1.059	0.1260	0.0924
1.069	0.1283	0.0941
1.079	0.1305	0.0957
1.089	0.1328	0.0974
1.099	0.1350	0.0990
1.109	0.1373	0.1007
1.119	0.1395	0.1023
1.129	0.1418	0.1040
1.139	0.1440	0.1056
1.149	0.1463	0.1073
1.159	0.1485	0.1089
1.169	0.1508	0.1106
1.179	0.1530	0.1122
1.189	0.1553	0.1139
1.199	0.1575	0.1155
1.209	0.1598	0.1172
1.219	0.1620	0.1188
1.229	0.1643	0.1205
1.239	0.1665	0.1221
1.249	0.1688	0.1238
1.259	0.1710	0.1254
1.269	0.1733	0.1271
1.279	0.1755	0.1287
1.289	0.1778	0.1304
1.299	0.1800	0.1320
1.309	0.1823	0.1337
1.319	0.1845	0.1353
1.329	0.1868	0.1370
1.339	0.1890	0.1386
1.349	0.1913	0.1403
1.359	0.1935	0.1419
1.369	0.1958	0.1436
1.379	0.1980	0.1452
1.389	0.2003	0.1469
1.399	0.2025	0.1485
1.409	0.2048	0.1502
1.419	0.2070	0.1518
1.429	0.2093	0.1535
1.439	0.2115	0.1551
1.449	0.2138	0.1568
1.459	0.2160	0.1584

1.469	0.2183	0.1601
1.479	0.2205	0.1617
1.489	0.2228	0.1634
1.499	0.2250	0.1650
1.509	0.2273	0.1667
1.519	0.2295	0.1683
1.529	0.2318	0.1700
1.539	0.2340	0.1716
1.549	0.2363	0.1733
1.559	0.2385	0.1749
1.569	0.2408	0.1766
1.579	0.2430	0.1782
1.589	0.2453	0.1799
1.599	0.2475	0.1815
1.609	0.2498	0.1832
1.619	0.2520	0.1848
1.629	0.2543	0.1865
1.639	0.2565	0.1881
1.649	0.2588	0.1898
1.659	0.2610	0.1914
1.669	0.2633	0.1931
1.679	0.2655	0.1947
1.689	0.2678	0.1964
1.699	0.2700	0.1980
1.709	0.2723	0.1997
1.719	0.2745	0.2013
1.729	0.2768	0.2030
1.739	0.2790	0.2046
1.749	0.2813	0.2063
1.759	0.2835	0.2079
1.769	0.2858	0.2096
1.779	0.2880	0.2112
1.789	0.2903	0.2129
1.799	0.2925	0.2145
1.809	0.2948	0.2162
1.819	0.2970	0.2178
1.829	0.2993	0.2195
1.839	0.3015	0.2211
1.849	0.3038	0.2228
1.859	0.3060	0.2244
1.869	0.3083	0.2261

1.879	0.3105	0.2277
1.889	0.3128	0.2294
1.899	0.3150	0.2310
1.909	0.3173	0.2327
1.919	0.3195	0.2343
1.929	0.3218	0.2360
1.939	0.3240	0.2376
1.949	0.3263	0.2393
1.959	0.3285	0.2409
1.969	0.3308	0.2426
1.979	0.3330	0.2442
1.989	0.3353	0.2459
1.999	0.3375	0.2475
2.009	0.3398	0.2492
2.019	0.3420	0.2508
2.029	0.3443	0.2525
2.039	0.3465	0.2541
2.049	0.3488	0.2558
2.059	0.3510	0.2574
2.069	0.3533	0.2591
2.079	0.3555	0.2607
2.089	0.3578	0.2624
2.099	0.3600	0.2640

It is agreed that this fuel subsidy extends beyond the above rates shown as per the mathematical formula used.

ARTICLE A15 - REROUTES

In the event a reroute is required to enhance or retain the overall service levels on a specific route or routes, the following will apply for each affected Owner Operator:

If as a result of a reroute a Driver suffers loss of route revenue in excess of 5% the following will apply:

1. 30 Day buyout (refer to formula) with no bumping privileges, or
2. No buyout and will use seniority to bump.

The onus will be on the Company to prove the need to remove work from the Owner Operator route, subject to the Union's right to grieve in the event of a dispute arising. The Company and the Union agree to meet and discuss the matter prior to any route being changed. The removal of an individual stop from an Owner Operator route as a result of a disciplinary measure for service related issues will not constitute a reroute and as such does not trigger the payout or bump situation.

$$\begin{array}{rcccl} \text{Pre route} & & \text{Post route} & & \\ \text{Income / day} & \text{minus} & \text{Income / day} & \text{X 30} & = \text{Payout} \\ \text{For previous} & & \text{For previous} & & \\ \text{10} & & \text{10} & & \\ \text{Working days} & & \text{Working days} & & \end{array}$$

The union and the company agree to ensure that all bidding and bumping is adjusted in order to accommodate an overall five (5) day implementation in major re-routes after the process has been completed as a paper bump.

Letter of Understanding
Between
DHL EXPRESS (CANADA) LTD.
And
CAW LOCALS

Alberta locals 4050
Man/Sask locals 4215
Ontario Locals 4457 ✓
Nova Scotia Locals 4005

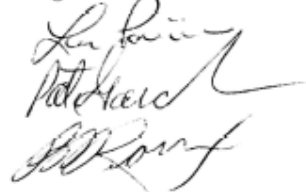
The parties agree that if an O/Qp attempts an unsuccessful /non-billable delivery or pick-up, they will be paid on their invoice, providing they fill out an exception code explanation document (as per attachment), and have followed correct scanning process as per Company policy.

Management reserves the right to review and challenge all explanations given, and deduct payment accordingly for proven invalid explanations. This process must be challenged by the end of the next business day, or the company forfeits the right to deduct pay.

Signatures for the Company

Handwritten signatures for the Company, including a large signature that spans across the line and another signature below it.

Signatures for the CAW

Handwritten signatures for the CAW, including three distinct signatures.

BUSINESS AGREEMENT

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

BETWEEN: Loomis Express (Canada), LTD.

**Having its head office at 201 Westcreek Blvd, suite 200
Brampton, Ontario L6T 5S6**

Hereinafter called "Loomis"

AND:
(full name)

(address and postal code)

Hereinafter called the "Owner Operator"

WHEREAS Loomis, is a common carrier by motor vehicle which, in the regular course of its operations, requires the services of Owner Operators;

WHEREAS the Owner Operator has applied to Loomis to enter into an Agreement to supply transportation services with his/her own equipment on the terms and conditions hereinafter set out;

WHEREAS the Owner Operator warrants that he/she has the permits, equipment, skills and expertise necessary to operate commercial motor vehicles for the benefit of Loomis;

THE PARTIES DO MUTUALLY AGREE AS FOLLOWS:

TERM:

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

FEES:

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

PURPOSE OF THE AGREEMENT:

5. This Agreement outlines the terms and conditions related to the provision of services in relation to customers of Loomis, to ensure that those services will be sufficient and to the satisfaction of Loomis and its customers.

OWNER OPERATOR'S OBLIGATIONS:

6. The Owner Operator agrees to:
 - a) Maintain at all times valid permits and licenses as required by law, and abide by and operate within the limits of all related provincial and federal laws and regulations. This does not include Western Linehaul Owner Operators.
 - b) The parties agreed to article A10 - Relief Drivers.
 - c) **Obtain and maintain insurance coverage, as more fully described in Appendix A of the business agreement.**
 - d) **Promptly report any accident or injury and any claim which could involve Loomis to the appropriate insurance carrier and to Loomis and fully cooperate with Loomis and any other person or persons appointed by or on behalf of Loomis in the investigation and settlement of any insurance claim.**
 - e) Ensure that the best interests of Loomis and its customers are maintained through a safe, efficient and professional operation.
 - f) Provide, on a consistent and reliable basis, safe equipment and sufficient and satisfactory services to meet the business requirements of Loomis and its customers.

- g) Make every reasonable effort to meet established delivery times unless otherwise prevented by severe weather, operational or other extraordinary circumstances beyond the control of the Owner Operator.
 - h) Where a replacement Driver **or helper** is employed, provide at all times, licensed, competent, qualified personnel and make appropriate deductions and payments, as required by law, including deductions at source.
 - i) Recognize the right of Loomis to modify areas of service from time to time, where necessary for service or efficiency in accordance with the Bargaining unit C.B.A.
7. The Owner Operator agrees that, in the performance of this Agreement, especially where he/she collects monies on behalf of Loomis, he/she shall assume all the legal obligations of a person charged with administration of the property of others.

GENERAL:

8. It is expressly agreed between the parties that Loomis shall, in no way, be responsible to the Owner Operator or to third parties, for any services and/or supplies provided to the Owner Operator. In the event of a claim resulting from supplies or services so provided, the Owner Operator agrees to indemnify Loomis and to plead in its stead.
9. Loomis may require, from time to time, proof that the Owner Operator abides by any and all of his/her obligations. The Owner Operator will, upon demand, provide Loomis a written authorization to verify his/her status and discharge of his/her contractual obligations with any government or person.
10. Loomis hereby grants to the Owner Operator a license to use its trade name, trademarks and logo types, within his/her area of service and for as long as this Agreement will remain in force. The Owner Operator recognizes that he/she has no proprietary interest in same and where the equipment is withdrawn from service for any reason, all Loomis symbols, insignias, decals or other identification will be removed, prior to the release of final payments owing to the carrier.
11. The Owner Operator agrees that, during the term of this contract and in any case on termination thereof, he/she will not solicit any of Loomis's customers, nor will he/she compete directly or indirectly with Loomis, with respect to Loomis's customers, for a period of three (3) months following termination.

12. The Owner Operator and any Employee, partner or associate of the Owner Operator, may not be entitled to any benefits or rights which would be afforded to an Employee of Loomis, including but not limited to benefits such as company pension, governmental pension contributions, dental or medical insurance, life insurance, or unemployment or disability insurance.
13. Loomis and the Owner Operator hereby acknowledge and agree that this Agreement is a Contract for Services and the Owner Operator shall, for all purposes of this Agreement, be deemed a dependent contractor, solely for the purposes of the Canada Labour Code. This Agreement shall not be construed in any respect to create between Loomis and the Owner Operator, a legal relationship of partnership, employer and Employee, or principal and agent.

SIGNED, SEALED AND DELIVERED:

Loomis EXPRESS (CANADA), LTD.

By: _____

Witness: _____

Owner Operator: _____

Local Chair: _____

APPENDIX A

Liability and Damage Insurance:

The Owner Operator shall, at their own expense and without cost or expense to Loomis Express (Canada), Ltd., obtain and maintain during the term of this Agreement the following insurance in respect to the vehicle and in relation to the performance of services under this Agreement:

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

The foregoing insurance must be placed with an insurer reasonably acceptable to Loomis Express (Canada), Ltd. The Owner Operator must further provide Loomis Express (Canada), Ltd. with a Certificate of Insurance evidencing the foregoing insurances prior to services being commenced. Said Certificate of Insurance evidencing the coverages herein shall also contain the following provisions:

- 1) Loomis Express (Canada), Ltd. will be added to said policies as an additional insured but only with respect to liability that may result from the performance of this Agreement.
- 2) The Owner Operator and the insurers further agree to waive all rights of subrogation as against Loomis Express (Canada), Ltd.

- 3) The policies shall contain severability of interest and cross liability clauses.
- 4) **The Insurers will provide Loomis Express (Canada), Ltd. And the owner operator with thirty (30) days prior written notice of any cancellation or material change in the policies.**

no reduction in aforementioned compensation, except when the malfunction prevents a delivery scan and the Owner Operator fails to get the waybill (or sub-waybill) signed, timed and dated for receipt of shipment.

Owner Operators to be advised of any invoice changes within forty-eight (48) hours by way of corrected invoice.

**OTHER FEES
AS PER SPECIFIC SCHEDULE "A"**

November 1st, 2008

1. Cash collects, cheques, credit cars, and debit.....\$1.051
2. Dangerous goods.....\$1.051
3. 9:00 AM Deliveries.....\$1.051
4. Chain of signature and security shipments.....\$0.63
5. Residential completed pick ups and/or deliveries.....\$0.63

November 1st, 2009

6. Cash collects, cheques, credit cars, and debit\$1.077
7. Dangerous goods.....\$1.077
8. 9:00 AM Deliveries.....\$1.077
9. Chain of signature and security shipments.....\$0.646
10. Residential completed pick ups and/or deliveries.....\$0.646

November 1st, 2010

11. Cash collects, cheques, credit cars, and debit\$1.104
12. Dangerous goods.....\$1.104
13. 9:00 AM Deliveries.....\$1.104
14. Chain of signature and security shipments.....\$0.662
15. Residential completed pick ups and/or deliveries.....\$0.662

November 1st, 2011

16. Cash collects, cheques, credit cars, and debit\$1.132
17. Dangerous goods.....\$1.132
18. 9:00 AM Deliveries.....\$1.132
19. Chain of signature and security shipments.....\$0.679
20. Residential completed pick ups and/or deliveries.....\$0.679

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

Owner Operators shall receive **\$21.01 (2008), \$21.54 (2009), \$22.08 (2010), \$22.63 (2011)** per hour for the performance of work that would otherwise be normally performed by the Warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator's route responsibilities.

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

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Loomis Express (Canada), Ltd. _____ Date _____

Local Chair _____ Date _____

SCHEDULE "A" – FEES (Current Methodology)
 (This methodology shall stay in place until new methodology implementation)

Name: _____ Route # _____

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

CITY FORMULA

The Owner Operator shall receive remuneration at a rate of:
 This is based on:

_____ **Dollars per Stops**

- Effective Nov. 1, 2008, Stop Rate minimum is \$1.839
- Effective Nov. 1, 2009, Stop Rate minimum is \$1.885
- Effective Nov. 1, 2010, Stop Rate minimum is \$1.932
- Effective Nov. 1, 2011, Stop Rate minimum is \$1.980

_____ **Dollars per Waybill**

(Excluding bulk stops where indicated)

Nov 1, 2008 \$ 0.154 cents Mileage Allowance (per km over 200 kms/day)
 Nov 1, 2009 \$ 0.158 cents Mileage Allowance (per km over 200 kms/day)
 Nov 1, 2010 \$ 0.162 cents Mileage Allowance (per km over 200 kms/day)
 Nov 1, 2011 \$ 0.166 cents Mileage Allowance (per km over 200 kms/day)

The Owner Operator shall receive a daily minimum allowance of \$ _____, plus \$0.0154 (2008), \$0.0158 (2009), \$0.0162 (2010), \$0.0167 (2011) cents per billable pound, (commencing at the first pound, excluding bulk stops where indicated).

For bulks or specials listed below, the Owner Operator will be paid at the agreed upon rate:

Customer	Address	To	Rate
1.			
2.			
3.			

(Excluding Bulk Stops where indicated.)

The Owner Operator shall receive a minimum of _____ dollars on a bi-weekly basis for the performance of the services in respect to Route # _____ in the Province of Ontario. The bi-weekly minimum will be pro-rated based on the number of working days in the bi-weekly period. The minimum will be based on a five (5) day work week.

All scannable waybills, laser waybills, and shippers own bar-coded labels must be scanned, as per Company policy, in order to receive compensation outlined above. In the event of a malfunction of the handheld scanning unit, there will be no reduction in aforementioned compensation, except when the malfunction prevents a delivery scan and the Owner Operator fails to get the waybill (or sub-waybill) signed, timed and dated for receipt of shipment.

OTHER FEES:

November 1st, 2008

- 21. Cash collects, cheques, credit cars, and debit.....\$1.051**
- 22. Dangerous goods....\$1.051**
- 23. 9:00 AM Deliveries.....\$1.051**
- 24. Chain of signature and security shipments.....\$0.63**
- 25. Residential completed pick ups and/or deliveries.....\$0.63**

November 1st, 2009

- 26. Cash collects, cheques, credit cars, and debit\$1.077**
- 27. Dangerous goods....\$1.077**
- 28. 9:00 AM Deliveries.....\$1.077**
- 29. Chain of signature and security shipments.....\$0.646**
- 30. Residential completed pick ups and/or deliveries.....\$0.646**

November 1st, 2010

- 31. Cash collects, cheques, credit cars, and debit\$1.104**
- 32. Dangerous goods....\$1.104**
- 33. 9:00 AM Deliveries.....\$1.104**
- 34. Chain of signature and security shipments.....\$0.662**
- 35. Residential completed pick ups and/or deliveries.....\$0.662**

November 1st, 2011

- 36. Cash collects, cheques, credit cars, and debit\$1.132**
- 37. Dangerous goods....\$1.132**
- 38. 9:00 AM Deliveries.....\$1.132**
- 39. Chain of signature and security shipments.....\$0.679**
- 40. Residential completed pick ups and/or deliveries.....\$0.679**

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

Owner Operators shall receive **\$21.01 (2008), \$21.54 (2009), \$22.08 (2010), \$22.63 (2011)** per hour for the performance of work that would otherwise be normally performed by the Warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator's route responsibilities.

Maximum rate per stop, unless negotiated otherwise will be:

- a) The stop rate plus twenty-five (25) waybills will be the cap for bulk stops, all P&D G Licensed routes.
- b) The Company reserves the right to establish special rates with the Owner Operators **and the Local Chairperson** for customers who exceed the volume established by the cap.
- c) The Owner Operators understand that the Company will ask for special arrangements to avoid losing money on large distributions and, if not successful on negotiating special arrangements on repeat large distributions, the Company will either:
 - (i) Reroute to another route, or
 - (ii) Evaluate purging the customer.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Loomis Express (Canada), Ltd. _____ Date _____

Local Chair _____ Date _____

SCHEDULE "A" – FEES

Name: _____

Route # _____

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

This is based on:

2008

Core Zone _____ (To be determined by route)

\$1.20 Stop

\$0.20 Delivered or picked up Pieces per Day

Quality payment \$45.00

Quality payment is based on...

Load Vehicle vs. Delivery... 98% or greater = \$15.00

95% - 98% = \$5.00

Pick Ups 100% = \$15.00

Time Definite Products..... 100% = \$15.00

2009

Core Zone _____ (To be determined by route)

\$1.23 Stop

\$0.205 Delivered or picked up Pieces per Day

Quality payment \$46.125

Quality payment is based on...

Load Vehicle vs. Delivery... 98% or greater = \$15.375

95% - 98% = \$5.125

Pick Ups 100% = \$15.375

Time Definite Products..... 100% = \$15.375

2010

Core Zone _____ (To be determined by route)
\$1.261 Stop
\$0.21 Delivered or picked up Pieces per Day

Quality payment \$47.28

Quality payment is based on...

Load Vehicle vs. Delivery...	98% or greater	= \$15.76
	95% - 98%	= \$5.253
Pick Ups	100%	= \$15.76
Time Definite Products.....	100%	= \$15.76

2011

Core Zone _____ (To be determined by route)
\$1.293 Stop
\$0.215 Delivered or picked up Pieces per Day

Quality payment \$48.462

Quality payment is based on...

Load Vehicle vs. Delivery...	98% or greater	= \$16.154
	95% - 98%	= \$5.384
Pick Ups	100%	= \$16.154
Time Definite Products.....	100%	= \$16.154

Owner Operators will not be penalized for not meeting the above targets if the reason is beyond the Owner Operators control. In these situations the Owner Operator is to bring the issue giving rise to such circumstance to managements attention for determination.

Owner Operators will be expected to make every effort to perform time definite deliveries where such deliveries will not affect service to other customers on their route. If it is determined that the Owner Operator cannot perform said delivery within the service requirements, they will be required to advise the appropriate Manager/Supervisor that alternate arrangements will need to be made for said deliveries.

Owner Operators shall receive \$21.01 (2008), \$21.54 (2009), \$22.08 (2010), \$22.63 (2011) per hour for the performance of work that would otherwise be normally performed by the Warehouseperson classification. This shall not apply to any work that is associated with the Owner Operator’s route responsibilities.

Owner Operators understand that the Company will ask for special arrangements to avoid losing money on large distributions and, if not successful on negotiating special arrangements on repeat large distributions, the Company will either:

- (i) Reroute to another route, or
- (ii) Evaluate purging the customer.

The Owner Operator shall receive the greater of, \$2,000.00 dollars on a bi-weekly basis for the performance of the services, or their current guarantee,(whichever is greater), in respect to Route # _____ in the Province of Ontario. The bi-weekly minimum will be pro-rated based on the number of working days in the bi-weekly period. The minimum will be based on a five (5) day work week.

All applicable scannable barcodes must be scanned, as per Company policy, in order to receive compensation outlined above. In the event of a malfunction of the handheld scanning unit, there will be no reduction in aforementioned compensation, except when the malfunction prevents a delivery scan and the Owner Operator fails to get the waybill (or sub-waybill) signed, timed and dated for receipt of shipment.

Owner Operators to be advised of any invoice changes within forty-eight (48) hours in writing by way of corrected invoice.

Loomis shall be entitled to deduct from the fees owing to the Owner Operator at any time, in addition to any amounts Loomis may elect to set off and deduct pursuant to this Agreement, the following expenses:

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

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Loomis Express (Canada), Ltd. _____ Date _____

Local Chair _____ Date _____

HEAVY EQUIPMENT CITY FORMULA

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

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

All applicable scanable barcodes must be scanned, as per Company policy, in order to receive compensation outlined above. In the event of a malfunction of the handheld scanning unit, there will be no reduction in aforementioned compensation, except when the malfunction prevents a delivery scan and the Owner Operator fails to get the waybill (or sub-waybill) signed, timed and dated for receipt of shipment.

For specials listed below, the Owner Operator will be paid at the agreed upon rate:

Customer	Address	To	Rate
1.			
2.			
3.			

The Owner Operator shall receive a minimum of _____ dollars on a bi-weekly basis for the performance of the services in respect to Route # _____ in the Province of Ontario. The bi-weekly minimum will be pro-rated based **on** the number of working days in the bi-weekly period. The minimum will be based on a five (5) day work week.

Loomis shall be entitled to deduct from the fees owing to the Owner Operator at any time, in addition to any amounts Loomis may elect to set off and deduct pursuant to this Agreement, the following expenses:

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

Maximum rate per stop, unless negotiated otherwise will be:

- (a) The stop rate plus 100 waybills will be the cap for bulk stops for all heavy equipment routes.
- (b) **The Company reserves the right to establish special rates with the Owner Operators and the Local Chairperson for customers who exceed the volume established by the cap.**

Owner Operators to be advised of any invoice changes within forty-eight (48) hours in writing by way of corrected invoice.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Loomis Express (Canada), Ltd. _____ Date _____

Local Chair _____ Date _____

LETTER OF UNDERSTANDING

BETWEEN

Loomis EXPRESS (Canada), LTD.

(Hereinafter referred to as "the Company")

AND

**THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS**

UNION (CAW - CANADA)

(Hereinafter referred to as "the Union")

PAYMENT FROM PULSE

During the term of this agreement, the Company intends to convert paying Owner Operators from the hand held devise (Pulse) thereby eliminating payments from handwritten route sheets. The Company will work with the Union and Owner Operators to develop, test, and implement the electronic capability.

During this process the Company will work with the Union and Owner Operators to simplify the payment methods. It is agreed by both parties that a pilot project will be implemented at a branch of the Company's choice for a period of sixty (60) days. At the expiration of the sixty (60) day period, both the Company and the Union will sign off to a staged implementation.

**Letter of Understanding
Between
Canadian Auto Workers Local 4457
And
Loomis Express (Canada) Ltd.**

Payment Methodology for Owner Operators

The Company presented a new payment system for Owner Operators as it believes that the current system does not meet the needs of the Company or the Owner Operators.

The new payment methodology as outlined below will be implemented within sixty (60) days of ratification. The current fuel escalation formula outlined in each collective agreement shall remain in full force and effect. The Unit Chair and two (2) Owner Operator representatives selected by the Union from each province will form a Committee to be consulted on paid time on the implementation of the new methodology and to address any issues arising in an effort to make the transition as smooth as possible. In addition, the Company commits to extensive monitoring of this payment process and agrees to consult with individual Owner Operators on any and all issues that negatively impact their individual payments.

The parties will ensure that the minimum bi-weekly guarantee outlined in the BC collective agreement will continue to apply and a minimum bi-weekly guarantee of two thousand dollars (\$2000) will be instituted in all other provinces provided this amount is greater than any guarantees already in place.

The Company commits to guarantee that at least eighty percent (80%) of all Owner Operator routes by district or sub-region (to be defined locally) shall earn at least the same earnings on the route compared to current methodology in each agreement.

It is understood that the Company intends each route to be completed within ten (10) hours excluding lunch and breaks under the new payment methodology. Once new routes are implemented, the Company will not reroute an Owner Operator unless there are verifiable service failures within a route, as a result of decreased volumes, or a consistent failure to meet time definite or day definite services.

Owner Operators may request a route review at any time and these requests will be handled on an expedited basis through the following procedures:

- A Supervisor or Manager must arrange for a route ride-along or follow along within seven (7) working days of the request being received.
- Any agreed-upon adjustments to rates, volume, stops, or area will be retroactive to the date of the request for a route review.
- The Company will ensure that a team of senior Management from the Operations Department is assigned on an ongoing basis to assist in speedy resolutions of disputes arising out of requests for route review.

APPENDIX "B"

The following Articles are Hourly Employee specific and are in no way to include Owner Operators.

ARTICLE B1 - SCHEDULING WORKING HOURS AND OVERTIME

B1.01 Except as provided in Article B1.06 and B1.07, the work week may be scheduled from Monday through Sunday. All time worked in excess of eight (8) hours per day shall be paid at time and one half of the Hourly Employees' rate of pay, ten (10) hours per day for a short week schedule, forty (40) hours per week.

Clerical only: The clerical full time work week shall be thirty-seven and a half (37.50) hours per week and shall be at time and one half after seven and a half (7.50) hours in a day and thirty-seven and a half (37.50) hours in one week.

When part-time or part-time unassigned Hourly Employees are utilized for the purposes of Owner Operator relief they shall be excluded from the above and have their hours averaged over a bi-weekly pay period and be paid overtime after eighty (80) hours worked while doing Owner Operator relief work.

Note: (Owner Operator Relief is defined as one individual being utilized to cover off an Owner Operator route when necessary)

B1.02 Weekend work:

1. Any scheduled Saturday or Sunday runs or shifts will be first offered to part-time Hourly Employees on a permanent scheduled basis in accordance with seniority.
2. In the event there are no part-time bids for this scheduled work, the work will then be offered to a part-time unassigned Hourly Employee on a regular basis.
3. Any part-time Hourly Employee that moves to full-time shall be required to relinquish any Saturday or Sunday work schedules. However, once said position is reposted said Hourly Employee may re-bid and be awarded the position based on seniority if there are no successful part-time bids.

B1.03 No Hourly Employee shall be required to take time off in lieu of overtime hours worked.

- B1.04 Hourly Employees will be paid according to their hours scheduled.
- B1.05 (a) Any **full time or regular part time** Hourly Employee ordered to report to work at a time specified by the Company, and who reports for work at the said time will be guaranteed a minimum of four (4) hours work or four (4) hours pay in lieu thereof; unless the said hours are at the beginning or end of the Hourly Employees shift unless the Hourly Employee quits, or is discharged for cause prior to the completion of four (4) hours.
- (b) In the event of a disabling injury on the job, an Hourly Employee will be paid for the number of hours for which the Hourly Employee was scheduled to work on the date of the injury.
- (c) Any Hourly Employee that reports to work as scheduled or called upon where said Hourly Employee is then sent home, suspended or terminated that day, shall be paid for time worked.
- B1.06 A chart indicating each job position, route by number, classification, area, current scheduled hours and any other pertinent comments concerning each position shall be placed in a location easily observed by all Union Members within each branch and shall be updated when any posted information becomes invalid or is changed.
- B1.07 Upon mutual agreement, in writing, between the Company and the Union, a shift comprising of four (4) consecutive days and ten (10) consecutive hours per day, excluding the lunch period, shall be established.
- B1.08 (a) Part-time and part-time unassigned Hourly Employees will be given the first opportunity by seniority to supplement their hours of work by placing their names on a bi-weekly seniority list indicating their desire to be called for additional hours.
- (b) When additional hours worked can reasonably be foreseen as amounting to a maximum of eight (8) hours in any one day for Hourly Employees and seven and a half (7.5) hours for clerical Employees when included with the Employee's regular schedule, the next senior part-time and/or part-time unassigned Hourly Employee will be offered the additional hours by classification.
- (c) Additional hours which are an extension of a regularly scheduled run or shift are exempt from this provision.

- B1.09 (a) All part-time positions that have run for eight (8) hours or more per day for ten (10) consecutive working days, or more, will be reclassified as full-time positions and posted within five (5) working days.
- (b) The above Article does not apply during the period from October 1st to December 31st of each year.

B1.10 Hourly Employees who work a full-time shift or part time employees where it is known will work a shift of seven (7) hours or more, will be entitled to a total of thirty (30) minutes of paid breaks. Any Hourly Employee who works a part-time shift will be entitled to a fifteen (15) minute paid break for every three and a half (3.5) hours of work. Local scheduling practices will prevail. Should the employee not take his/her break(s) or it not be scheduled for him/her he/she will be paid for said break(s) at the end of his/her shift.

B1.11 Where overtime work is required it will be allocated on the basis of seniority within the classification, within the department. Overtime work will be allocated to the senior qualified person within the classification within the department first. In the event there are no Hourly Employees within the classification, the work will be offered on the basis of seniority to those qualified persons who have signed an OT list in the department.

B1.12 Time clock – It is against Company policy to punch in earlier than six (6) minutes before an Hourly Employee's start time and no later that six (6) minutes after the Hourly Employee's finishing time, unless authorized by management.

ARTICLE B2 - HOLIDAYS

B2.01 The following statutory holidays will be observed with pay:

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

B2.02 (a) **In addition to the statutory holidays listed above, four (4) floating days five (5) days for clerical classifications] may be taken. Hourly Employees become eligible for their float days after completing one (1) year of service as an hourly employee. These days may be used for sickness. This Article does not apply to part-time unassigned Hourly Employees.**

- (b) A floating day or days may be taken any time for personal convenience during the contract year; however, one (1) week's prior notice must be given to management. It is understood that no more than two (2) Hourly Employees per classification may take the same floating holidays on the same day. In the case of a dispute, seniority shall govern only when more than two (2) Hourly Employees apply at the same time for the same dates.
- (c) **Any unused float days may not be carried forward but shall be paid out at the Hourly Employee's basic rate at the end of the anniversary year.**
- (d) **The Union agrees that two (2) of the floating days are a substitution for Remembrance Day and Family Day and the Union agrees to assist the Company in obtaining from the Hourly Employees under this Agreement any necessary agreements required by Canada Labour to effect this substitution.**
- (e) **In the event the company decides to close for business on either Remembrance Day or Family Day Employee float days shall be reduced by one (1) for each day of closure. Those days shall then be considered statutory holidays and the employee shall be compensated accordingly.**

B2.03 An Hourly Employee shall be paid any statutory holiday falling during his/her vacation, in addition to vacation pay.

B2.04 If a recognized holiday occurs during an Hourly Employee's vacation, or on a regular day off, the Hourly Employee, at his/her option, shall receive a day off with pay, or a regular day's pay at straight time. Should the Hourly Employee choose the day off, it may be taken on the day before or immediately following his/her vacation or regular day off.

B2.05 Holiday and Float Day pay will be computed by multiplying the Hourly Employee's basic hourly rate of pay by the average number of hours per day worked by the Hourly Employee during the previous twenty (20) days.

B2.06 Those Hourly Employees working under a long day, short week agreement will receive their normal day's pay if the holiday falls on their regularly scheduled day of work. If the holiday falls on a non-regularly scheduled day of work, the Hourly Employee will receive ten (10) hours pay at the basic rate for his/her classification.

B2.07 If an Employee works a scheduled shift that runs into a declared statutory holiday, the Employee shall be paid double time and a half for the hours worked during the holiday period.

B2.08 In the event a statutory (general) holiday is proclaimed by either the Federal or Provincial Governments, such holiday shall also be observed if not already listed in the above holidays with pay.

B2.09 In the case of a general holiday falling on a Monday, for those Hourly Employees whose work commences on Sunday, Sunday shall be their general holiday and their work week will then commence on Monday. In the case of a general holiday falling on a Friday, for those Hourly Employees whose shift commences on Thursday and ends on Friday, Thursday shall be their general holiday and their work week would then be completed on Thursday morning.

B2.10 Any Employee employed for thirty (30) days prior to a statutory holiday shall qualify for statutory holiday pay.

ARTICLE B3 - VACATION AND VACATION PAY

B3.01 No later than the 1st of January of each year, the Company will post on the Union bulletin board, a list of Hourly Employees in order of seniority using the Hourly Employees' respective seniority dates.

B3.02 Each eligible Hourly Employee will select his or her desired time for vacation understanding that vacation cannot be taken until after their anniversary date as an hourly employee. An Hourly Employee shall be required to select his or her vacation dates prior to the 31st of March of each year indicating their first preference for vacation dates along with second and third alternate dates to their General Manager or designated Supervisor.

Any Hourly Employee failing to select his/her vacation date, except for bona fide sickness or injury where the Company is unable to contact them, shall forfeit their seniority rights for vacation selection and will be required to wait until all other eligible Hourly Employees within the depot or branch have selected their dates. Any Hourly Employee who wishes to change his/her selection after the 31st of March will not be able to exercise his/her seniority rights on his/her revised selection, which shall require the Company's approval. A minimum notice of two (2) weeks must be given for vacation requests.

Any Hourly Employee that follows all vacation guidelines shall always be able to exercise their seniority to obtain their vacation dates. Should an Hourly Employee not be granted their desired vacation days requested, submitted on or before March 31st, then said Hourly Employee shall still be able to exercise their seniority in selecting alternate dates.

The vacation schedule is to be finalized and posted no later than the 1st of May each year. The Company shall also ensure that all Hourly Employees wishing vacation dates between February 1st and April 30th shall be dealt with first.

The vacation schedule is to be finalized and posted no later than the 1st of May each year. The employer shall update the vacation schedule on a monthly basis. The Company shall also ensure that all Hourly Employees wishing vacation dates between February 1st and April 30th shall be dealt with first.

B3.03 The Company shall permit up to ten percent (10%) of the Hourly Employees and Owner Operators in any one classification in any one department in any one facility covered by this Agreement to take vacation/personal leave time at the same time.

B3.04 Hourly Employees may split their vacation weeks, if they so desire, or take them consecutively. The remaining vacation time may be split into days.

Hourly Employees must take at least two (2) weeks in one (1) block, or two (2) one (1) week blocks. Any Hourly Employee who wishes to take vacation by the day will not be included in the percentage ratio of Article B3.03.

However, a maximum of two (2) people will be allowed off in single day allotments over and above the ten percent (10%).

Further, only one person shall be allowed to pre book a float day over and above the above entitlements.

B3.05 (a) Hourly Employees who have completed one (1) year of service shall be entitled to vacation with pay on or after their anniversary date and must be taken within twelve (12) months thereafter. At the end of the vacation entitlement all outstanding vacation will be paid out at the applicable rate. Only vacation taken in one (1) or two (2) week blocks will be paid by separate cheque.

(Non Clerical Allotments)

<u>Years of Service</u>	<u>Entitlement Weeks</u>	<u>% of Earnings</u>
One (1)	Two (2)	4%
Three (3)	Three (3)	6%
Ten (10)	Four (4)	8%
Fifteen (15)	Five (5)	10%

(Clerical Only)

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

- (b) Hourly Employees will receive vacation pay at the percentage (%) entitlement applied to their annual gross earnings for the anniversary year for which they are receiving their vacation or be paid at their regular scheduled hours and current pay structure for the number of weeks of entitlement, whichever is greater.
- (c) In the event of absence due to W.S.I.B. or illness, [leave of absence in excess of one (1) month] in no case will the Hourly Employee will not be entitled to W.S.I.B, Weekly Indemnity, or Long Term Disability benefits in addition to vacation pay.

B3.06 Vacation pay shall be paid to the Hourly Employee by separate cheque with the pay immediately preceding their departure on vacation. When vacation is split into days the Hourly Employee will be paid on their regular pay cheque.

B3.07 Hourly Employees, while on vacation, cannot be called in to work unless the Hourly Employee agrees. When an Hourly Employee is called in, by mutual agreement, the Hourly Employee will have the right to negotiate their remaining vacation prior to returning to work.

B3.08 In the event that an Hourly Employee leaves the employ of the Company, they shall be paid as per entitlement in Article B3.05.

ARTICLE B4 - HEALTH & WELFARE

B4.01 The Company shall provide a comprehensive health and welfare benefit program for eligible regular full-time and part-time Hourly Employees. The program will form part of the Collective Agreement. The cost to the Hourly Employee for their disability benefits will be the equivalent of one percent (1%) per month of regular earnings.

These benefits include:

- E.R. Health Tax;
- Major Medical;
- Dental Plan;
- Vision Care;
- Eye exams (Max \$65.00 per year each);
- Life Insurance;
- Accidental Death and Dismemberment;
- Short-term Disability;
- Chiropractic (max \$300.00 per year each);
- Long-term Disability;
- Felonious Assault Insurance;
- Accidental Death and Dismemberment (Optional).

The Company agrees to provide all eligible Hourly Employees with current details and information covering all Hourly Employee benefit programs for which Hourly Employees covered by this Collective Agreement are entitled to participate. This book shall be provided at date of hire. The parties agree not to increase the Hourly Employee contributions thus making payments taxable under Weekly Indemnity.

B4.02 The Company will make available to all eligible Hourly Employees and their dependents a group accident insurance plan for those Hourly Employees who voluntarily enroll in the plan and continue to pay the required monthly premiums.

B4.03 Major Medical Insurance:

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

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

B4.04 Dental Plan:

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

The Dental Plan will provide the following:

Plan A (100% coverage) includes:

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

Plan B (50% coverage) includes:

crowns and/or bridges
partial dentures
complete upper and lower dentures

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

There will be no deductible charges for the above services.

B4.05 Vision Care:

Two hundred dollars (\$200.00) per Hourly Employee and per dependant every twenty four (24) consecutive months.

B4.06 Life Insurance:

The effective date of the Life Insurance Plan is thirty (30) days from posting for full-time Hourly Employees and ninety (90) days for part-time Hourly Employees. The benefit will be based on 1.25 x base annual earnings up to a \$40,000 dollar maximum.

B4.07 Accidental Death & Dismemberment Insurance:

The effective date of the Accidental Death & Dismemberment Insurance Plan is thirty (30) days for full-time Hourly Employees and ninety (90) days for part-time Hourly Employees. The benefit will be based on 1.25 x base annual earnings up to a (\$40,000) maximum.

B4.08 Short-Term Disability Benefit:

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

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

B4.09 Long-Term Disability Benefit:

Upon completion of ninety (90) days' employment, the Company will make available to eligible Hourly Employees a Long-Term Disability Group Plan (Salary Continuance). Eligibility commences after fifteen (15) weeks. The Plan provides a disability income based on seventy percent (70%) of average weekly earnings up to two hundred-fifty dollars (\$250.00) per week. Hourly Employees will have one hundred and twenty (120) days to file their long-term disability claim. The total disability period shall be a maximum two (2) years, calculated from the commencement of the short-term disability claim.

- B4.10 (a) **The Company agrees to provide payment for Hourly Employees after a two (2) week waiting period from the time forms are filled out and medical attention is received for all bona fide weekly indemnity claims.**
- (b) In the event the Company is required to advance funds to the Hourly Employee, the beneficiary of the weekly indemnity claim agrees to reimburse the Company for an amount equivalent within two (2) working days upon receipt of the weekly indemnity payment from the carrier.
- (c) Whereupon the reimbursement to the Company is ultimately declared N.S.F., (not sufficient funds), by the clearing bank, the amount of reimbursement is automatically deducted from the Hourly Employee's next pay, or remaining vacation accrued.

B4.11 The Company will provide felonious assault insurance for all Hourly Employees on the payroll from the date of employment in the amount of twenty thousand dollars (\$20,000.00).

B4.12 Optional Accidental Death & Dismemberment:

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

B4.13 Dependent Coverage of Major Medical/Dental/Vision:

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

Declaration of Common-Law Status for Benefit Eligibility:

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

A spouse is deemed to be:

- A person married to the Hourly Employee as a result of a valid civil or religious ceremony, including a person separated from the Hourly Employee.
- A person of the opposite sex, or same gender partner with whom the Hourly Employee has a common-law relationship for at least twelve (12) consecutive months prior to the date on which the claim arose. (Common-law relationship means continuous cohabitation and public representation of married status.)

ARTICLE B5 - COMPANY PENSION PLAN

B5.01 (a) The Company shall contribute to the National Automobile, Aerospace, Transport and General Workers Union of Canada Pension Trust Fund.

(b) Contributions – Employer:

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

Contributions - Hourly Employee:

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

- (c) The contributions are payable to the Trustees of the Pension Trust Fund by the fifteenth (15th) of the month following the work month completed. The payment will include the Hourly Employee's contribution.
- (d) The contributions are to be forwarded to the Pension Trust Fund Administrator as designated by the National Automobile, Aerospace, Transport and General Workers Union of Canada.
- (e) The Pension Plan Administrator agrees to provide full disclosure to a representative of the Company on a regular basis (at a minimum of once a year).

ARTICLE B6 - LAYOFFS

B6.01 The Company and the Union accept the principle of seniority in layoffs and rehiring and agree that if the Hourly Employee possesses the required qualifications and ability that length of continuous service will govern.

B6.02 When adding to the workforce of Hourly Employees covered by this Agreement, those previously laid off will be recalled on the basis of seniority.

- B6.03 (a) The Company will notify such Hourly Employees at their last known address by Registered Mail. If such Hourly Employees fail to report within five (5) working days from date of receipt, the standing as an Hourly Employee and of any such person failing to report within five (5) days will be forfeited.
- (b) It shall be the responsibility of every Hourly Employee to keep the Company and the Union informed of any and all changes of address or telephone numbers. Such information will be supplied within three (3) working days of such change.

B6.04 In the event of a layoff, an Hourly Employee employed more than ninety (90) days, but less than one (1) year, will receive two (2) weeks' notice of such layoff or two (2) weeks pay in lieu of notice.

ARTICLE B7 - HEALTH, SAFETY AND EQUIPMENT

- B7.01 (a) The Company will not require Hourly Employees or Owner Operators to operate any Company vehicle on the streets or highways that is not in a safe operating condition or equipped with safety appliances prescribed by law. All unsafe vehicles shall be locked out and red tagged.**
- (b) The Company will not require Hourly Employees to operate any equipment that is in violation of any relevant statutes. It will not be a violation of this Agreement when Hourly Employees refuse to operate unsafe equipment or those not properly equipped as prescribed by law.
- (c) The Company will not ask any Hourly Employee to take out a vehicle until same has been approved as being safe by the Company. In the event of a dispute over the condition of a vehicle, the matter shall be resolved after consultation between a member of management and a certified mechanic. Such certificate shall be in writing. Should said vehicle be certified by a mechanic as safe, then the Employee who refused to take said vehicle out shall be subject to discipline.
- B7.02 Hourly Employees will immediately, or at the end of their respective shifts, report all vehicle malfunctions and defects of equipment. Such reports will be made on a suitable form furnished by the Company and will be made in multiple copies; one (1) copy may be retained by the Hourly Employee.
- B7.03 Hourly Employee operated Company vehicles will be equipped with a handcart.
- B7.04 Maintenance of the equipment in good running condition is the duty and the responsibility of the Company.
- B7.05 All Company vehicles acquired or ordered after date of ratification will be equipped with adequate heaters, windshield wipers, defoggers and am/fm radios. These will be kept in good operating condition at all times. The Driver's area will include a protective barrier between himself/herself and the freight.**
- B7.06 Windshield washer solution and motor oil shall be readily available at all times for Company vehicles.
- B7.07 The Company will keep speedometers and fuel gauges in proper working order and reasonably accurate on all Company vehicles.

B7.08 A C.B. radio and antenna will be supplied by the Company for all Linehaul vehicles. (Company owned vehicles only).

B7.09 Accidents for which the Hourly Employee is at fault, or for which their action or lack of action is a contributing factor, **may** result in disciplinary action.

B7.10 (a) Hourly Employees shall be paid for all time lost during the investigation period relating to an accident in which that Hourly Employee was involved, should it be found that that Hourly Employee was not at fault. Further, any discipline administered prior to the Joint Health & Safety Committee rendering their decision shall also be removed if the accident/incident was found to be non-preventable.

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

B7.11 Hourly Employees involved in accidents will be notified by the Joint Health & Safety Committee, through the Company, whether the accident was a preventable or non-preventable accident.

B7.12 Drivers will not be responsible for damage while towing or pushing a vehicle, if instructed to do so by the Company.

B7.13 The Company shall apply the provisions of Part II of the Canada Labour Code as they are presently and as amended from time to time.

The Company and the Union will make every effort to comply and promote in a timely manner all legislation pertaining to occupational Joint Health & Safety.

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

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

B7.14 Where deemed necessary by the Joint Health & Safety Committee after conducting a hazardous risk analysis, safety equipment will be supplied and paid for by the Company, except as amended by the Collective Agreement.

B7.15 Working Alone: The Company and the union shall together develop an action plan, as spelled out in the CCOHS, to address the issues of employees expected to work alone. Depending on the work and equipment they are required to operate determines the risk factor and each case shall be assessed on a case by case individual basis. The preceding shall be done jointly by the Company Health and Safety officer and the Chairperson of the Union Health and Safety Committee.

B7.16 Each facility operated by the Company shall have a Joint Health & Safety Committee, further, it is the intent of the company to have twelve (12) monthly meetings. All findings and recommendations of the Joint Health & Safety Committee at each facility shall be binding on the Company.

B7.17 No employee or Owner Operator will be expected to take part in the delivery or pick up of any known illegal substance or goods during the course of their duties. This must be done through corporate security and the proper police authorities.

B7.18 Copies of the monthly joint health and safety meetings and all attachments will be posted at all terminals and copies will be sent to the companys health and safety officer, the union health and safety chairperson(s) and the local president. Copies of a; WSIB form "7s" will be given to the joint health and safety committees, details of which will be in compliance with privacy legislation.

B7.19 All members of the joint health and safety committees will be trained within sixty (60) days of their election or appointment. Training will be conducted during working hours.

ARTICLE B8 - TRAINING

- B8.01 (a) The Company will pay one hundred percent (100%) of course fees for any accredited defensive driving course taken and successfully completed by the Hourly Employee and approved by the Company.
- (b) The Company will allow the use of Company vehicles for license upgrades, if available.
- B8.02 The Company may request an Hourly Employee to attend a defensive driving course at the Company's expense.
- B8.03 From time to time, Hourly Employees will be required to attend training and/or educational meetings outside their schedule and these hours shall be paid as per the C.B.A.
- (i) If attendance at said meeting would result in the worker being placed into an overtime situation, overtime will be paid at the applicable rate.
- (ii) All work classifications will be guaranteed a minimum of four (4) hours for attending if training is not within or an extension of a regular shift.
- (iii) Two (2) weeks advance notice will be given for all training requests.
- (iv) No reasonable request to accommodate the worker as the result of health reasons, religious beliefs or prior commitments will be denied and the Employer will accommodate with training during regular work hours.
- B8.04 The Company will ensure that all Hourly Employees are properly trained as to their full responsibilities and duties.

ARTICLE B9 - MISCELLANEOUS

B9.01 Layovers:

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

- B9.02 On out-of-town routes requiring a layover period between the hours of 10:00 AM and 3:00 PM, exceeding three (3) hours excluding the lunch period, the Company will provide suitable accommodation.

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

B9.03 Hourly Employees scheduled on out-of-town routes requiring a non-scheduled layover due to Acts of God will be paid at their regular rate of pay for each hour of layover outside their scheduled shift.

B9.04 If a Driver's driving privileges are suspended or rescinded, the Driver will be moved into a non-driving position, but shall not be guaranteed any hours or be allowed to bump.

B9.05 Personal Property:

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

B9.06 Hiring:

The Company will provide each Hourly Employee and owner operator with a copy of the Collective Agreement, Benefit plan and company handbook at the time of hiring.

B9.07 Hourly Employees' Lunchroom:

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

B9.08 The Company shall allow the Union to provide soft drink, coffee and similar vending machines, on the Company's premises, subject to the approval of the Company as to location.

B9.09 Maintenance of the lunchroom will be the responsibility of the Company, however, Hourly Employees and owner operators agree to observe common courtesy and manners and rules of cleanliness in the use thereof.

B9.10 The Company will provide drinking water in the warehouse at all branches.

B9.11 Maternity and/or Parental Leave:

The Company agrees that an Employee on maternity and/or parental leave will have her/his current position and classification held open for her/him for the maximum time allowed by law either federal or provincial, whichever is greater.

In the event that said position is no longer available, then the Employee shall be able to exercise their bumping rights.

B9.12 Any changes in company policy that affect any bargaining unit members or the work they do will be submitted to the local president or local chairperson prior to implementation.

B9.13 All hourly drivers must inform the company when they knowingly learn that their driving privileges are suspended or revoked for any reason. Failure to do so may result in the termination of their employment.

ARTICLE B10 – WAREHOUSE EXTRA HOURS

B10.01 Employees are required to remain on shift for scheduled shifts and volunteered for extra work until said work is completed and or released by their supervisor.

The following guidelines shall prevail;

Notwithstanding the provisions of Article B1.08(c), the parties hereto agree to the following with respect to the allocation of work that is outside of scheduled hours.

When extra hours are required, Warehouse Employees will be assigned by seniority within classification. Extra hours will be assigned by voluntary down, mandatory up.

It is agreed that the Company will endeavor to make reasonable accommodations to those Hourly Employees who have other regular employment obligations or regular family obligations that may make them unavailable for extra work.

Such Hourly Employees will be required to advise the Company in writing of these situations and this will make these Hourly Employees ineligible for voluntary extra work. If the situation changes for these Hourly Employees and they wish to be added to the extra work list, they must advise the Company in writing.

B10.02 EXTRA HOURS IN THE BRAMPTON HUB

Notwithstanding the provisions of Article B1.08(c), the parties hereto agree to the following with respect to the allocation of work that is outside of the regularly scheduled hours at the Brampton Hub.

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

Any Hourly Employees being requested to stay must be given at least one (1) hour's prior notice before shifts end or they cannot be forced to stay.

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

ARTICLE B11 - HOURLY PRINTOUTS

At the request of the Employee, Loomis Express (Canada), Ltd. will make available a printout stating the hours worked by an Hourly Warehouse Employee on the Friday prior to the pay period close.

ARTICLE B12 - DISCIPLINE

As of date of ratification the following protocols shall govern in regards to discipline for all Hourly Employees of the bargaining unit.

1. Verbal warning;
2. Written warning;
3. 1 day suspension;
4. 3 day suspension;
5. 5 day suspension;
6. 30 day suspension;
7. Termination.

The above list shall be adhered to and followed in listed order for any and all cases of discipline save and except the following which shall start at the level of discipline so indicated and progress accordingly.

Occurrence	Discipline
Theft	Termination
Violence causing bodily injury	Termination
Physical altercation	30 day suspension for aggressor only
Destruction of Company property (non accidental)	Termination
Negligence causing a loss to the Company	5 day suspension
Negligence causing a loss to a customer	30 day suspension
Negligence causing a loss to the Company or a customer and lying about it	Termination

Note: Progressive discipline means the discipline imposed for specific actions and not a cumulative compiling of disciplines, but rather individual situations and progressing accordingly with each circumstance.

Note: The discipline outlining the Company policy on vehicle security in Article 28 is also attached to this Article.

ARTICLE B13 - WAGES

B13.01 The parties agree for all new hires and all classifications to use a graduated rate schedule based on the top rate of each class each year. The parties agree to increase all current rates by:

Year 1 Nov 1st, 2008 2.50%

Year 2 Nov 1st, 2009 2.50%

Year 3 Nov 1st, 2010 2.50%

Year 4 Nov 1st, 2011 2.50%

The GWI is retroactive to November 1st 2008.

Shift Premium \$0.55 12 Midnight to 3:59 AM

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

- B13.02 (a) Any Hourly Employee hired as a "D" Driver, who is temporarily assigned by the Company to drive a vehicle which does not require a "D" license qualification, will remain at the "D" license rates.
- (b) Any person handling and processing dangerous goods and/or C.O.S. shipments on a regular basis will be paid Lead Hand rate for the time spent handling such goods.
- (c) All pay shortages in excess of seventy-five dollars (\$75.00) gross will be paid within two (2) working days of the Company being notified.

All Hourly Employees will be paid bi-weekly by direct deposit. The pay stubs will be distributed at shift's end on Thursday.

- B13.03 (a) Full-time and part-time Hourly Employees will be paid at the same rate of pay for their existing classifications.
- (b) Any Hourly Employee temporarily assigned to a higher rated position for a minimum of three (3) hours or fifty percent (50%) of the scheduled shift, whichever is less, shall receive the higher rate of pay for their entire shift. Any Hourly Employee temporarily assigned to a lower rated position shall not have their rate of pay reduced.
- (c) Where there are new categories of employment for which rates of pay are not established by this Agreement are put into use or effect, rates governing such categories of employment shall be subject to negotiations between the parties. The rate established shall be retroactive to the date of implementation. Should the parties not be able to reach an agreement, it is understood that the parties will defer the decision to an Arbitrator, in accordance with Article 4.
- (d) The Company agrees that the Hourly Employees who would have normally been working during contract negotiations shall suffer no loss in pay while involved in negotiations.

B13.04 When employees request a letter of wage earnings and/or employment verification for loans, mortgages etc, the company will furnish said letter to the employee within three (3) business days.

Rate Charts

November 1st 2008	0 to 3 Months	3+ to 12 Months	12+ to 18 Months	Top Rate.
Clerical Customer Service and Data Entry	\$11.83	\$11.83	\$12.62	\$15.77
Lead Hand Customer Service/Data Entry	\$13.36	\$13.36	\$14.24	\$17.80
Bilingual Clerical Customer Service	\$14.11	\$14.11	\$15.06	\$18.82
Lead Hand Bilingual Clerical Customer Service	\$15.62	\$15.62	\$16.67	\$20.84
Clerical Collections	\$13.01	\$13.01	\$13.87	\$17.35
Lead Hand Clerical Collections	\$14.67	\$14.67	\$15.63	\$19.56
Bilingual Clerical Collections	\$15.29	\$15.29	\$16.31	\$20.40
Lead Hand Bilingual Clerical Collections	\$16.95	\$16.95	\$18.08	\$22.60
Customer Counter Specialist	\$11.94	\$12.86	\$13.79	\$17.50
Warehouse	\$12.99	\$13.91	\$14.84	\$18.54
Warehouse Sorter/Induction	\$14.16	\$15.17	\$16.18	\$20.21
Lead Hand Warehouse	\$14.72	\$15.76	\$16.81	\$21.01
Undeliverables	\$12.99	\$13.91	\$14.84	\$18.54
Walker	\$15.36	\$16.46	\$17.56	\$21.96
Driver (G)	\$15.36	\$16.46	\$17.56	\$21.96
Driver (D/DZ)	\$15.98	\$17.13	\$18.28	\$22.84
Driver (A/AZ)	\$16.23	\$17.38	\$18.52	\$23.15
Lead Hand Driver, Walker	\$16.25	\$17.40	\$18.55	\$23.20
Relief Driver	\$16.25	\$17.40	\$18.55	\$23.20
Master Load Planner	\$16.25	\$17.40	\$18.55	\$23.20
Brokerage Specialist	\$14.51	\$15.55	\$16.59	\$20.72
Unit Chairperson	N/A	N/A	N/A	\$26.35

November 1st 2009	0 to 3 Months	3+ to 12 Months	12+ to 18 Months	Top Rate.
Clerical Customer Service and Data Entry	\$12.12	\$12.12	\$12.93	\$16.17
Lead Hand Customer Service/Data Entry	\$13.69	\$13.69	\$14.59	\$18.25
Bilingual Clerical Customer Service	\$14.47	\$14.47	\$15.43	\$19.29
Lead Hand Bilingual Clerical Customer Service	\$16.01	\$16.01	\$17.08	\$21.36
Clerical Collections	\$13.33	\$13.33	\$14.21	\$17.79
Lead Hand Clerical Collections	\$15.03	\$15.03	\$16.02	\$20.05
Bilingual Clerical Collections	\$15.68	\$15.68	\$16.72	\$20.91
Lead Hand Bilingual Clerical Collections	\$17.38	\$17.38	\$18.53	\$23.17
Customer Counter Specialist	\$12.24	\$13.19	\$14.13	\$17.93
Warehouse	\$13.31	\$14.26	\$15.21	\$19.01
Warehouse Sorter/Induction	\$14.51	\$15.55	\$16.59	\$20.72
Lead Hand Warehouse	\$15.09	\$16.16	\$17.23	\$21.54
Undeliverables	\$13.31	\$14.26	\$15.21	\$19.01
Walker	\$15.75	\$16.87	\$18.00	\$22.50
Driver (G)	\$15.75	\$16.87	\$18.00	\$22.50
Driver (D/DZ)	\$16.38	\$17.56	\$18.73	\$23.41
Driver (A/AZ)	\$16.63	\$17.82	\$18.98	\$23.73
Lead Hand Driver, Walker	\$16.65	\$17.84	\$19.02	\$23.78
Relief Driver	\$16.65	\$17.84	\$19.02	\$23.78
Master Load Planner	\$16.65	\$17.84	\$19.02	\$23.78
Brokerage Specialist	\$14.87	\$15.94	\$17.00	\$21.24
Brokerage LVS Analyst	N/A	N/A	N/A	\$17.44
Brokerage HVS Analyst	N/A	N/A	N/A	\$18.64
Brokerage Clerical	N/A	N/A	N/A	\$16.81
Unit Chairperson	N/A	N/A	N/A	\$27.01

November 1st 2010	0 to 3 Months	3+ to 12 Months	12+ to 18 Months	Top Rate.
Clerical Customer Service and Data Entry	\$12.43	\$12.43	\$13.26	\$16.57
Lead Hand Customer Service/Data Entry	\$14.03	\$14.03	\$14.96	\$18.71
Bilingual Clerical Customer Service	\$14.83	\$14.83	\$15.82	\$19.77
Lead Hand Bilingual Clerical Customer Service	\$16.41	\$16.41	\$17.51	\$21.89
Clerical Collections	\$13.67	\$13.67	\$14.57	\$18.23
Lead Hand Clerical Collections	\$15.41	\$15.41	\$16.42	\$20.55
Bilingual Clerical Collections	\$16.07	\$16.07	\$17.13	\$21.43
Lead Hand Bilingual Clerical Collections	\$17.81	\$17.81	\$19.00	\$23.75
Customer Counter Specialist	\$12.55	\$13.51	\$14.48	\$18.38
Warehouse	\$13.64	\$14.61	\$15.59	\$19.48
Warehouse Sorter/Induction	\$14.87	\$15.94	\$17.00	\$21.24
Lead Hand Warehouse	\$15.46	\$16.56	\$17.66	\$22.08
Undeliverables	\$13.64	\$14.61	\$15.59	\$19.48
Walker	\$16.14	\$17.29	\$18.45	\$23.07
Driver (G)	\$16.14	\$17.29	\$18.45	\$23.07
Driver (D/DZ)	\$16.79	\$17.99	\$19.20	\$23.99
Driver (A/AZ)	\$17.05	\$18.26	\$19.46	\$24.33
Lead Hand Driver, Walker	\$17.07	\$18.29	\$19.49	\$24.37
Relief Driver	\$17.07	\$18.29	\$19.49	\$24.37
Master Load Planner	\$17.07	\$18.29	\$19.49	\$24.37
Brokerage Specialist	\$15.24	\$16.34	\$17.43	\$21.77
Brokerage LVS Analyst	N/A	N/A	N/A	\$17.88
Brokerage HVS Analyst	N/A	N/A	N/A	\$19.11
Brokerage Clerical	N/A	N/A	N/A	\$17.23
Unit Chairperson	N/A	N/A	N/A	\$27.68

November 1st 2011	0 to 3 Months	3+ to 12 Months	12+ to 18 Months	Top Rate.
Clerical Customer Service and Data Entry	\$12.74	\$12.74	\$13.59	\$16.99
Lead Hand Customer Service/Data Entry	\$14.38	\$14.38	\$15.33	\$19.17
Bilingual Clerical Customer Service	\$15.20	\$15.20	\$16.22	\$20.27
Lead Hand Bilingual Clerical Customer Service	\$16.82	\$16.82	\$17.95	\$22.44
Clerical Collections	\$14.01	\$14.01	\$14.93	\$18.69
Lead Hand Clerical Collections	\$15.80	\$15.80	\$16.83	\$21.06
Bilingual Clerical Collections	\$16.47	\$16.47	\$17.56	\$21.97
Lead Hand Bilingual Clerical Collections	\$18.26	\$18.26	\$19.47	\$24.34
Customer Counter Specialist	\$12.86	\$13.85	\$14.85	\$18.84
Warehouse	\$13.99	\$14.98	\$15.98	\$19.97
Warehouse Sorter/Induction	\$15.24	\$16.34	\$17.43	\$21.77
Lead Hand Warehouse	\$15.85	\$16.98	\$18.10	\$22.63
Undeliverables	\$13.99	\$14.98	\$15.98	\$19.97
Walker	\$16.55	\$17.73	\$18.91	\$23.64
Driver (G)	\$16.55	\$17.73	\$18.91	\$23.64
Driver (D/DZ)	\$17.21	\$18.44	\$19.68	\$24.59
Driver (A/AZ)	\$17.47	\$18.72	\$19.95	\$24.94
Lead Hand Driver, Walker	\$17.50	\$18.74	\$19.98	\$24.98
Relief Driver	\$17.50	\$18.74	\$19.98	\$24.98
Master Load Planner	\$17.50	\$18.74	\$19.98	\$24.98
Brokerage Specialist	\$15.63	\$16.75	\$17.87	\$22.31
Brokerage LVS Analyst	N/A	N/A	N/A	\$18.32
Brokerage HVS Analyst	N/A	N/A	N/A	\$19.58
Brokerage Clerical	N/A	N/A	N/A	\$17.66
Unit Chairperson	N/A	N/A	N/A	\$28.37

**Letter of Understanding
Between
Canadian Auto Workers Local 4457
And
Loomis Express (Canada) Ltd.**

Re: Collections Department

Effective immediately the Company and the Union agree to the creation of minimum experience standards that will be used to determine an individual's initial eligibility for job transfers within the department.

Individuals within the department will be divided into 3 sub categories for classification purposes.

- 1. Inbound Collections**
- 2. Adjuster Collections**
- 3. Outbound Collections**

Furthermore the following experience is required:

Position	No Previous Collecting Experience	>1 Year of Previous Collecting Experience
Inbound Collections	A minimum of 1 year Loomis customer service experience. Or able to meet CS entry requirements plus 1 year Loomis service.	A minimum of 1 year Loomis customer service experience. Or able to meet CS entry requirements plus 1 year Loomis service.
Adjuster Collections	A minimum of 1 year of Loomis collections department experience.	A minimum of 1 year of Loomis collections department experience.
Outbound Collections	A minimum of 2 years of Loomis Adjuster Collections experience.	A minimum of 1 year of Loomis Adjuster Collections experience.

The rate of pay will not change. It is only the classification's minimum qualifications that are being firmly established.

**Letter of Understanding
Between
Canadian Auto Workers Local 4457
And
Loomis Express (Canada) Ltd.**

Re: Warehouse Customs Specialist Role

The role of Warehouse Customs Specialist requires a specific set of skills and as such in order to successfully bid upon this position any individual must meet at minimum two of the following three criteria, one of which must be subsection #3 below.

- 1. The individual must have a minimum of 3 years of proven Loomis international import experience in either the warehouse or customer service.**
- 2. The individual must score at least 85% on the basic international competency test that has been designed for this role. The test will be jointly reviewed by the Company and the Union should any changes in Canada Customs regulations require it to be updated.**
- 3. The individual must possess a minimum of 3 years proven customs brokerage experience or a basic certification from the CSCB (Canadian Society of Customs Brokers) gained through the course: Introduction to Customs. The cost of the course will be covered by the company under the following conditions:**
 - a. This is without prejudice and precedence and is as a result of special circumstances relating to the requirements of this specific role. Course payment by the company will not be considered for any other hourly position in the business.**
 - b. The individual is responsible to pay for the course up front and to complete the course on their own time and without compensation from the company for said time.**
 - c. The individual must successfully complete the course and successfully bid and be awarded the Warehouse Customs Specialist position in order to qualify for reimbursement.**
 - d. The cost of any additional course materials are the responsibility of the individual.**

If there are no successful internal applicants, the company will post the position to the external market for a period of 40 working days. In the event that the company is successful in identifying a candidate it is agreed that they must meet 2 of the aforementioned 3 criteria as outlined above.

The union will be allowed to review the qualifications of the successful candidate.

If this process also does not yield a successful application then the company agrees to re-post the position internally. The most senior successful bidder will be awarded the position without the requirement to possess the certification from the CSCB at the time of the job being awarded. They are however, required to enroll in the course within 10 working days of having been awarded the position and they must successfully complete the course within 7 calendar months. If they do not successfully complete the course, they must surrender the position and exercise their bumping rights back into available positions within their former classification and located at their former facility. At this point, the position is considered open and the process begins again from the start.

**Letter of Understanding
Between
Canadian Auto Workers Local 4457
And
Loomis Express (Canada) Ltd.**

Guide to dress code for non uniform Clerical staff

The objective in establishing a dress code is to allow our employees to work comfortably in the workplace. This is a general overview of appropriate casual attire. Items that are not appropriate for the office are listed. This list indicates what generally acceptable & non acceptable attire is. All employees must exert a certain amount of judgment in their choice of clothing worn to work. Staff is not expected to be able to afford the same clothing as a corporate CEO. However, do invest in quality that looks appropriate during your first two & three years on the job for business casual environment or occasions.

Not all casual clothing is suitable for the office. These guidelines will help you determine what is appropriate to wear to work. Clothing that works well for the beach, yard work, dance clubs, exercise sessions, and sports contests may not be appropriate for a professional appearance at work. Clothing that reveals too much cleavage, your back, your chest, your feet, your stomach or your underwear is not appropriate for a place of business.

Even in a business casual work environment, clothing should be pressed and never wrinkled. Torn, dirty, or frayed clothing is unacceptable. All seams must be finished. Any clothing that has words, terms, or pictures that may be offensive to other employees is unacceptable. Clothing that has the company logo is encouraged. Sports team, university, and fashion brand names on clothing are generally acceptable.

Guide to Business Casual Dressing for Work

No dress code can cover all contingencies so employees must exert a certain amount of judgment in their choice of clothing to wear to work.

Slacks, Pants and Suit Pants.

Slacks that are similar to Dockers and other makers of cotton or synthetic material pants, wool pants, flannel pants, dressy capris, dressy jeans, walking shorts and nice looking dress synthetic pants are acceptable. Inappropriate slacks or pants include sweatpants, exercise pants, Bermuda shorts, short shorts, shorts, bib overalls, leggings, and any spandex or other form-fitting pants such as people wear for biking.

Skirts, Dresses, and Skirted Suits.

Casual dresses and skirts, and skirts that are split at or below the knee are acceptable. Dress and skirt length should be at a length at which you can sit comfortably in public. Short tight skirts that ride halfway up the thigh are inappropriate for work. Mini-skirts, Skorts, sun dresses, beach dresses, and spaghetti-strap dresses are inappropriate for the office.

Shirts, Tops, Blouses and Jackets.

Casual shirts, dress shirts, sweaters, tops, golf-type shirts, and turtlenecks are acceptable attire for work. Most suit jackets or sport jackets are also acceptable attire for the office, if they violate none of the listed guidelines. Inappropriate attire for work includes tank tops; midriff tops; shirts with potentially offensive words, terms, halter-tops; sweatshirts, and under-shirts unless worn under another blouse, shirt, jacket, or dress.

Shoes and Footwear.

Conservative athletic or walking shoes, loafers, clogs, sneakers, boots, flats, dress heels, and leather deck-type shoes are acceptable for work. Wearing no stockings is acceptable in warm weather. Flashy athletic shoes, thongs, flip-flops, slippers, are not acceptable in the office.

Hats and Head Covering.

Hats are not appropriate in the office. Head Covers that are required for religious purposes or to honor cultural tradition are allowed.

Conclusion.

If clothing fails to meet these standards, as determined by the employee's supervisor and Human Resources staff, the employee will be asked not to wear the inappropriate item to work again. If the problem persists, the employee may be sent home to change clothes.

APPENDIX "C"

The following Articles are to apply to Western and Regional Linehaul Owner Operators only.

ARTICLE C1 – WESTERN & REGIONAL LINEHAUL

1. The Company will provide the Western Linehaul Owner Operators the scheduled arrival times for their destination.
2. All Highway Owner Operators shall receive five (5) each of the following:
 - Summer shirts
 - Winter shirts
 - Trousers
3. All Highway Owner Operators shall receive one (1) winter coat and one (1) summer jacket.
4. The Company will supply log books.
5. Wages will be paid via bi-weekly direct deposit.
6. **The premium for each pickup and each drop for the Western Linehaul will be fifty-five dollars (\$55.00).**
7. **The premium for pulls and/or shunts for the Western Linehaul will be forty-five dollars (\$45.00) with the first one being free.**
8. Inspections are performed every month on short haul trailers and every trip for long haul trailers. Each time a mechanic inspects a trailer, a signature and date are to be completed on the sticker located at the nose of every trailer. In British Columbia, Manitoba, and Ontario the trailers are inspected by the Government; an additional sticker is provided indicating when the next Government inspection is due. In Alberta and Saskatchewan, Government inspections are completed every year. If Government inspections or stickers are not being completed at any destination then the Driver shall bring it to the Linehaul Manager's attention to ensure this is dealt with, however this should not prevent the load from departing. The Company follows all legal requirements for maintenance and completes preventative maintenance inspections to maintain our service level.
9. The Company will provide sixty (60) days notice of termination for lack of business for Western Linehaul.

10. **The following language will appear on the Bill of Lading: “Dangerous Goods on board have been checked and meet the requirements as per the TDG Act and Regulations.” If this article is not adhered to by the company, the company will be responsible for all fines regarding dangerous goods on the trip as it relates to the bill of lading.**
11. All round trips and any additional new and/or dedicated runs in the Province of Ontario must be Union Members of the bargaining unit.
12. Any Co-Driver mandated to be with an Owner Operator will be considered a Member of the bargaining unit for the purposes of joining the group benefit plan. Said premiums to be paid by the route Owner Operator.
13. All regional and out-of-province Linehaul round trip runs must be done by Owner Operators or Hourly Employees only, (except Winnipeg).
14. All Western Linehaul Drivers shall be paid one hundred dollars (\$100.00) for unscheduled and un-posted layovers over eight (8) hours. Acts of God or mechanical breakdowns are excluded from this Article.
15. No Owner Operator is to seal or unseal any trailer, except at a dark terminal.
16. **No trailer is to be pulled without load bars in place and/or load unsecured as of January 1st, 2006 as per legislation.**
17. Any out-of-province run coming into Ontario must not infringe upon any existing runs in the Province of Ontario. Any new runs created will be done on a 50/50 basis.
18. Any unscheduled or not posted layovers of eight (8) hours or more must be provided suitable accommodations.
19. Owner Operators shall have their vehicles unloaded by warehouse personnel.
20. Extra work (i.e....loading or unloading trailers) to be paid at prevailing Hourly Driver rate and classification, if requested by a Supervisor or Manager.
21. **The premium for pickups and drops for the Regional Linehaul will be forty-five dollars (\$45.00).**
22. **The premium for pulls and/or shunts for the Regional Linehaul will be thirty-two dollars and fifty cents (\$32.50).**

23. **IRP plates and those having company vehicle insurance shall be paid for by the company with the costs then being deducted from the Owner Operators pay on a bi-weekly basis over twelve (12) months.**
24. **All regional and P&D Linehaul owner operators will be compensated Ten (10) dollars per trailer for all trailers they have to clean when commencing their route or taking empties to customers if and when requested to do so by management.**

ARTICLE C2 – INSURANCE CAPS WESTERN LINEHAUL

The parties' signatory hereto, agrees to the following with respect to insurance coverage for Western Linehaul Owner Operators.

1. The parties agree that the Company will secure insurance coverage for all Owner Operators.
2. Each Owner Operator will be required to pay up to an amount equal to the premiums paid for coverage in 2002. The Company will absorb any additional cost associated with securing coverage. Each Owner/Operator will be required to provide proof of amount paid in 2002.
3. This letter will remain in effect until such time as the parties secure coverage under a fleet arrangement whereby insurance costs would not result in increased costs to the Owner Operators over what they had paid in 2002.

Note: Article C2 only applies to Western Linehaul owner operators with a business agreement as of November 1st, 2008

ARTICLE C3 - Fuel Escalation for Heavy Equipment and all Linehaul Owner Operators:

Linehaul Tractor Mileage	A fuel escalation of .75%* for every 1 cent
Linehaul Tractor Hourly	Increase per Litre in fuel over .50 cents

*During the winter months of October 1st through to April 1st the escalation will increase to .80% over .50 cents per litre for every 1 cent increase.

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

SCHEDULE "A" - FEES

Name: _____

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

LINEHAUL FORMULA

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

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

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

- 2.1 Pin Switches \$ _____ per switch.
- 2.2 Pick Up & Delivery Stops en Route \$ _____ per stop.
- 2.3 Specials \$ _____ per special.
- 2.4 Yard Shunting \$ _____ per shunt.

3. Loomis Express (Canada), Ltd. will be entitled to deduct the following expenses from the Owner Operator each invoice period.

DEDUCTIONS

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

Fuel Costs Must Have Onion Slips.

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

W.S.I.B. premiums to be paid by the Company for Western Linehaul teams and replacements unless otherwise specified.

Article C4 Western Inter-Provincial Linehaul Routes

4.1 The Owner Operator shall reimburse the Company for any additional costs at competitive market rates which the Company may incur in relation to any round trip.

When Linehaul Owner operators breakdown on route, the company will assist in finding a rental truck if needed, and if necessary will move the load to make service at no cost to the Owner Operator. The owner Operator will make arrangements for repairs to their vehicle and the company will only pay the owner Operator up to the point of breakdown. The owner operator must provide the company with proof of proper maintenance to their vehicle if requested.

4.2 **Linehaul Owner Operators who operate with trains will be paid an additional ten cents (\$0.10) per mile. The train rate is paid for the duration of the trip.**

4.3 Each Owner Operator will have one or more helpers, but will drive his own tractor at least 50% of the time.

4.4 Owner Operators and helpers must arrive at their departure terminal at least thirty (30) minutes before the scheduled departure time. The Owner Operator must notify the receiving branch of any delay or potential delay.

Note:

Delete and initial any provisions which do not apply.

Acknowledgement of Fee Schedule:

Owner Operator _____ Date _____

Loomis Express (Canada), Ltd. _____ Date _____

Local Chair _____ Date _____

DURATION OF AGREEMENT

This Agreement shall be in full force and effective from and including November 1st, 2008, up to and including March 31st, 2013 and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement and within four (4) months immediately prior to the expiry date in any year thereafter by written notice to require the other party to commence collective bargaining with the view to conclusion or renewal of a Collective Agreement, or a new Collective Agreement.

Dated at Brampton Ontario this 13 day of June, 2011


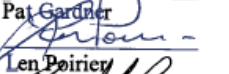

For the Company


Stephen King


Barry Reynolds

Tania Berardi

For the Union


Pat Gardner

Len Poirier

Bryant LeRoux

Joanne Delorme




Angie Nunes

Tracey Walker


Asif Makani

Mike Lawrence

Sharon Hamilton


Balkar Bains

Derek Mitchell

BC ACCORD

Summary of principles between Loomis Canada and CAW Canada, British Columbia, Alberta, Manitoba, Saskatchewan, Ontario, Nova Scotia

During the latest round of negotiations in Loomis proposed a number of changes to deal with massive losses that have occurred in different parts of the business.

The Parties have spent an extensive period of time discussing these issues and looking for solutions. It is recognized that each part of the country has its own uniqueness and the Company and Union agree to the following principles to be used as a guideline when the local bargaining committees resume discussions towards reaching a collective agreement.

Therefore the following items are in general agreement and will be part of a settlement in each location when the parties have an opportunity to deal with the local issues and other items that are raised during the course of the collective bargaining process.

2. Contracting Out

During the 2008 / 2009 collective bargaining, the Company advised the Union that it plans to restructure the business across Canada and tabled a list of locations that it intended to close or discontinue service with a plan to third-party / contract out these locations.

The Union recognizes that the express business is under severe pressure; however, any restructuring must be done ensuring that employees are fairly compensated for a layoff / termination from the Company as a result of this restructuring based on the provisions below. The Union also reserved the right to put forward an alternative strategy for future locations, and, if it can be demonstrated that such a strategy is viable, then the Company will consider such alternative.

The restructuring period will be in effect until all facilities identified to the Union have been closed down.

The following procedure will apply when a restructuring (facility closures or contracting out) is to be considered:

- (a) The Company will notify the Unit Chair or President of the Local Union and the National Representative in writing stating the reasons for such action.

- (b) The Company commits to continually monitor all contracted out work and agent usage to determine the economic viability of having the work transitioned back to the Loomis brand and Loomis employees and/or Owner Operators. The Company also agrees that any work formerly performed by CAW members which is again performed by a Loomis employee, or in a Loomis branded or painted truck will immediately become covered again under the collective agreement. The Company agrees to provide relevant information to the Union in writing including the financials in order to allow the Union to investigate. The Company will also provide any financial information to the Research & Benefit / National Representative of CAW to ensure an informed evaluation can be made. The Union agrees to sign any necessary confidentiality documents to receive this information.
- (c) Within fifteen (15) days, the Company and the Union will meet to review all of the relevant information including the implementation of a viable strategy jointly or otherwise.
- (d) The Company has committed that no line haul, warehouse or clerical position will be contracted out.

Major Centre Parameters

The major centres listed below (and as outlined on the attached maps) (Company needs to see maps prior to resolution) will not be contracted out in their entirety during the life of the Agreement and will be protected from contracting out as per the collective agreement and the provisions listed below.

If there is a major loss of business in a major centre listed below that requires change, the Company will first pursue its ability to reroute, abolish runs, and apply facility consolidation. If these measures are instituted and there are still problems, the Company may contract out a route or routes in each major centre up to a maximum of ten percent (10%) of the total province's number of Owner Operators at the time (calculated every anniversary) unless otherwise mutually agreed with the Union in writing. The Company will not use this percentage to close or contract out an entire facility identified below.

The Company will justify each move outlined above to the Union using the procedure outlined in item #1 above.

Any P&D contractor must load and unload their freight to their vehicle at a Loomis Unionized facility. The Company is in agreement with the principle that our warehouse staff will prepare the loads and unloads and the language may need to be revised for any HQ loads. The intent is that no contractor shall perform warehouse work at Loomis facilities.

Major Centres for BC

- Victoria
- Lower Mainland (including Vancouver, Richmond, Burnaby, Abbotsford) *
- Kelowna
- Kamloops

* These areas will be protected from a complete closure over the life of the Agreement.

Note: Nanaimo on list set for contracting out provided to Union in Toronto on January 19-23, 2009. Company has agreed to Union presentation on viability study.

Major Centres for Ontario

- Ottawa
- Greater Toronto Area (bordered by Oshawa, Oakville and Newmarket) *
- Markham *
- Brampton *
- Burlington
- Kitchener
- London

* These areas will be protected from a complete closure over the life of the Agreement.

Major Centres for Alberta

- Calgary *
- Edmonton *
- Red Deer *

* These areas will be protected from a complete closure over the life of the Agreement.

Major Centres for Manitoba / Saskatchewan

- Saskatoon *
- Regina *
- Winnipeg *

* These areas will be protected from a complete closure over the life of the Agreement.

Major Centres for Nova Scotia

- To be determined at the Local Bargaining Table.
- Company preliminary shows a reduction in 2 hourly routes and 1 Owner Operator.

3. Bumping

The Company respects the Union seniority principles as outlined in each collective agreement. The Union and the Company agree to cooperate fully in order to change areas of the collective agreement in reducing the domino effect of bumping and to hasten the process and limit it to a maximum disruption of five (5) days overall after the required information has been fully provided unless agreed to otherwise.

In restructuring initiatives and facility re-routes, the Company and Union agree to the principles noted above, as well as, working together to develop a single move of Union members (a paper bump).

4. Route Flex

The Company and the Union agree to adopt the language noted below from the BC agreement and to have it written into all collective agreements:

“In the event it is determined that the Owner Operator is unable to make a delivery(s) or pickup(s) in his or her area, Management reserves the right to assign these stops to surrounding routes in order to maintain customer service.”

“The above is not to be used on an ongoing basis but rather is intended for one-off or short term situations.”

It is further understood that that the Company’s position is that all hourly rated Driver positions shall be flexible, in accordance with the operational needs of the Company and the service levels to our customers. It is also understood that seniority will be respected in the application of this clause.

5. Three (3) Hour Minimum

It is agreed by the parties that the application of the casual language regarding minimum hours of work as applied in the Alberta CBA (casual warehouse) shall be applied in all collective agreements subject to current Local practices as to type of work performed.

Work Assignments - General

In the event that employees have not finished assigned work within their scheduled shifts or volunteered for extra work, employees will be required by reverse seniority to remain on shift until all work has been completed or they have been permitted to depart the work site by the Supervisor or Manager.

6. Payment Methodology for Owner Operators

The Company presented a new payment system for Owner Operators as it believes that the current system does not meet the needs of the Company or the Owner Operators.

The new payment methodology as outlined below will be implemented within sixty (60) days of ratification. The current fuel escalation formula outlined in each collective agreement shall remain in full force and effect. The Unit Chair and two (2) Owner Operator representatives selected by the Union from each province will form a Committee to be consulted on paid time on the implementation of the new methodology and to address any issues arising in an effort to make the transition as smooth as possible. In addition, the Company commits to extensive monitoring of this payment process and agrees to consult with individual Owner Operators on any and all issues that negatively impact their individual payments.

The parties will ensure that the minimum bi-weekly guarantee outlined in the BC collective agreement will continue to apply and a minimum bi-weekly guarantee of two thousand dollars (\$2000) will be instituted in all other provinces provided this amount is greater than any guarantees already in place.

The Company commits to guarantee that at least eighty percent (80%) of all Owner Operator routes by district or sub-region (to be defined locally) shall earn at least the same earnings on the route compared to current methodology in each agreement.

It is understood that the Company intends each route to be completed within ten (10) hours excluding lunch and breaks under the new payment methodology. Once new routes are implemented, the Company will not reroute an Owner Operator unless there are verifiable service failures within a route, as a result of decreased volumes, or a consistent failure to meet time definite or day definite services.

Owner Operators may request a route review at any time and these requests will be handled on an expedited basis through the following procedures:

- A Supervisor or Manager must arrange for a route ride-along or follow along within seven (7) working days of the request being received.
- Any agreed-upon adjustments to rates, volume, stops, or area will be retroactive to the date of the request for a route review.
- The Company will ensure that a team of senior Management from the Operations Department is assigned on an ongoing basis to assist in speedy resolutions of disputes arising out of requests for route review.

The new methodology will include the following points:

(Add in items and any other language).

Laser Waybills

- Discuss language in local bargaining related to Company's intention to have every item scanned.

7. Call Centre (British Columbia)

The Company agrees that it will continue to operate a reasonable amount of staff in the British Columbia Call Center until at least June 1, 2009 to allow for an orderly transition.

The Company agrees that employees who voluntarily leave before their exit date during the transition period will be entitled to the full severance package.

8. Union Office

The Company will provide the Union with a blind LOU outlining the following:

The Company will provide the Union with an office space and facilities at the main premises (define in each location) for the exclusive use of authorized Union officers and representatives. The Company will provide filing cabinets, desk, chairs, a phone line, and a secure high speed internet connection for the non-private use of the Union in this office.

9. Union Representation

The Union will select and the Company shall recognize, a full-time Unit Chairperson who shall be a Loomis employee. The Unit Chairperson shall attend to Union business as required and as necessary for the administration of the collective agreement and shall be given free access to all branches and depots and the Union office for these purposes. The Unit Chairperson shall be permitted to attend all meetings related to bargaining unit members if requested. The Unit Chair shall not be laid off or have any reduction or freezing in hours, pay, seniority or any other benefit during their term of office

The Company agrees that such Unit Chair shall receive all existing benefits and pension as per classification the amended agreement and shall also receive 120% of the top hourly P&D non HQ driving wage rate (as per each region's CBA) based on forty (40) hours per week.

If the Unit Chair is an Owner Operator they shall be allowed to either retain their run with a relief driver or elect to give up their run.

Employees and Owner Operators holding a the Unit Chairperson position who are away from their workstation for a minimum period of six (6) months to fulfill these functions, will receive, if needed at the time of their return to work, sufficient on the job training in line with the training requirements of their classification and position in order to be re-familiarized and to perform their tasks adequately.

Note: Manitoba / Saskatchewan and Nova Scotia will be provided with paid time for the Unit Chair as needed.

10. Severance

The severance benefits outlined in this document is a one time offer to Owner Operators and hourly employees for closures, contracting out, facility consolidation, and re-routes as per severance listed.

Severance benefits identified in each region's CBA may be nullified with the acceptance of this offer based on discussions in local bargaining where it can be shown that the overall total of severance provided under this Agreement meets or exceeds the severance in each Agreement. Situations falling outside of the current restructuring / rerouting initiatives of the Company are not intended to be captured in this understanding.

All other situations remain status quo per respective CBAs.

Hourly Employees

If the termination is as a result of a closure or contracting out of an area or abolishment of hourly driver runs due to closure, facility consolidation or contracting out, then the Company agrees to offer severance pay based on the following:

- Two weeks per year of service (prorated) based on forty (40) hours per week at straight time for full time status employees on date of ratification. Severance for part-time employees shall be based on average earnings for the previous twelve (12) months active paid earnings.
- The Company has offered two (2) weeks of severance for each year of service based on fifty (50) hours (prorated) per week for BC Call Centre employees working as of the announcement of the closure of the BC Call Centre. In addition to this severance, the Company will also pay one (1) month's wages as additional severance to all BC Call Centre employees as they are transitioned out from the business.
- Extended benefits – Company will continue to provide benefits as per Company policy with salaried personnel for six (6) months following date of termination.

Owner Operators

Initial Restructuring and Reroutes

Under the initial major restructuring reroutes - \$11,500 total for 10+ years in a reroute, \$8000 total for 5-10 years in a reroute, and \$4500 total for 5 years and under in a reroute.

Other Initial Restructuring

Under the current major restructuring, those Owner Operators impacted by a facility closure, contracting out, facility consolidation will be paid severance calculated at two (2) weeks per year of service (prorated) at fifty (50) hours per week based on the straight time hourly P&D driver rates per region. This formula will also be offered to any re-route in an area already listed on the restructuring lists provided to the Union during the week of January 19-23, 2009.

Further Re-Routes

Owner Operators affected by a reroute after the initial major restructuring will be paid severance of \$10,000 total for 10+ years in a reroute, \$7000 total for 5-10 years in a reroute, and \$4000 total for 5 years and under in a reroute. This clause shall be in effect for two (2) years after the date of ratification of each collective agreement.

Further Restructuring

Those Owner Operators impacted by a facility closure, contracting out, facility consolidation will be paid severance calculated at two (2) weeks per year of service (prorated) at forty (40) hours per week based on the straight time hourly P&D driver rates per region.

11. Wages and Compensation

- The General Wage Increase (GWI) will be 2.5%, 2.5%, 2.5%, 2.5% in each year of the Agreement effective on the ratification date of each Agreement.
- The GWI outlined above will be applied to all hourly wages retroactive from the expiry date of each collective agreement for all hours worked.
- For P&D Owner Operators, the GWI percentage increase will be applied retroactively from the expiry date of each collective agreement to all aspects of the current payment methodology as per past practise for increases to these classifications.
- For Heavy Equipment and Line Haul Owner Operators, the GWI percentage increase will be applied retroactively from the expiry date of each collective agreement as per past practise for increases to these classifications.
- For P&D Owner Operators, the GWI percentage increase applies to: Pieces, Stops, Core Zone, and Quality Payments.

12. Term of Contracts

The term of each contract will be effective based on the expiry date of each collective agreement and all of the agreements will expire for all provinces March 31, 2013.

13. Restructuring Issues

- The Company agrees to work with the Union on language to protect severance pay from EI claw backs.

- The Company agrees to provide the Union with \$500 per person in affected by contracting out or closures to put an Adjustment Committee funds. The Company will work with the Union in each province to provide office space to set up an Action Centre for the Adjustment Committee to perform its work.
- The severance packages may be put in escrow where possible provided there are no additional costs to Loomis.

14. Local Issues

- It is agreed that the Bargaining Committees in each province will meet as soon as possible to attempt to discuss and resolve local issues.

DATED THIS 7th DAY OF February, 2009 AT NEW WESTMINSTER, BC.