

COLLECTIVE AGREEMENT

BETWEEN

TOTAL DELIVERY SYSTEMS INC.

AND

**COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
(CEP) LOCAL 2000**

FOR

EMPLOYEES AND OWNER/OPERATORS

December 1, 2010 - November 30, 2013

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THIS AGREEMENT made and entered into this

Between: Total Delivery Systems Inc.
Hereinafter referred to as "The Company"
Party of the First Part

And
Communications, Energy and Paperworkers Union of
Canada (CEP) Local 2000
Hereinafter referred to as "the Union"
Party of the Second Part

WITNESSETH:

PART ONE - GENERAL

ARTICLE 1 - TERM OF AGREEMENT

1.01 This agreement shall remain in full force and effect for a term beginning December 1, 2010 and ending November 30, 2013. If no replacement agreement is reached prior to the expiration of this Agreement, this Agreement shall be deemed to remain in full force and effect up to the time a replacement Agreement takes effect.

1.02 If either party hereto wishes to propose an amendment to this Agreement, or a replacement Agreement to take the place of this Agreement upon its expiry, it may at any time within four (4) months immediately preceding the expiry of the Agreement, by written notice require the other party to commence collective bargaining.

1.03 While this agreement is in force, no strike or lockout will take place.

1.04 Upon ratification of this collective agreement, any other contracts, individually or otherwise, entered into between Total Delivery Systems Inc. or its successors and certified employees and Owner/operators shall be null and void. This certification and contract shall remain in force and effect between the Union and the Company or successor(s) to the Company.

ARTICLE 2 - DEFINITIONS

EMC Division Warehouse Employees

Unless specifically addressed where the word "employee" is mentioned in the Collective Agreement it includes Warehouse Employee EMC.

2.01 The term "TC Distribution Owner/operators" throughout this agreement refers to all Regular and Spare Dependent Contractors involved in the bulk delivery of the Times Colonist.

2.02 The term "Employee" throughout this agreement refers to all warehouse employees, all Employee Drivers and all Bicycle Couriers except managers, office and sales staff.

2.03 The term "Owner/operator" throughout this agreement refers to all Owner/operators involved in the pick up and delivery of goods for the company's customers.

2.04 The term "Messenger and Distribution Owner/operator" throughout this agreement refers to all Owner/operators involved in the pick up and delivery of goods for the company's messenger and distribution customers.

2.05 The term "Warehouse Employee EMC" throughout this agreement refers to all Employees involved in the extended market coverage division except managers, office and sales

staff, and employees and dependent contactors engaged in the delivery for the employers extended market coverage business.

ARTICLE 3 - UNION SECURITY

3.01 The Company recognizes the Union as the sole bargaining agent for all employees and Owner/operators covered by this agreement, as certified by the Labour Relations Board. Both parties hereby consent and agree to negotiate whenever the Union or the Company desires in any and all matters affecting the relations between the Company and the employees or Owner/operators.

3.02 The Company shall require as a condition of employment of any new Employee or Owner/operator that he/she shall on date of employment, become and remain a member of the Union in good standing, and that all present members of the Union shall remain in good standing during the life of this Agreement.

3.03 The Company agrees, as of date of hire, to deduct union dues, fees and assessments from the employee's earnings or Owner/operators revenue and shall provide a dues authorization form as in Schedule "A" attached hereto and forming part of this Agreement. The Company shall terminate the employment of any employee or Owner/operators who fails to comply with Article 3.03.

3.04 The dues, fees or assessments deduction pursuant to 3.03 in the amount certified by the Union to the Company to be currently in effect under the Union's constitution shall be deducted from each cheque and remitted no later than the 20th day of the month following to the secretary treasurer of the local union together with a list of names of employees and Owner/operator's on whose behalf such dues have been deducted.

3.05 The Company agrees not to enter into any individual agreements with Owner/operators except for One-off agreements required in special circumstances (as outlined in Appendix #1) One-off rates will not be below minimum rates established.

3.06 The Company agrees to advise the Union, in advance, when it creates or amend policies.

3.07 It shall be the responsibility of the Company, when hiring new Employees or Owner/Operators, to have him/her sign a Union membership card and forward it to the Union office, to provide him/her with the name of his/her Union Representative. The Company will also inform the Union of the name and location of the new hire.

ARTICLE 4 - JURISDICTION

4.01 This Agreement covers all dependent contractor drivers involved in the bulk delivery of the Times Colonist, and all dependent contractor drivers, employee drivers, bicycle couriers and warehouse personnel at and from the employer's locations in British Columbia except managers, office and sales staff, and employees and dependent contractors engaged in the delivery for the employer's extended market coverage business.

4.02 This Agreement covers Owner/operators.

4.03 This Agreement covers bike couriers.

ARTICLE 5 - REPRESENTATION

5.01 The Company recognizes the right of the Union to elect or otherwise select shop stewards from among the Employees and Owner/operators to assist employees or Owner/operators in processing of grievances to the designated representatives of the Company in accordance with the grievance procedure herein.

5.02 The Union acknowledges that the shop stewards have their regular duties to perform on behalf of the Company and the representative shall not leave such duties in order to present a grievance under the grievance procedure or to assist employees or Owner/operators in the preparation of grievances if it will affect the representatives ability to carry out his or her duties. This clause in no way limits the right of the representative to undertake or carry out the duties as shop stewards during Company time.

5.03 The Union will notify the Company in writing of the names of its committee, shop stewards and officers.

5.04 No Union representative shall be interfered with or discriminated against by the Company for carrying out the instructions of the Union governing the interpretation, application or alleged violation of the Collective Agreement.

5.05 The Company agrees that an authorized representative of the Union may assist members in the presentation of grievances from and after Article 6.02 of the Grievance Procedure and will assist the Committee in negotiations with the Company.

5.06 The Company shall notify the Union of changes of name and changes of ownership.

ARTICLE 6 - GRIEVANCE PROCEDURE

6.01 No verbal reprimand which could result in an entry in the employee's or Owner/operator's file shall be given any employee or Owner/operator except in the presence of a shop steward or other Union representative unless waived by the union. The Union representative and the employee or Owner/operator shall be given twenty-four (24) hours notice of any meeting which would require a shop steward or Union representative. Any verbal reprimand or letter of dissatisfaction will be copied to the Union.

6.02 A grievance must first be brought to the attention of the shop steward or the union within five working days of the occurrence. The shop steward will attempt to resolve the dispute with the supervisor or his or her designate within a further five working days.

6.03 A grievance lodged by the Company shall be submitted directly to the Grievance Committee.

6.04 A Grievance Committee representing the Company, and a like Committee representing the Union shall be appointed as needed to deal with any un-resolved disputes. The Committee representing the Union shall be selected by the Union,

6.05 The Grievance Committee shall meet within fourteen (14) days from the time the dispute comes to the attention of the the Union to deal with all unresolved disputes, which may arise. Such Grievance Committee shall meet at a time mutually satisfactory to the parties.

6.06 In the case of suspension or discharge the Grievance Committee shall meet immediately. The employee or owner/operator or Union may request a reason for the discharge in writing within twenty four (24) hours of the written request being received.

6.07 Should the Grievance Committee be unable to agree on a resolution then either party may refer the matter to arbitration within thirty (30) days. The Arbitrator shall conduct the hearing within the rules of the Labour Relations Board or the Expedited Arbitration Bureau. Wherever possible the parties agree to proceed to the expedited arbitration process. However, in no event shall an arbitrator have the power to alter or amend this agreement in any respect.

6.08 Wherever a stipulated time is mentioned in this section, the set time may be extended by the consent of the

parties or the representatives. The cost of the arbitrator shall be borne equally by the parties.

6.08 The Company agrees to subscribe to the principles of progressive discipline;

6.09 Personnel Files

(a) CEP members can review their file on request;

(b) All negative material will be removed from personnel file after one (1) year; and

(c) Suspensions can stay on file for eighteen (18) months.

ARTICLE 7 - DISCRIMINATION AND HARASSMENT

7.01 The Company shall hire employees or contract owner/operators without regard to age, sex, race, creed, colour, national origin, marital or parental status, irrelevant handicap, sexual orientation, religion or political belief.

7.02 No form of harassment will be tolerated.

ARTICLE 8 - BONDING

8.01 If the Company requires that an Owner/operator be bonded for specific work, only Owner/operators who are bondable shall be eligible to claim that work. For any specific work assigned, the terms and conditions of the collective agreement shall apply.

8.02 All new employees and Owner/operators must be bondable and are subject to a criminal background check.

ARTICLE 9 - BULLETIN BOARDS

9.01 There shall be provided and maintained a bulletin board for the exclusive use by the Union in each Company facility, except where prevented in shared facilities. The location of the bulletin board will be selected by the shop steward with the understanding that it not be in view of customers. Non-union employees will not add or remove material from these boards except upon request of the union.

ARTICLE 10 – HEALTH AND SAFETY

10.01 The Company will ensure that a first aid attendant is available as required by WorksafeBC.

10.02 Regular full time Employees and/or Owner/operators who hold valid first aid certificates and are designated first aid officers by the Company shall be paid an additional \$25.00 per month.

10.03 The Company shall ensure that adequate restroom facilities are available and maintained in a clean and safe manner at all locations in which more than two(2) employee and/or Owner/operator works, or makes provisions for any and all employees and/or Owner/operators to use other nearby facilities at any time whatsoever during their workday.

10.04 The Company shall ensure that adequate heat (which may mean warm up rooms) and light shall be in place for each facility in which employees and/or Owner/operators work on behalf of the Company for more than two (2) consecutive hours.

10.05 Where there are no safe and convenient stairs, the Company shall ensure that there shall be safe stairs, steps or ramps wherever employees and/or Owner/operators are required to travel up or down more than 14 inches.

ARTICLE 11 - MANAGEMENT RIGHTS

11.01 The Union recognizes the exclusive right of the Company to operate its establishment, machinery and equipment and to manage its undertakings as it sees fit, subject only to the restrictions imposed by law or by the provisions of this collective agreement. Without limiting the generality of the foregoing the Union recognizes that it is the Company's right:

1. to administer the Company including the right to study and introduce new methods and to increase or reduce its personnel to modify its structures as well as its schedules of work.
2. to demote, discharge, reprimand, suspend and discipline with just cause.
3. to maintain order, discipline, productivity and output.
4. to hire.

11.02 In the exercise of its Management Rights the Company shall comply with this collective agreement and the paragraphs above shall not deprive the employees, Owner/operators or the Union of the right to have recourse to the grievance and arbitration procedure provided for in this collective agreement.

ARTICLE 12 - CONTINUITY OF SERVICE

12.01 An employee or Owner/operator on leave for a position in the Union or to work for the Union shall also continue to accumulate seniority.

12.02 An employee or Owner/operator on Worksafe B.C. benefits shall continue to accumulate seniority and shall continue to accumulate benefits as if he or she is working.

ARTICLE 13 - STRUCK WORK

13.01 The Union reserves the right to its members to refuse to execute or handle work that was to be produced by struck CEP or other printing concerns where legal lockouts or strikes are in progress.

13.02 No Employee or Owner/operator covered by this Collective Agreement shall be required to cross a legal picket line to execute his or her work.

ARTICLE 14 - NO REDUCTION IN SALARY

14.01 There shall be no reduction in salary for employees and Owner/operators as a result of this Collective Agreement coming into full force and effect.

ARTICLE 15 – PROBATION

15.01 All new employees or Owner/operators shall be considered probationary for the first ninety (90) days. During the probationary period, employees may be discharged for any work-related reason.

ARTICLE 16 - SUBSTANCE ABUSE

16.01 The company is committed to providing information and assistance through education. The company is also committed to making sure employee seniority is unaffected by any leave that may be required.

PART TWO – EMPLOYEES

ARTICLE 201 - SENIORITY

201.1 There shall be a seniority list for employees. This list shall be provided to the Union and will be updated as required. There shall be a separate seniority list for Warehouse Employees EMC.

201.2 The employee seniority list provided to the Union shall include; name, address, phone number, social insurance number, date of birth, date of hire, termination, retirement, death and the amount of dues currently being deducted.

201.3 Seniority for the purpose of job posting shall be based on the continuous service with the Company.

201.4 Seniority for the purpose of vacation entitlement shall be based on the length of continuous service with the Company.

201.5 If an (hourly paid) driving position becomes available, existing hourly paid drivers at that facility may use their seniority to apply for that position. The new open position will then be offered to spare employee drivers based on their seniority at that facility, before the company offers any owner/operator or any new hire the position. Owner /operators at that facility will be offered the position before any new hires. In all cases above preference shall be given to employees who possess the requisite skill and ability.

201.6 Employees will be scheduled for shifts based on the length of continuous service with the Company.

- Seniority is location/facility based. An employee cannot claim shifts at another location.

- Seniority can be used to claim shifts only in the job classification in which the employee currently works.

- Shifts cannot be claimed if that will result in overtime if that work can otherwise be done at straight time.

- Overtime shifts will be offered to employees in seniority order.

- The employee must be qualified to perform the work. When skill and ability is relatively equal as between two or more employees the employee senior in service will be given the shift.

201.7 If the company opens up a warehouse position then part-time warehouse employees will be offered the position first, before any new hires, based on their seniority at that facility.

Preference shall be given to present Part-time employees in the filling of any vacancies, provided they are qualified to perform the work. When skill and ability is relatively equal as between two or more employees the employee senior in service will be awarded the position.

201.8 Any employee job openings at a facility shall be posted on the Union bulletin board for six (6) calendar days.

ARTICLE 202 – LAYOFFS/BUMPING

202.1 In case of a reduction in the workforce within any facility, the employee with the least seniority in his/her job classification at that facility will be the first to be laid off. Such an employee can bump an employee with less seniority in a job classification in which s/he has formerly worked for a minimum of three (3) months.

For the purpose of this clause the Employee classifications are:

- Warehouse Employees
- Warehouse Employees EMC
- Employee Drivers (Tractors)
- Employee Drivers (Larger Trucks – GVW 5,500 kilograms and over)
- Employee Drivers (Cargo Vans – under 5,500 kilograms GVW)
- Bike Couriers

For the purpose of this clause facilities include but are not limited to:

- | | | |
|--------------|-----------|--------------|
| Victoria | Kamloops | Nanaimo |
| Port Alberni | Courtenay | Smithers |
| Duncan | Delta | Powell River |
| Castlegar | Kelowna | |
- And any future facilities that may open.

202.2 All employee drivers, employed as of the date of the tentative agreement, cannot be replaced by Owner/operators except through resignation, retirement or circumstances where the majority of the work for the driver is no longer available due to a significant loss of business.

202.3 In the event of a layoff of an employee, severance pay shall be one week's pay per year of service to a maximum of ten (10) weeks or equivalent notice in lieu of severance pay.

202.4 Severance pay shall be paid within one week of layoff. If the employee is recalled, it shall be in priority order and he/she shall repay any unused portion of the severance pay or forfeit any right to recall.

202.5 A laid off employee shall have the right to recall over new hires for 6 months.

202.6 During times of the year when there is a temporary reduction in the number of shifts available for Warehouse Employees EMC will be dealt with as follows:

- the employee, upon his/her request, will be issued a Record of Employment in order to claim Employment Insurance benefits.
- such employees will maintain their seniority and will be called in to work as needed.

202.7 Warehouse Employees EMC are entitled to severance as per the Employment Standards Act.

ARTICLE 203 - STATUTORY HOLIDAYS

203.1 The following are the Statutory Holidays:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
BC Day	Family Day

203.2 Statutory Holiday will be paid in accordance with the Employment Standards Act.

203.3 Any additional days proclaimed as Statutory Holidays by the Provincial or Federal Governments shall be treated in the same fashion as the above listed statutory holidays.

ARTICLE 204 - WAGES

Effective Feb. 27, 2013

Warehouse EMC	\$11.00 per hour
<u>Warehouse Employees</u>	
New hires after Feb. 27, 2013	\$11.69 per hour
New hires 366 days after date of hire	\$12.31 per hour
Employees hired prior to Feb. 27, 2013	\$12.31 per hour
Bicycle Couriers	\$12.31 per hour
<u>Employee Drivers</u>	
Cargo Vans (under GVW 5,500 kg)	\$13.56 per hour
Larger Trucks (over GVW 5,500 kg)	\$15.26 per hour
Employee Drivers (Tractors)	\$19.02 per hour

All driver rates are red circled or new rate, whichever is greater.

ARTICLE 205 – OVERTIME/BREAKS/NIGHT SHIFT PREMIUM

205.1 For Employee drivers in vehicles less than 5-tons, daily overtime pay is time-and-a-half after eight hours worked in a day and double time after 12 hours worked in a day. Employee drivers in 5-ton vehicles or tractors, will be paid overtime pay at time-and-a-half after nine hours worked in a day and double time after 12 hours worked in a day

205.2 For Employee drivers in vehicles of less than 5-tons, weekly overtime is time-and-a-half after 40 hours worked in a week. Only the first eight hours worked in a day count towards weekly overtime. Employee drivers of 5-ton vehicles and tractors, will be paid weekly overtime at time-and-a-half after 45 hours worked in a week. Only the first nine hours worked in a day count towards weekly overtime.

As per a letter of Agreement #10 the Employee list as supplied by the Company will be red circled and will continue to be paid at overtime after eight hours.

205.3 An unpaid lunch time (which shall not be less than one-half hour nor more than one hour) must not be more than five hours from starting time.

205.4 There shall be two 15-minute paid breaks per 8 hour shift or one 15-minute paid break per 4 hour shift.

205.5 Night Shift differential of \$0.65 per hour will be paid for all work performed between the hours of 6:00 p.m. and 4:00 a.m.

ARTICLE 206 – PART-TIME/TEMPORARY

206.1 A part-time employee is one who is hired to work regularly less than 30 hours per work week provided for in this collective agreement.

206.2 A temporary employee is one employed for a special project or for a specified time, in either case not to exceed six (6) months except for maternity/paternity relief, which may be 12 months. The Union shall be notified in writing as to the nature of such project or its duration.

206.3 Part-time and temporary employees shall not be employed where, in effect, such employment would substitute for (except for employees on sick leave, vacation or written leave of absence), eliminate or displace a regular or full-time employee.

206.4 Part-time seniority will be based on hours worked (if tied, date of hire prevails). Part-time employees will be scheduled by seniority.

206.5 Preference shall be given to present Part-time employees in the filling of any vacancies, provided they are qualified to perform the work. When skill and ability is relatively equal as between two or more employees the employee senior in service will be awarded the position.

206.6 All part-time and temporary employees will be paid for a minimum of (2) hours per day except for T/C hourly drivers and Warehouse Employees EMC who will be paid a minimum of four (4) hours.

206.7. The Employees listed below will work a minimum of six hours daily if required by the Company. The Company will make best efforts to accommodate their requirements for reduced hours. This provision will apply to the Employees listed below for the life of this agreement.

Carl Thompson	Krystal Samsonoff
Patricia Carr	Amanda Pierce
Roger St Armand	Carol Limerich

ARTICLE 207 - EMPLOYMENT ADMINISTRATION

207.1 The Company shall maintain all employment records for all employees and on every payday must give each employee a written statement explaining the pay cheque.

207.2 Employees shall be paid on the 15th and the last day of each month. When the 15th or last day of the month falls on a weekend or a statutory holiday, employees shall be paid on the day prior to the weekend or statutory holiday.

ARTICLE 208 - VACATIONS

208.1 Vacation pay shall be paid according to the provisions of the Employment Standards Act of British Columbia as of January 2002.

208.2 Vacations shall be selected provided the number of employees off at any one time shall not affect the efficient operation of the Company. Vacation schedules shall be posted December 1st for the following year; seniority shall prevail for

vacations selected prior to March 1st of the vacation year. Any vacation not selected prior to March 1st of the vacation year shall be awarded on a first come first serve basis. Except in cases of emergency no employee shall take vacation from December 1st to December 25th.

208.3 Vacations must be taken in minimum 1 week periods.
208.4 An employee shall book vacation time at least (30) thirty days in advance of the requested vacation dates.

ARTICLE 209 - LEAVE OF ABSENCE

209.1 - UNION LEAVE:

1. An employee who is elected or appointed to any position within the CEP, upon his or her request, shall be given a leave of absence without pay for the duration of his/her appointment or election.
2. An employee who is on leave for an elected Union position shall maintain the leave for as long as he or she continues to hold office.
3. An employee who is on leave for an elected position or to work for the Union shall maintain such leave for three (3) years.

209.2 - LEAVE TO SEEK PUBLIC OFFICE

1. A leave of absence without pay will be granted to an employee who requests such leave for the purpose of becoming a candidate for a public office or for a political party.
2. If an employee who is granted a leave of absence for this purpose is successful in his or her bid for such position, leave shall be granted for one term of elected office if requested. If he or she is successful in seeking a second term the leave shall be withdrawn and the employee's employment terminated.
3. If the employee is unsuccessful then he or she shall return to work within thirty (30) days of the election and be reinstated with the same seniority. Failure to return within thirty (30) days will constitute notice of termination by the employee and his or her employment will be terminated on the 31st day.

209.3 - UNPAID LEAVE

1. The Company may grant an employee an unpaid leave of absence of up to sixty (60) days providing such leaves do not cause unreasonable disruption of operations.
2. The Company shall also grant an unpaid leave of up to six (6) months for military service.
3. Leaves longer than one (1) month granted under c. (1) and (2) shall freeze the members accrual of seniority until he or she returns.

ARTICLE 210 - CONFLICT OF INTEREST

210.1 Employees will at all times protect the interests of the Company. They will not at any time become in a conflict of interest that could reflect negatively or do injury to the Company.

ARTICLE 211 - EMPLOYEE'S EQUIPMENT

211.1 Employees shall be provided, suitable for all locations, communication equipment at no charge to be used for all company-related communications, such as contacting the dispatcher, customers, etc. The Company shall be responsible for all costs of loss, damage, operation and maintenance of this equipment.

211.2 If the Company wishes the employee to wear a Company uniform the uniform shall be provided at no cost to the employee.

211.3 The Company will provide Employees, after three months of employment, with a boot allowance, of up to \$150.00 every twenty-four months (24) upon the production of a receipt.

PART THREE - OWNER/OPERATORS

**NOTE: PART THREE APPLIES TO
MESSENGER/DISTRIBUTION OWNER/OPERATORS AND
TC OWNER OPERATORS.**

ARTICLE 301 - SENIORITY

301.1 There shall be two (2) seniority lists for the Owner/operators.

There will be:

- one (1) seniority list for Messenger and Distribution Owner/operators (Vancouver Island, Lower Mainland, the Interior) and

- One (1) seniority list for TC Distribution Owner/operators.

These lists shall be provided to the Union and will be updated as required.

301.2 The Owner/operator seniority lists provided to the Union shall include; name, address, phone number, start date, termination.

301.3 Seniority for the purpose of job posting shall be based on the continuous length of service to the Company.

ARTICLE 302 - REVENUE

302.1 Owner/operators will be paid twice monthly for a calendar period starting on the 16th of each month up to and including the 15th of the following month. Revenue will be paid for each of the twelve annual periods as noted above on the last day of each month. The Company shall provide to the Owner/operator a draw on the 15th of each month. The base draw will be \$500.00 provided the Owner/operator has earned enough to cover that amount by the 8th of the month. If the Owner/operator has not earned enough to cover the standard draw then the draw will be reduced to a point where the draw is 75% of the amount earned.

The Owner/operator will have the option of varying their mid-month draw. A signed letter submitted to the Company's head office will allow the Owner/operator to set the amount of the draw for a (6) six-month period. If no letter is submitted the amount of the draw will remain unchanged. The letter shall be submitted at least (2) two weeks prior to the change being ratified, and can be submitted each (6) six months thereafter. Should an Owner/operator request a varied amount of draw the rules for calculating the draw remain the same as the standard draw.

ARTICLE 303 - GENERAL PROVISIONS

303.1 At his or her expense the Owner/operator shall pay all income tax due Canada Customs and Revenue Agency eligible on the revenue payable by the Company together with all premiums due on account of Canada Pension Plan and shall indemnify and save harmless the Company from and against any liability or responsibility in connection with same.

303.2 The Owner/operator shall not divulge, publish or otherwise reveal, directly or indirectly, any knowledge, information, facts or trade secrets learned during the term of this agreement or any renewal thereof or as a result of his being the Owner/operator contracted by the Company, and shall retain all

such knowledge and information in a fiduciary capacity for the sole benefit of the Company. Owner/operator's will at all times protect the interests of the Company. They will not at any time become in a conflict of interest that could reflect negatively or do injury to the Company.

303.3 The Company agrees to meet with the Union to discuss any proposed route changes prior to such changes taking place. The Company commits to explore all possible ways of minimizing the effects of route changes with the Union. The Company agrees that route changes will only occur for reasons of operational necessity.

303.4 If the Owner/operator considers his/her regularly scheduled route or newly assigned route is unserviceable in a safe and timely manner, the Owner/Operator shall forward a formal request in writing detailing the constraints and challenges of the route to his/her direct supervisor and union representative in order to reach a mutually agreeable solution.

303.5 An Owner/operator performing the service for the Company shall not operate his or her motor vehicle in a reckless, careless or an incompetent manner or under the influence of alcohol, drugs, fatigue or narcotics or any other manner inconsistent with the Company's policies, regulations and or any federal, provincial or municipal statute.

303.6 Owner/operator's will sign on and sign off with their Dispatcher or night manager each day they are scheduled to provide service to the Company's customers.

303.7 It is understood by the Union and the Company that the nature of the Company's business is such that all deliveries must be completed or have a proper status on the day the Owner/operator receives them. An Owner/operator whom fails to complete or properly status the deliveries as required by the Company's customers on time shall not be compensated for those deliveries.

303.8 The Owner/operator shall undertake to indemnify and hold Total Delivery Systems Inc. harmless from all claims, debts, demands, suits, actions and cause of actions whatsoever for loss, damages, delay, and liability of any nature or kind whatsoever made or brought by any person, firm, or corporation against Total Delivery Systems Inc. arising out of or in connection with the services rendered by the Owner/operator.

303.9 The sole relationship between the parties hereto is that of principle and contractor and nothing herein shall be deemed to create any other relationship including without the generality of the foregoing, any relationship of employer and employee, agency, partnership, association or joint venture.

303.10 Any articles that are supplied by the Company remain the property of the Company and shall be returned within two working days of the date of severance.

ARTICLE 304 - MOTOR VEHICLE

304.1 The Owner/operator shall provide and maintain a vehicle that meets the normal requirements of the job (the size and type required).

304.2 At the Company's request, an Owner/operator will provide an annual report from a certified British Columbia auto mechanic certifying that the Owner/operator's vehicle conforms to the Motor Vehicle Act standards. The report to be provided will be the British Columbia Private Vehicle Inspection Report, Form No. MV3199. Required repairs may be completed at a mechanical facility selected by the Owner/operator. The Company will pay for the inspection report if the Owner/operator has the Safety Inspection conducted by a certified mechanical facility designated by the Company. The Owner/operator will bear the cost of the inspection report when the Owner/operator has the inspection conducted by a

certified mechanical facility other than the one designated by the Company.

304.3 The Owner/operator vehicle must be maintained in a clean and presentable condition, including but not limited to:

1. Manufacturer colours only, no primer, unless approved by the company
2. Free of "bumper stickers" and signs (except company markings or union sticker)
3. Free of visible significant damage
4. Cargo area to be clean
5. Cargo area to be free from the elements, and securable

304.4 The Owner/operator shall maintain at his or her expense liability insurance on the vehicle in the minimum amount of \$2,000,000 (Canadian dollars) and must have delivery use vehicle insurance.

304.5 The Owner/operator shall provide the Company the following:

1. A copy of the current ICBC insurance and registration document for his or her vehicle.
2. A copy of their current British Columbia driver's license.
3. On an annual basis a copy of his or hers current driver's abstract from the Motor Vehicle department.
4. Immediately upon becoming involved in a motor vehicle accident or a motor vehicle traffic violation the Owner/operator shall report the incident in writing to the Company.

304.6 Owner/operators are not required to carry cargo insurance.

304.7 In the event an Owner/operator defaults in the performance of Articles 304.4 of the terms contained in this Agreement, the Company shall have the right to suspend the Owner/operator forthwith or at anytime while such default continues by giving the Owner/operator and the Union written notice to that effect. Any suspension or termination shall be for just cause and shall be in writing stating the reasons for suspension and or termination. Such suspension or termination is subject to the grievance procedure. Grievance on suspension or termination shall go immediately to the Grievance Committee. If an Owner/operator is suspended under this section for not maintaining the licensing as required in Articles 304.4 he or she shall be reinstated upon providing proof of compliance.

304.8 Any notice given under Articles 304.4 shall be effective on the date of delivery if delivered personally, or if mailed, on the third business day after the mailing by registered mail to the address provided to the company by each Owner/operator. It is agreed that the Union representative is to receive a copy of such notice.

304.9 Any Owner/operator shall have thirty (30) days to correct any default as described in 304.4. Any record within the Owner/operators personnel file will be removed immediately after the default is corrected.

304.10 Owner/operators are free to use their vehicles for personal and/or commercial use as long as it does not interfere with their TDS duties as per Article 210.1.

ARTICLE 305 - PAYMENT INFORMATION

305.1 Any deductions from paycheques that differ from normal deductions, will be fully explained to the Owner/operator or employee at the time of deduction.

PART FOUR – MESSENGER/DISTRIBUTION OWNER OPERATORS

**PART FOUR APPLIES ONLY TO
MESSENGER/DISTRIBUTION OWNER/OPERATORS. SEE
ALSO PART THREE.**

ARTICLE 402 - REVENUE

402.1 As per Schedules 1, 2, 3.

402.2 The Company shall provide to the Owner/operator a statement of jobs performed by the Owner/operator in servicing the customers of the Company the following day that such jobs were performed. The Owner/operator will provide the Company with an invoice after the completion of each day's performance in servicing the customers of the Company. A standard invoice for all Owner/operator's will be provided by the Company.

ARTICLE 403 – GENERAL PROVISIONS

403.1 At his or her expense the Owner/operator shall maintain a WorksafeBC firm number and shall ensure it remains in good standing. Such coverage to be at the WorksafeBC classification appropriate for work being performed. If at any time, the Owner/operator defaults on paying his or her assessment to WorksafeBC. The company will automatically invoice the Owner/operator for such assessments and submit payment directly to WorksafeBC. Documentation on WorksafeBC costs will be provided to the Owner/operators. Outstanding invoices to the Company will be deducted from Revenue owed to the Owner/operator. Owner/operators shall provide a statement to the Company showing assessments paid in full to WorksafeBC each WorksafeBC assessment period within 24 hours of the due date of such assessment. The Company at the Owner/operator's request shall submit and administrate the firm number of the Owner/operator and shall deduct such assessments as required from the Owner/operator's revenue. When the Company chooses to make regular payments on behalf of an Owner/operator it will be done at no additional cost to the Owner/operator and documentation will be provided to the Owner/operator.

404.2 Owner/operators shall carry out the performance requirements of the Company's customers. In the event that the delivery request is too large, or unsafe for the Owner/operator or the request is beyond the ability of the Owner/operator, the Owner/operator is to contact the dispatcher or night manager immediately as to the problem. The dispatcher or night manager and Owner/operator shall work together to solve the problem to the satisfaction of the customer. If no agreement can be reached between the Owner/operator and the dispatcher or night manager, the Owner/operator has the right to refuse to fulfill that request with no repercussions to the Owner/operator.

403.3 At the Company's expense, a uniform will be provided to the Owner/operator. The uniform shall bear the Company Logo and other insignia as required by the Company from time to time. The Owner/operator shall maintain the uniform in a clean and presentable fashion. The uniform shall be worn by the Owner/operator in the performance of service to the Company's customers. The basic uniform will consist of three (3) shirts and one (1) jacket, usually replaced once per year.

403.4 Any clothing provided to an Owner/operator must be signed for by the Owner/operator. When that clothing is returned to the company a receipt, signed by a company representative, will be issued to the Owner/operator.

403.5 The Company, the Union and the Owner/operators understand the importance of meeting customer service requirements. Unplanned/ unscheduled absences can create serious service concerns. If customer service requirements are not met at all times potential revenue loss for both the company and Owner/operators can occur. Therefore vacation and short-term absence must be covered in a timely and effective manner. It shall remain the responsibility of the Owner/operator to locate and train, (subject to company agreement) a suitable replacement relief contractor to perform the services under contract between the company and the owner/operator for the duration of all absences.

However, in the case of absences due to illness or injury, or due to unavoidable circumstances, and at the request of Owner/operator, then the company will assist the owner/operator in finding a replacement relief person for the duration of the absence, according to the following procedure:

1. The primary responsibility for finding a replacement relief shall rest with the Owner/operator.
2. If, after making every reasonable effort, the Owner/operator cannot locate a replacement relief person/vehicle, then the company shall attempt to find a suitable replacement relief person/vehicle for the Owner/operator.
3. If a replacement relief operator can not be found the company may:
 - a. Load balance, redistribute freight to other Owner/operators.
 - b. Use an outside agent to perform the required work.
 - c. Use an hourly employee to drive a company vehicle where available.
4. If, during an absence by the Owner/operator due to illness or injury, the company provides a replacement relief operator and/or a replacement vehicle to cover the Owner/operator route, then the cost shall be borne by the Company, and the Company shall retain the revenue for the route for the duration of the absence.

In the case where an Owner/operator is involved in a motor vehicle accident, but is still able to perform his/her duties, and the vehicle is unavailable as a result of this accident, the Owner/operator shall at his/her expense rent a replacement vehicle.

An Owner/operator who has not provided services for the company and has not provided replacement relief, or provided evidence as to why they cannot provide service, shall, after five working (5) days, be considered to have terminated his/her services to the Company.

403.6 Owner/operators required by the Company to obtain a certificate acknowledging recognition of achieving training in the handling of dangerous goods will be reimbursed costs involved by the Company.

403.7 Owner/operators whom are required to collect funds for Cash On Delivery (COD's) Shipments of the Company's customers shall do so at the time of delivery. These funds are to be turned into the Company along with the paperwork either at the end of that day or on the next available linchaul. In any and all cases the funds are to be in the Company's hands no later than the end of the second day after the delivery is completed. If the funds for the COD are not delivered to the Company by the end of the second day following the delivery, discipline may be used where applicable and appropriate and the COD funds collected.

403.8 Owner/Operators shall pay the Company a monthly Communication Equipment Rental Fees of \$25.00, to cover the rental of communication and status update tools.

Repairs:

Owner/Operators will be liable for only the first \$100 in repairs (not including manufacturers' defects or normal wear and tear) or replacement costs for lost equipment. Receipts will be provided prior to payment. Should it be proven beyond doubt that damage to the unit was caused with the intent to purposely damage company property, the Owner/operator will become responsible for the full cost of the unit.

403.9 Any communications equipment provided to an Owner/operator must be signed for by the Owner/operator. When that equipment is returned to the company a receipt, signed by a company representative, will be issued to the Owner/operator.

403.10 If an Owner/operator brings in a shipment without complete labeling, the company has no obligation to pay the compensation for that particular order.

ARTICLE 404 – MOTOR VEHICLE

404.1 Owner/operators shall install company door decals, which will be provided by the Company. If the owner/operator chooses to have magnetic signs then he or she shall pay all costs. Decals must be installed according to Company specifications. Upon termination or resignation from the Company the owner/operator shall immediately remove company decals from the vehicle.

With the Company's approval the Owner/operator may have the large Company signs applied to their vehicle, if applied the Owner/operator shall be paid a 2% premium on revenue while the signs are on the vehicle. Large signs are defined as any signs other than door signs (approximately 12 inches by 18 inches) on the side and/or windows of the truck. The Company will pay for the installation of such signs. Upon termination or resignation from the Company, the Owner/operator shall have such signs removed from the vehicle. The Company shall provide a removal allowance of \$100.

404.2 In the event an Owner/operator defaults in the performance of Articles 404.1 of the terms contained in this Agreement, the Company shall have the right to suspend the Owner/operator forthwith or at anytime while such default continues by giving the Owner/operator and the Union written notice to that effect. Any suspension or termination shall be for just cause and shall be in writing stating the reasons for suspension and or termination. Such suspension or termination is subject to the grievance procedure. Grievance on suspension or termination shall go immediately to the Grievance Committee. If an Owner/operator is suspended under this section for not maintaining the licensing as required in Articles 404.1 he or she shall be reinstated upon providing proof of compliance.

404.3 Any notice given under Articles 404.1 shall be effective on the date of delivery if delivered personally, or if mailed, on the third business day after the mailing by registered mail to the address provided to the company by each Owner/operator. It is agreed that the Union representative is to receive a copy of such notice.

404.4 Any Owner/operator shall have thirty (30) days to correct any default as described in 404.1. Any record within the Owner/operators personnel file will be removed immediately after the default is corrected.

ARTICLE 406- JOB POSTINGS

406.1 Should a position for an Owner/operator become vacant or a new position for an Owner/operator be created it shall be posted at all facilities and copied to the Union and subject to claim. The position being posted for claiming shall be awarded based on seniority.

406.2 When claiming open positions, claiming sheets shall be posted at all locations for six (6) business days and completed at the end of the sixth business day.

406.3 Until the claiming process for the position is completed the Company shall have the right to ensure that the position is covered by any means necessary.

406.4 If a senior Owner/operator claims an open position then his or her position becomes open to claim.

406.5 An Owner/operator must provide a vehicle that meets the normal requirements of the position claimed.

**PART FIVE – TIMES COLONIST
OWNER/OPERATORS**

**PART FIVE APPLIES ONLY TO TC OWNER OPERATORS.
SEE ALSO PART THREE.**

ARTICLE 501 - SENIORITY LISTS

501.1 Seniority for the purpose of vacation entitlement shall be based on the length of continuous service with the Company. Seniority for the purpose of job postings shall be based on the continuous service with the Company including all continuous time delivering the Times-Colonist for any previous company.

ARTICLE 502 - REVENUE

502.1 As per Schedule 4.

502.2 The Company shall provide to the Owner/operator a statement of jobs performed by the Owner/operator in servicing the Times Colonist for the Company, with his or her revenue cheque.

ARTICLE 503 - GENERAL PROVISIONS

503.1 The Company agrees to pay 100% of the WorksafeBC Personal Option Protection minimum assessments on behalf of all TC Distribution Owner/operators and TC Distribution Owner/operator Spares.

ARTICLE 506 - JOB POSTINGS

506.1 Should a route become vacant and/or be amalgamated, added to or reduced, or the income of an Owner/operator affected by more than fifteen percent (15%), or a new route created, the affected route(s) shall be subject to claim. When a route is posted for claiming, all claims shall be awarded based on seniority.

506.2 Should a route be amalgamated or eliminated for any reason causing the loss of employment for a regular TC Owner/operator with a dedicated route, then the most Junior person shall be laid off first.

506.3 When claiming opens, claiming sheets shall be posted for six (6) days and completed at the end of the shift on the sixth day. A spare Owner/operator may cover an unclaimed route until the claiming process is completed.

506.4 There shall be a claiming sheet for all routes, and the routes open for claim shall be clearly marked including the estimated rate and the estimated kilometers for the route clearly posted. Accurate kilometers shall be provided to the company by the Owner/operators within five (5) working days and the paper,

stop/drop box counts shall be provided by the company within nine (9) working days and the rate corrected retroactively. Where the rate varies by 15% more or less than the posted estimate the route shall be reposted.

506.5 If a Senior Owner/operator claims an open route, his or her route then becomes open to claim.

502.6 When a vacant or new route causes the claiming, Spare Owner/operators shall have the opportunity to claim, based on seniority. The move will be awarded based on seniority.

506.7 An Owner/operator must be able to provide a vehicle that meets the normal requirements of the claimed route.

506.8 All Spare Owner/operators scheduling shall be done on a reactionary basis.

ARTICLE 507 – CONDITIONS

507.1 The Owner/operator shall pick up the newspapers at the designated loading time each delivery day and deliver them to the addresses in a timely and efficient manner.

507.2 If the size of the paper creates an overload for an Owner/operator and the Company decides to run a spare to carry the overload, the Owner/operator shall not be penalized and shall be paid his or her normal route rate(s).

507.3 An Owner/operator will report to the loading dock at his or her scheduled loading time. If called in early the Owner/operator shall be paid from the new start times. Owner/operators are not required to come in prior to their load times.

507.4 The Company shall pay all TC Distribution Owner/operators for wait time once drivers have had to wait 15 minutes past their start time at the rate of \$2.50 per fifteen (15) minutes. Once applicable it will be paid back to the designated start time.

507.5 Wait time shall include reasons beyond the Owner/operators control in the loading of their trucks, if halted or interrupted for any reason. To qualify for wait time the total stoppage time must be in excess of 15 minutes.

507.6 The Company shall supply to each Owner/operator, no later than the start of each Saturday night/Sunday morning shift, a schedule that shows the load time for each driver for the following week (Tuesday through Sunday editions).

507.7 The Company shall maintain a spare roster sufficient to cover emergencies.

507.8 The Company must provide a manifest for each run to its Owner/operator or spare each night.

507.9 An Owner/operator will report to the loading dock at his or her scheduled loading time and will sign the sign-in sheet.

ARTICLE 508 - VACATION LEAVE:

508.1 An Owner/operator shall book Vacation Leave at least 30 days in advance of the leave.

509.2 Vacation and Statutory Holiday pay is included in accordance with Schedule "4".

510.3 An Owner/operator may book part or all of his or her vacation leave at any one time.

SIGNING PAGE

Dated this ___ day of _____, 20__.

For the Company:

For the Union:

**SCHEDULE "A"
DUES AUTHORIZATION FORM**

Note: To be signed by all current employees and Owner/operators as well as all new employees and Owner/operators immediately upon starting work.

ASSIGNMENT AN AUTHORIZATION TO CHECK OFF UNION DUES

To: Total Delivery Systems Inc.

I hereby assign to the Communications, Energy and Paperworkers Union of Canada, Local 2000, and authorize you to deduct from any remuneration owed me as an employee or Owner/operator, all my CEP membership dues levied against me by the CEP for each calendar month following the date of this assignment. I hereby authorize and request you to remit the amount deducted to the Communications, Energy and Paperworkers Union of Canada, Local 2000.

Employee or Owner/operator Signature

Date

Dated this ___ day of _____, 20__.

For the Company:

For the Union:

**SCHEDULE "B"
TC DISTRIBUTION OWNER/OPERATOR
SENIORITY LIST – CLAIMING ROUTES**

Company to provide an updated list quarterly (Jan-Apr-July-Oct).

**SCHEDULE "C"
OWNER/OPERATOR SENIORITY LIST**

Company to provide one updated list for all Vancouver Island, Lower Mainland & Interior list quarterly (Jan-Apr-July-Oct).

SCHEDULE "D"

WAREHOUSE EMPLOYEE - EMC SENIORITY LIST

Company to provide an employee list quarterly (Jan-Apr-July-Oct) with facility where employee works, in the following classifications

- Warehouse Employees
- Employee Drivers (Larger Trucks – GVW 5,500 pounds and over)
- Employee Drivers (Cargo Vans – under 5,500 GVW)
- Bike Couriers
- EMC Division

SCHEDULE "1"

MESSENGER OWNER/OPERATOR RATE SHEET

1) LOCAL – Messenger Owner/operators Same Day Deliveries are to be paid 60% commission out of the pre-tax delivery charges to the customer.

Commissions will not be subject to discounts of more than 15% that the company may choose to offer customers.

When more than one Owner/operator is involved on the delivery the commission paid will be divided equally between the Owner/operators involved. Zones will be as specified on the rate sheets.

The Company will provide the Union with a monthly rate sheet for all Messenger Accounts.

2) OUT OF LOCAL AREA – All deliveries from messenger accounts that go out of their local area will be considered for rating purposes to be as per Schedule #2.

SCHEDULE "2"

DISTRIBUTION OWNER/OPERATOR TDS AND ALL NEW CUSTOMER PICK-UP AND DELIVERY RATES

2.01 Pick-ups will be paid at the same rate as TDS deliveries. Where the pick up is performed at the same time as the delivery, TDS will pay 50% of the pick up rate.

2.02 Pick-up of shipping containers are included in the delivery rate when picked up while delivering.

2.03 When the company negotiates any "with return rates" with its customers Owner/operators will be paid 60% but not to exceed the delivery amount.

2.04 Owner/operators will be paid 60% of what the customer is charged for no goods but not to exceed the delivery amount.

2.05 The TDS Overnight rate will be paid for each unsuccessful delivery, but not to exceed delivery amount

2.06 The TDS Owner/operator commission rate will be paid for all new customers secured after date of ratification.

2.07 Liftgate charges: 60% of what is charged to customers. Customers will be charged a minimum of \$15 per delivery.

2.08 For multiple pickups or deliveries from or to the same location, the following will apply:

- more than one waybill for the same customer: paid for one stop plus weight.
- more than one waybill for different customer: paid for each waybill.

2.09 If recoverable from the customer, after 10 minutes, the Owner/operators will be paid 60% of \$2.50 per each 5 minutes,

or greater portion thereof, for any time required to offload or reload skids by hand.

2.10 Owner/operators will be paid 60% of \$2.50 per 5 minutes, for any time required to assemble furniture.

2.11 When recoverable from the customer, after 10 minutes waiting time will be paid at 60% of \$2.50 per each 5 minutes when Owner/operators are required to wait due to circumstances beyond their control.

2.12 Weekend and Holiday work, in addition to the regular rate, will carry a premium of 10% of the freight charge or \$25, whichever is greater. Owner/operators will receive 60% of this fee. This does not apply to VIHA or Loomis route work.

2.13 Temporary Route Subsidy (TRS)

A Temporary Route Subsidy is applied to routes where the current revenue level does not provide reasonable daily compensation. The Company will consult with the Union and award a Temporary Route Subsidy at the discretion of the company.

The TRS is adjustable based on an increase in revenue on the route. For each 20% increase in revenue, the Company can reduce the TRS rate by up to 10% with 30 days' notice. The TRS is exclusive of an FSC.

2.14 Fuel Service Charges will be paid on the Line Haul rates but not on the Temporary Route Subsidies.

2.15 Minimum freight charges for each zone will continue for the various TDS customers, as set out in the Dec. 1, 2012 Commission Report, with the following exceptions:

2.16 The TDS freight rates will be:

Overnight Rate \$2.46

\$2.51 Effective July 1, 2013

FSC Adjusted monthly as per Appendix 2

0-25 Pounds

Overnight rate plus FSC

26-70 Pounds

Overnight rate plus FSC plus

1¢ per pound for all pounds over 25

71-250 Pounds

Overnight rate plus FSC plus:

1¢ per pound for all pounds between 26 and 70

1.75¢ per pound for all pounds between 71 and 250

\$2.00 premium

251-1,000 Pounds

Overnight rate plus FSC plus

1¢ per pound for all pounds between 26 and 70

1.75¢ per pound for all pounds between 71 and 250

2.0¢ per pound for all pounds between 251 and 1,000

\$7.00 premium

1,001 Pounds -5,000 Pounds

Overnight rate plus FSC plus

1¢ per pound for all pounds between 26 and 70

1.75¢ per pound for all pounds between 71 and 250

2.0¢ per pound for all pounds between 251 and 1,000

1.5¢ per pound for all pounds over 1,001

\$5.00 premium

5,001 + Pounds

As per 1,001 pounds to 5,000 pounds

No premium

2.17 Weight is based on dimensional weight or actual weight, whichever is greater.

Dimensional weight (cubed weight) is width x length x height in inches/1,728 x 10.

20.18 VIHA route rates, excluding FSC

V11	Duncan Laundry	Hourly Driver
V44	Zeballos	\$21.21
V25S	Nan -Victoria	\$120.31
V25	Nan - Victoria	\$120.31
V22H	Nan - CR	\$237.84
V22S	Nan - CR	\$237.84
V22	Nan - CR	\$271.50
V23	CR - Victoria	\$344.66
V24	Vic- CR	\$279.04
V24S	Vic- CR	\$279.04
V30	Port Alberni	\$93.58
V32	Port Alberni	\$93.58
V42	CR - Thasis	\$180.93
V43S	Port Hardy	\$268.50
V43	Port Hardy	\$145.36
V45	Port Alice	\$32.26

The above is agreed providing there is no significant change to the route (subject to confirmation)

2.19 If Owner/operators are able to take additional VIHA or other additional deliveries/pickups they will be paid regular delivery/pickup rates. If the job requires the Owner/operator to go off route by 15 minutes or more they shall negotiate a One Off Agreement over and above the regular rate.

2.20 Company agrees to post the Canada Post Tahsis rate on the Monthly Commission Detail Report.

**SCHEDULE "3"
LINEHAULS
RATE SHEET**

Effective December 1, 2009 the following Linehaul Rates will apply (fuel surcharge excluded)

• Nanaimo – Port Alberni O/N	\$18.39
• Nanaimo – Duncan O/N	\$18.39
• UPS Airfreight P/U	\$18.39
• Nanaimo – Port Alberni S/D	\$72.37
• Qualicum – Courtenay S/D	\$61.51
• Courtenay – Campbell River S/D	\$61.51
• Victoria – Nanaimo – Duncan AM	\$123.02
• Victoria – Nanaimo – Victoria PM	\$123.02

**SCHEDULE "4"
TC DISTRIBUTION OWNER/OPERATOR
RATE SHEET**

Rate Sheet a. Effective Dec. 1, 2012 (retroactive) compensation for the Times Colonist Distribution Owner/operators will be a pay rate formula that has three (3) components: cents per paper, cents per bundle and cents per kilometre.

Effective Dec. 1, 2012	
Per paper	\$0.0118
Per bundle	\$0.0596
Mileage	\$0.5008 per km plus FSC
Coin box	\$0.2550 per coin box.

b. FSC Chart TC Distribution Owner/operator-Rate Sheet (Appendix 3)

c. The number of papers and bundles will be adjusted every six months.

d. Kilometres will be audited upon request by the Owner/operator but no more than twice per year.

e. There will be a minimum rate per route of \$69.00. The new route rates will become effective as of date of ratification.

**LETTER OF AGREEMENT #1
STANDING COMMITTEE**

Representatives from the Company and the Union will meet monthly at regularly scheduled Standing Committee meetings to deal with ongoing issues, grievances and rate adjustments.

This Committee will be composed of two representatives appointed by the Company and up to six representatives appointed by the Union.

**LETTER OF AGREEMENT #2
PAY STATEMENTS**

The Company agrees to work with the Union to improve pay statements.

The Company agrees to form a joint committee for this purpose. The Company will hold training sessions jointly developed with the Union in order to train all owner/operators on all aspects of pay systems and billing procedures; and

The Company agrees to respond to all "exception requests" with full explanations to owner/operators within five (5) calendar days. Failure to do so will result in automatic payment of request.

**LETTER OF AGREEMENT #3
BOOT ALLOWANCE**

Upon agreement of all outstanding union proposals tabled February 10th, 2013 the union will agree that Article 211.3 of the Collective Agreement does not apply to the warehouse employees EMC.

**LETTER OF AGREEMENT #4
ALTERNATE PAYMENT SYSTEMS**

Within two months of date of ratification the Company and Union will meet to determine what, if any, alternative pay systems will be explored.

If a mutual agreement is reached on a method, it will be tracked along with the current pay system. The Union will be provided with monthly updates on that comparison. This data will be used to determine if a simpler system of remuneration shall be discussed in future negotiations.

**LETTER OF AGREEMENT #5
SAMEDAY PLATINUM PROGRAM**

Owner/operators will not be required to assemble goods under the "SameDay" Platinum program. If the Owner/operator agrees to assemble such goods, that work will be dealt with through a One Off Agreement.

**LETTER OF AGREEMENT #6
VIHA, DRIVER ASSIST AND TOP UP RATES**

All VIHA, Line Haul, Driver Assist and Top Up rates in effect as of Dec 1, 2012 will remain in effect as long as the current Owner/operator receiving those rates continue on his/her route and the route is not changed significantly.

**LETTER OF AGREEMENT #7
NEW ACCOUNTS**

Owner/operators and employees will be paid: \$25 for each customer who opens an account and is active for a period of three (3) months with a minimum of \$100 of billing in that three (3) month period.

Payment will be made on the first pay period after the 3 months. Any account that has been dormant for more than 12 months will be classed as a new account if reopened.

**LETTER OF AGREEMENT #8
RED CIRCLED EMPLOYEE DRIVERS**

The following employee drivers will continue to be paid overtime after 8 hours of work each day or 40 hours of work each week.

- | | |
|-------------------|----------------|
| Wright, Jason | Hill, Gary |
| Oakes, David | Chabot, Jordan |
| Embury, Terry | Sauve, Rick |
| Gladman, Dennis | Hrycan, Ryan |
| Geisbrecht, David | Dempsey, Tom |
| Hayes, Greg | Chase, David |
| Witwicki, Brian | Kennedy, Grant |

**LETTER OF AGREEMENT #9
SCHEDULE "2"**

Staples (if new contract is awarded), Grand and Toy, Morton and Clarke and Tiger will be included in Schedule "2."

**LETTER OF AGREEMENT #10
GREYHOUND**

Greyhound "A" Zone - 2% increase on base rate effective July 1, 2013.

**APPENDIX #1
ONE OFF AGREEMENTS**

As per Article 3.05 of the collective agreement, Both the Company and the Union recognize that occasionally work situations crop up that need to be addressed creatively in order to meet operational needs. These are to be called One Off Agreements.

A One Off Agreement is one where the Owner/operator considers the request to be outside his usual duties.

The Owner/operator has the option of refusing the work based on safety concerns including too many hours driving time.

The supervisor (management person who is authorized to make pay decisions) decides what work needs to be done and how quickly; decides on who to offer this work to; decides on what

remuneration shall be offered, assigns a Order #, and calls the O/O to request he/she do the work. The O/O is in a position to negotiate the time and remuneration. Legal requirements, such as Dangerous Goods training, vehicle weight limits, etc. need to be considered by both parties.

If/when agreement is reached, the supervisor shall fill in the "One Off" contract form.

If the Owner/operator is on site, s/he and the supervisor will sign the "One Off" form and one copy will be provided to the Owner/operator.

If the Owner/operator is off site, confirmation of the rate, including the order number, will be done electronically prior to the job being completed.

"One Off" Contract

The following is the official form to comply with the Letter of Agreement, which is part of the Collective Agreement between the TDS and CEP

Order # _____
Date of offer _____
Payment \$ _____
Manager Name _____
Owner/Operator Name _____
Route # _____
Manager's Fax # _____
O/O's Fax # _____

Work/job description (be sure to include time of p/u & location, expected delivery time & location, and any other pertinent information like size, weight, DG, etc.:

I _____ am authorized to make the above work/job offer and do so on behalf of TDS

(Signature of manager named above)

I _____ am the Owner/operator named above and I accept this work/job as described above.

(Signature of O/O named above)

Appendix 2 Owner/Operator FSC Chart

TDS FSC Chart

Current Price	FSC Percent	Current Price	FSC Percent	Current Price	FSC Percent	Current Price	FSC Percent
\$1.00	= 11.46%	\$1.51	= 23.97%	\$2.02	= 35.15%	\$2.53	= 45.07%
\$1.01	= 11.74%	\$1.52	= 24.20%	\$2.03	= 35.36%	\$2.54	= 45.26%
\$1.02	= 12.03%	\$1.53	= 24.43%	\$2.04	= 35.56%	\$2.55	= 45.44%
\$1.03	= 12.31%	\$1.54	= 24.67%	\$2.05	= 35.77%	\$2.56	= 45.62%
\$1.04	= 12.60%	\$1.55	= 24.90%	\$2.06	= 35.97%	\$2.57	= 45.80%
\$1.05	= 12.89%	\$1.56	= 25.13%	\$2.07	= 36.18%	\$2.58	= 45.99%
\$1.06	= 13.17%	\$1.57	= 25.36%	\$2.08	= 36.38%	\$2.59	= 46.17%
\$1.07	= 13.46%	\$1.58	= 25.59%	\$2.09	= 36.58%	\$2.60	= 46.35%
\$1.08	= 13.74%	\$1.59	= 25.82%	\$2.10	= 36.79%	\$2.61	= 46.53%
\$1.09	= 14.03%	\$1.60	= 26.05%	\$2.11	= 36.99%	\$2.62	= 46.71%
\$1.10	= 14.31%	\$1.61	= 26.27%	\$2.12	= 37.19%	\$2.63	= 46.89%
\$1.11	= 14.60%	\$1.62	= 26.50%	\$2.13	= 37.39%	\$2.64	= 47.07%
\$1.12	= 14.89%	\$1.63	= 26.73%	\$2.14	= 37.59%	\$2.65	= 47.25%
\$1.13	= 15.17%	\$1.64	= 26.95%	\$2.15	= 37.79%	\$2.66	= 47.43%
\$1.14	= 15.46%	\$1.65	= 27.18%	\$2.16	= 37.99%	\$2.67	= 47.60%
\$1.15	= 15.74%	\$1.66	= 27.40%	\$2.17	= 38.19%	\$2.68	= 47.78%
\$1.16	= 16.03%	\$1.67	= 27.63%	\$2.18	= 38.39%	\$2.69	= 47.96%
\$1.17	= 16.31%	\$1.68	= 27.85%	\$2.19	= 38.59%	\$2.70	= 48.14%
\$1.18	= 16.60%	\$1.69	= 28.08%	\$2.20	= 38.79%	\$2.71	= 48.31%
\$1.19	= 16.89%	\$1.70	= 28.30%	\$2.21	= 38.98%	\$2.72	= 48.49%
\$1.20	= 17.17%	\$1.71	= 28.52%	\$2.22	= 39.18%	\$2.73	= 48.66%
\$1.21	= 17.46%	\$1.72	= 28.74%	\$2.23	= 39.38%	\$2.74	= 48.84%
\$1.22	= 17.74%	\$1.73	= 28.96%	\$2.24	= 39.57%	\$2.75	= 49.02%
\$1.23	= 18.03%	\$1.74	= 29.18%	\$2.25	= 39.77%	\$2.76	= 49.19%
\$1.24	= 18.31%	\$1.75	= 29.40%	\$2.26	= 39.96%	\$2.77	= 49.36%
\$1.25	= 18.60%	\$1.76	= 29.62%	\$2.27	= 40.16%	\$2.78	= 49.54%
\$1.26	= 18.89%	\$1.77	= 29.84%	\$2.28	= 40.35%	\$2.79	= 49.71%
\$1.27	= 19.17%	\$1.78	= 30.06%	\$2.29	= 40.55%	\$2.80	= 49.89%
\$1.28	= 19.46%	\$1.79	= 30.28%	\$2.30	= 40.74%	\$2.81	= 50.06%
\$1.29	= 19.74%	\$1.80	= 30.50%	\$2.31	= 40.93%	\$2.82	= 50.23%
\$1.30	= 20.03%	\$1.81	= 30.71%	\$2.32	= 41.13%	\$2.83	= 50.40%
\$1.31	= 20.03%	\$1.82	= 30.93%	\$2.33	= 41.32%	\$2.84	= 50.57%
\$1.32	= 20.03%	\$1.83	= 31.15%	\$2.34	= 41.51%	\$2.85	= 50.75%
\$1.33	= 20.03%	\$1.84	= 31.36%	\$2.35	= 41.70%	\$2.86	= 50.92%
\$1.34	= 20.30%	\$1.85	= 31.58%	\$2.36	= 41.89%	\$2.87	= 51.09%
\$1.35	= 20.30%	\$1.86	= 31.79%	\$2.37	= 42.08%	\$2.88	= 51.26%
\$1.36	= 20.40%	\$1.87	= 32.00%	\$2.38	= 42.27%	\$2.89	= 51.43%
\$1.37	= 20.64%	\$1.88	= 32.22%	\$2.39	= 42.46%	\$2.90	= 51.60%
\$1.38	= 20.89%	\$1.89	= 32.43%	\$2.40	= 42.65%	\$2.91	= 51.77%
\$1.39	= 21.13%	\$1.90	= 32.64%	\$2.41	= 42.84%	\$2.92	= 51.94%
\$1.40	= 21.36%	\$1.91	= 32.86%	\$2.42	= 43.03%	\$2.93	= 52.10%
\$1.41	= 21.63%	\$1.92	= 33.07%	\$2.43	= 43.22%	\$2.94	= 52.27%
\$1.42	= 21.84%	\$1.93	= 33.28%	\$2.44	= 43.40%	\$2.95	= 52.44%
\$1.43	= 22.10%	\$1.94	= 33.49%	\$2.45	= 43.59%	\$2.96	= 52.61%
\$1.44	= 22.31%	\$1.95	= 33.70%	\$2.46	= 43.78%	\$2.97	= 52.77%
\$1.45	= 22.57%	\$1.96	= 33.91%	\$2.47	= 43.96%	\$2.98	= 52.94%
\$1.46	= 22.78%	\$1.97	= 34.12%	\$2.48	= 44.15%	\$2.99	= 53.11%
\$1.47	= 23.04%	\$1.98	= 34.32%	\$2.49	= 44.34%	\$3.00	= 53.27%
\$1.48	= 23.25%	\$1.99	= 34.53%	\$2.50	= 44.52%		
\$1.49	= 23.51%	\$2.00	= 34.74%	\$2.51	= 44.71%		
\$1.50	= 23.75%	\$2.01	= 34.95%	\$2.52	= 44.89%		

Appendix 3 - Times Colonist FSC Chart

TC FSC Chart

Current Price	FSC Percent	Current Price	FSC Percent	Current Price	FSC Percent	Current Price	FSC Percent
\$1.00	= 2.37%	\$1.51	= 7.01%	\$2.02	= 11.65%	\$2.53	= 16.28%
\$1.01	= 2.46%	\$1.52	= 7.10%	\$2.03	= 11.74%	\$2.54	= 16.37%
\$1.02	= 2.55%	\$1.53	= 7.19%	\$2.04	= 11.83%	\$2.55	= 16.46%
\$1.03	= 2.65%	\$1.54	= 7.28%	\$2.05	= 11.92%	\$2.56	= 16.55%
\$1.04	= 2.74%	\$1.55	= 7.37%	\$2.06	= 12.01%	\$2.57	= 16.65%
\$1.05	= 2.83%	\$1.56	= 7.46%	\$2.07	= 12.10%	\$2.58	= 16.74%
\$1.06	= 2.92%	\$1.57	= 7.55%	\$2.08	= 12.19%	\$2.59	= 16.83%
\$1.07	= 3.01%	\$1.58	= 7.65%	\$2.09	= 12.28%	\$2.60	= 16.92%
\$1.08	= 3.10%	\$1.59	= 7.74%	\$2.10	= 12.37%	\$2.61	= 17.01%
\$1.09	= 3.19%	\$1.60	= 7.83%	\$2.11	= 12.46%	\$2.62	= 17.10%
\$1.10	= 3.28%	\$1.61	= 7.92%	\$2.12	= 12.55%	\$2.63	= 17.19%
\$1.11	= 3.37%	\$1.62	= 8.01%	\$2.13	= 12.65%	\$2.64	= 17.28%
\$1.12	= 3.46%	\$1.63	= 8.10%	\$2.14	= 12.74%	\$2.65	= 17.37%
\$1.13	= 3.55%	\$1.64	= 8.19%	\$2.15	= 12.83%	\$2.66	= 17.46%
\$1.14	= 3.65%	\$1.65	= 8.28%	\$2.16	= 12.92%	\$2.67	= 17.55%
\$1.15	= 3.74%	\$1.66	= 8.37%	\$2.17	= 13.01%	\$2.68	= 17.65%
\$1.16	= 3.83%	\$1.67	= 8.46%	\$2.18	= 13.10%	\$2.69	= 17.74%
\$1.17	= 3.92%	\$1.68	= 8.55%	\$2.19	= 13.19%	\$2.70	= 17.83%
\$1.18	= 4.01%	\$1.69	= 8.65%	\$2.20	= 13.28%	\$2.71	= 17.92%
\$1.19	= 4.10%	\$1.70	= 8.74%	\$2.21	= 13.37%	\$2.72	= 18.01%
\$1.20	= 4.19%	\$1.71	= 8.83%	\$2.22	= 13.46%	\$2.73	= 18.10%
\$1.21	= 4.28%	\$1.72	= 8.92%	\$2.23	= 13.55%	\$2.74	= 18.19%
\$1.22	= 4.37%	\$1.73	= 9.01%	\$2.24	= 13.65%	\$2.75	= 18.28%
\$1.23	= 4.46%	\$1.74	= 9.10%	\$2.25	= 13.74%	\$2.76	= 18.37%
\$1.24	= 4.55%	\$1.75	= 9.19%	\$2.26	= 13.83%	\$2.77	= 18.46%
\$1.25	= 4.65%	\$1.76	= 9.28%	\$2.27	= 13.92%	\$2.78	= 18.55%
\$1.26	= 4.74%	\$1.77	= 9.37%	\$2.28	= 14.01%	\$2.79	= 18.65%
\$1.27	= 4.83%	\$1.78	= 9.46%	\$2.29	= 14.10%	\$2.80	= 18.74%
\$1.28	= 4.92%	\$1.79	= 9.55%	\$2.30	= 14.19%	\$2.81	= 18.83%
\$1.29	= 5.01%	\$1.80	= 9.65%	\$2.31	= 14.28%	\$2.82	= 18.92%
\$1.30	= 5.10%	\$1.81	= 9.74%	\$2.32	= 14.37%	\$2.83	= 19.01%
\$1.31	= 5.19%	\$1.82	= 9.83%	\$2.33	= 14.46%	\$2.84	= 19.10%
\$1.32	= 5.28%	\$1.83	= 9.92%	\$2.34	= 14.55%	\$2.85	= 19.19%
\$1.33	= 5.37%	\$1.84	= 10.01%	\$2.35	= 14.65%	\$2.86	= 19.28%
\$1.34	= 5.46%	\$1.85	= 10.10%	\$2.36	= 14.74%	\$2.87	= 19.37%
\$1.35	= 5.55%	\$1.86	= 10.19%	\$2.37	= 14.83%	\$2.88	= 19.46%
\$1.36	= 5.65%	\$1.87	= 10.28%	\$2.38	= 14.92%	\$2.89	= 19.55%
\$1.37	= 5.74%	\$1.88	= 10.37%	\$2.39	= 15.01%	\$2.90	= 19.65%
\$1.38	= 5.83%	\$1.89	= 10.46%	\$2.40	= 15.10%	\$2.91	= 19.74%
\$1.39	= 5.92%	\$1.90	= 10.55%	\$2.41	= 15.19%	\$2.92	= 19.83%
\$1.40	= 6.01%	\$1.91	= 10.65%	\$2.42	= 15.28%	\$2.93	= 19.92%
\$1.41	= 6.10%	\$1.92	= 10.74%	\$2.43	= 15.37%	\$2.94	= 20.01%
\$1.42	= 6.19%	\$1.93	= 10.83%	\$2.44	= 15.46%	\$2.95	= 20.10%
\$1.43	= 6.28%	\$1.94	= 10.92%	\$2.45	= 15.55%	\$2.96	= 20.19%
\$1.44	= 6.37%	\$1.95	= 11.01%	\$2.46	= 15.65%	\$2.97	= 20.28%
\$1.45	= 6.46%	\$1.96	= 11.10%	\$2.47	= 15.74%	\$2.98	= 20.37%
\$1.46	= 6.55%	\$1.97	= 11.19%	\$2.48	= 15.83%	\$2.99	= 20.46%
\$1.47	= 6.65%	\$1.98	= 11.28%	\$2.49	= 15.92%	\$3.00	= 20.55%
\$1.48	= 6.74%	\$1.99	= 11.37%	\$2.50	= 16.01%		
\$1.49	= 6.83%	\$2.00	= 11.46%	\$2.51	= 16.10%		
\$1.50	= 6.92%	\$2.01	= 11.55%	\$2.52	= 16.19%		