

KARMA MIDNIGHT VENTURES LTD.

COLLECTIVE AGREEMENT

I N D E X

<u>Article No.</u>	<u>Description</u>	<u>Page No.</u>
1	Effective Date, Termination, Amendments and Substitutions	3 - 4
2	Union Recognition, Management Rights	4 - 6
3	Shop Stewards	6
4	Grievance Procedure and Arbitration	6 - 7
5	Seniority	7 - 9
6	Hours of Work and Overtime	10 - 11
7	Health and Safety	11
8	Leaves of Absence	11 - 12
9	Health and Welfare	12
10	Annual Vacations	12 - 13
11	General Holidays	13
12	Payment of Wages and Premiums	13 - 14
	Signatures	15
	Appendix "A" - Rates of Pay	16
	Appendix "B" - Job Descriptions	17

continue in full force and effect from year to year thereafter subject to the right of either party to this Agreement within four (4) months immediately preceding the date March 31, 2001 or immediately preceding the anniversary date in any year thereafter, by written notice to the other party to require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

Article 1.02 - Labour Relations Code of B.C.

The operation of Section 50 (2) and (3) of the Labour Relations Code of B.C. is hereby excluded.

Article 1.03 - Legislative Changes, Amendments and Substitutions

Should any provision of this Agreement be declared illegal by any court of competent jurisdiction such provision shall immediately become null and void, leaving the remainder of the Agreement in full force and effect and the Parties shall thereupon seek to negotiate substitute provisions which are in conformity with the applicable laws.

Article 1.04 - Past Terms and Conditions

No employee shall suffer a reduction of wages or less favourable conditions as a result of this Agreement.

Article 1.05 - Introduction of New Classifications

In the event the Company decides to introduce or the Union considers the Company has introduced a new classification of work, or changes the job content of any existing classification, properly coming within the jurisdiction of the Union, but not now provided for in this wage structure, the Company and the Union shall enter into negotiations for the necessary classification of work and shall agree on the wage scale applicable thereto. The effective date of such wage rate shall be the date the work first began.

The Company will give the Union thirty (30) days' written notice of any new classification or changes to existing classifications and these changes shall be resolved within fifty (50) working days from the time of written notice to enter into negotiations unless mutually extended. Failing that, the matter will be resolved under the provisions of Article 4.04. New classifications shall not be put into effect until the above has been observed. Such classification shall then become part of the Agreement. The Company undertakes to provide to each employee, a copy of his or her job description.

Article 1.06 - Amendments

Any of the conditions in this Agreement may be amended at any time if both Parties agree such amendment is desirable.

ARTICLE 2 - UNION RECOGNITION, MANAGEMENT RIGHTS

Article 2.01 - Union Recognition - Certification

This Agreement shall cover all employees employed by the Employer coming under the jurisdiction of the Union as specified in the "Certification".

Article 2.02 - Union Recognition - Membership

- (a) The Company agrees that all employees coming within the jurisdiction of the Union, as a condition of employment shall apply for membership in the Union upon the date of hire and shall sign a Dues Authorization Card.
- (b) All employees shall remain members in good standing throughout the life of the Agreement as a condition of employment, provided however, that the Union shall not request the Company to discriminate against any employee for non-membership in the Union if such membership is not available to the employee on the same terms and conditions generally applicable to other members.

Article 2.03 - Initiation Fees and Union Dues Checkoff

- (a) The Company agrees to honour a written assignment of wages for Union dues, assessments and initiation fees from an employee in favour of the Union.
- (b) The Company agrees to remit the fees, assessments and dues deducted under the above assignment to the Financial Secretary of Local Union 258 normally within fifteen (15), but not later than thirty (30) days from the pay day when deductions are made.

Article 2.04 - Management Rights

- (a) The Union acknowledges that the management and the operation of, and the direction and promotion of the working forces is vested exclusively in the Company, subject to the terms of this Agreement.
- (b) Without limiting paragraph (a) above, the Company shall have the right to select its employees, hire in accordance with the terms of this Collective Agreement, layoff, classify new employees, transfer, promote, demote or discipline them provided that a claim of discrimination against any employee, or misinterpretation of this Agreement, may be subject to a grievance and dealt with as hereinafter provided.
- (c) There shall be no restrictions on the Company as to the source of obtaining any and all raw materials, devices or finished apparatus required in the manufacture of goods by the Union, but whenever possible by the Company's determination, union made articles of comparable quality shall be used.

Article 2.05 - Strike/Lockouts/Legal Picket Lines

- (a) The Parties hereto agree that there shall be no lockout, strikes, slow-down or any other stoppage of or interference with work which would cause any interruption in production.
- (b) It is agreed that no part of this Agreement is to be interpreted as requiring members of the Union to work behind recognized legal picket lines where strike, lockout or other conditions detrimental to the interest of the Local Union prevail.

Article 2.06 - Union Representative

A Union Representative may, with the permission of the Company, have access to that portion of the Company's premises where Union members are employed. Such permission shall not be unreasonably withheld.

Article 2.07 - No Discrimination

No Shop Steward, Committee or employee shall be discriminated against, intimidated or jeopardized in standing or suffer any loss of employment on account of membership in or legitimate activities on

behalf of the Union. The employees and the Union will not engage in any Union activity on the premises during working hours without permission of the Company, such permission not to be unreasonably withheld.

Article 2.08 - New Hires

When in need of new employees, the Company will call the Union office. If Union members are not available or acceptable, the Company will be responsible for securing its own employees.

ARTICLE 3 - SHOP STEWARDS

Article 3.01 - Shop Stewards

The Company will recognize Shop Stewards who shall be selected by the Business Manager as the representative of the Union and recognizes that the power of appointment and removal thereof is solely vested in the Union.

Article 3.02

The Union will advise the Company of the identity of all Stewards and will also give notice of any new appointment or removal thereof. Stewards shall request permission of management to leave the job to attend to union business. Such permission is not to be unreasonably withheld.

Article 3.03

The Chief Shop Steward shall be given senior seniority if qualified to do the work. This applies to layoffs only.

Article 3.04 - Employee Rates

The Company shall pay employees at their regular rates for Union business conducted during their regular business hours.

ARTICLE 4 - GRIEVANCE PROCEDURE AND ARBITRATION

Article 4.01 - Definition

A grievance shall be defined as any dispute or controversy between the Company and the Union, or between the Company and one or more of its employees covered by this Agreement in respect to any matters involving the interpretation, application or administration of any provision of this Agreement, any matter involving the alleged violation of this Agreement or any question as to whether any matter is grievable or arbitrable. Time limits referred to in this Article may be extended by mutual agreement between the parties.

Article 4.02 - Grievance Steps

Step 1

The Union or employee having a grievance shall first make an earnest effort to resolve the problem by discussing it with the immediate supervisor, in the presence of a Shop Steward, within five (5) working days of becoming aware of the grievance.

Step 2

If a satisfactory solution is not reached in Step 1 within five (5) working days, the grievor, with the assistance of his/her Shop Steward, will submit the grievance in writing to the Business Manager of the Union who will take the matter up with the appropriate Company Official within ten (10) working days of the Company's reply in Step 1. If agreement is not reached within a further ten (10) working days, the matter may be referred to Arbitration as provided in Article 4.05.

Article 4.03 - Discharge/Discipline Grievance

- (a) If an employee believes they have been unjustly disciplined, or discharged, the matter will be taken up as a special grievance at Step 2 of the Grievance Procedure, within five (5) working days of the discipline or discharge.
- (b) The Shop Steward will be informed of any formal reports made on employees that may result in disciplinary action.
- (c) An employee shall be accompanied by their Steward in any disciplinary interview if desired by the employee.

Article 4.04 - Union/Company Grievance

The Employer or the Union may raise a grievance by way of informal discussion or by setting the grievance out in writing and presenting it within ten (10) working days after becoming aware of the occurrence of the alleged grievance. If the Parties are unable to resolve the matter within five (5) working days from the time the grievance was initiated, the grievance may be referred to Arbitration.

Article 4.05 - Arbitration

Any question of interpretation or any dispute arising out of this Agreement which cannot be settled by the Union and the Company shall be determined by Arbitration. The process to be used will be agreed to by the parties in accordance with one of the provisions provided for in the Labour Relations Code of B.C. Each party shall bear its own costs of arbitration and one-half the

cost of any chairperson.

Article 4.06 - Jurisdiction Disputes

All disputes arising as to matters of jurisdiction shall be referred to the International President of the Union.

ARTICLE 5 - SENIORITY

Article 5.01 - Definition

Seniority as hereinafter referred to shall be based on length of service within the bargaining unit. Seniority lists will be kept up to date by the Company and will be made available to the Union.

Article 5.02 - Probationary Period

After an employee has an accumulated period of service of fifty (50) working days with the Company they shall be granted seniority which shall date retroactively to the date they entered the employ of the Company. During this fifty (50) working day period, employees shall be on a probationary basis. An employee's probationary period may be extended with permission from the Union.

Article 5.03

If any employee is assigned to work in a classification at a rate superior to their own, they shall be paid at the closest step of the higher rate for all time worked in excess of thirty (30) minutes.

If any employee is assigned to work in a classification at a rate inferior to their own, they shall maintain their regular rate and progression.

Article 5.04 - Layoff and Recall

When there is a reduction in the workforce, the most junior employee(s) in the job classification being reduced shall be laid off first. However, prior to layoff an employee who either has worked in another active job classification or is able to perform other available work, has the right to displace a more junior employee in these classifications, resulting in the most junior employee(s) being laid off.

Recalls shall be conducted in reverse order of the process by which layoffs are affected.

Article 5.05 - Notice of Layoff

In the event of a layoff, the Company will be required to give notice in accordance with the

following:

<u>Years of Service</u>	<u>Working Days</u>
0 - 1 year	1 day
1 - 3 years	5 days
Over 3 years	10 days

If the required notice is not given, the appropriate day(s) pay will be paid in lieu thereof. Where the layoff exceeds twenty-four (24) months, the provisions of the Employment Standards Act, Part 8 - 63, apply, this is in addition to the above noted notice. Employees who refuse recall will be considered to have voluntarily terminated their employment; therefore, the requirements of Part 8 - 63 will not apply.

Article 5.06 - Promotions

Should there be a job vacancy within the bargaining unit, it shall be posted for a period of five (5) working days to allow interested employees the opportunity to apply. The job shall be awarded to the most senior qualified applicant.

This does not preclude the right of the Company to seek applications from other sources during this time period. Such application shall not be given consideration until it is determined that a suitable applicant is not within the bargaining unit.

Article 5.07 - Maintain and/or Accumulate Seniority

An employee shall maintain and/or accumulate seniority under the following conditions:

- (a) During a layoff an employee shall maintain and accumulate seniority for a period not to exceed twenty four (24) months. It is the employee's responsibility to keep the Company informed of any change in their address or phone number.

- (b) Accident and Sickness

During an absence due to accident or sickness, an employee shall maintain and accumulate seniority for a period not to exceed twenty-four (24) months. Upon return from such absence, employees shall be returned to the classification held at the time of absence, or to one of equal rating, provided they are capable of performing former duties and provided the Company has received an acceptable reason for and/or authorized the absence. It shall be the duty of each employee to notify the Company of the reason for absence, to furnish evidence to support the absence and to keep the Company informed of the anticipated date of return to duty.

- (c) Leave of Absence

During authorized leaves of absence, an employee shall maintain and accumulate seniority.

Article 5.08 - Termination of Seniority

An employee's name shall be removed from the Company's list of employees and his seniority terminated by:

- (a) Voluntary quitting of job.
- (b) Exceeding authorized leave of absence, unless failure to return to work is unavoidable.
- (c) Discharge for just cause.
- (d) Failure to report for work within five (5) working days from recall of layoff unless failure is proved to be unavoidable.
- (e) Exceeding twenty-four (24) consecutive months on layoff.
- (f) Exceeding twenty-four (24) months off work due to sickness or accident.

Article 5.09 - Severance Pay

An employee who is terminated as a direct result of a closure of the whole or part of the Company's operation shall be entitled to severance pay in accordance with the Employment Standards Act, this will be in addition to Article 5.05.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

Article 6.01 - Hours of Work/Work Week

The hours of work for day shift shall be eight (8) hours per day forty (40) hours per week. The work week will be Monday to Friday.

Article 6.02 - Second Shift

If a second shift is required it shall start at the end of the first shift, but shall end after seven and one-half (7.5) hours of work, the employee receiving eight (8) hours per pay plus a shift premium of fifty cents (\$0.50) per hour.

Article 6.03 - Third Shift

If a third shift if required it shall start at the end of the second shift, but shall end after seven (7) hours of work, the employee receiving eight (8) hours pay plus a shift premium of seventy-five cents (\$0.75) per hour.

Article 6.04 - Shift Selections

The most senior employees will have the first selection of shifts. When a shift is to be changed, one (1) week's notice will be required and the shift change will take effect on the Sunday or the first day of the work week following the Sunday. The employer will allow an employee up to two (2) weeks to change shift in extenuating circumstances.

Article 6.05 - Overtime

If directed by the employer to work overtime, all hours worked in excess of eight (8) hours per day or forty (40) hours per work week will be paid at the overtime rates. Overtime rates will be time and one-half for the first two (2) hours immediately after the regular shift as well as for the first four (4) hours on Saturday, and double time for all other hours worked.

Overtime will be divided on a fair and equitable basis. A list of all employees with their overtime hours will be made available and kept up to date by the employer.

Article 6.06 - Call Out

Employees shall receive a minimum of four (4) hours' pay at overtime rates if called to work from their homes.

Article 6.07 - Overtime Meal Allowance

Whenever an employee is assigned overtime during a regularly scheduled shift, to be worked at the conclusion of that shift and for a period in excess of two (2) hours, the Company agrees to provide a ten dollar (\$10.00) meal allowance to be paid prior to the start of overtime, or the Company will provide a prepared meal at the dinner break.

Article 6.08 - Lunch Period and Coffee Breaks

Employees will be given two (2) paid rest periods of fifteen (15) minutes for each regularly scheduled shift.

ARTICLE 7 - HEALTH AND SAFETY

Article 7.01 - Safety Rules

Both the employer and the Union hereby declare their intent to conduct a safe operation. Working practices shall be governed by the regulations of the province of British Columbia.

Article 7.02 - Harassment Free Workplace

It is the intent of the parties to provide a respectful work place for all employees. No employee will be subjected to any form of harassment, discrimination or intimidation. All employees are to be treated with respect and dignity by the employer, employees of the employer and clients of the employer. Any disregard to this Article will not be tolerated in the work place and will result in a requirement for education and/or discipline.

Article 7.03 - On-the-Job Injury

- (a) If an employee is injured to such an extent that they are obliged to cease work, their wages will continue for the balance of the day on which they are injured.
- (b) The Company shall furnish adequate emergency transportation to and from the nearest suitable doctor or hospital for any employee injured or who has become seriously ill while on the Company's premises.

Article 7.04 - Protective Clothing and Tools

Protective safety equipment as defined by the W.C.B. will be provided to all employees requiring such. Protective clothing will be supplied to employees whose duties are particularly hard on clothing to be defined and mutually agreed upon by the Union Representative and the Company.

The employer agrees to pay fifty percent (50%), to a maximum of \$150.00, of the cost of W.C.B. approved safety footwear once per year for each employee. The employer may require the employee to provide a receipt. This provision will commence when an employee has completed six (6) months of employment.

Employees are required to provide their own hand tools. In the event of broken tools, they will be replaced by the employer at fifty percent (50%) of the replacement value. The employer may require the employee to provide a receipt.

ARTICLE 8 - LEAVES OF ABSENCE

Article 8.01 - Leave of Absence - Union

- (a) The Company, upon receiving four (4) weeks' notice in writing from the Business Manager or delegate of the Union, agrees to grant a leave of absence without pay to not more than one

(1) employee for full-time service in the Union. Such leave of absence is not to exceed thirty-seven (37) months at a time, unless there is mutual agreement to an extension.

- (b) The Company, upon receiving two (2) weeks' notice in writing from the Business Manager or delegate of the Union, agrees to grant leave of absence without pay to Union Stewards or Representatives of the members for the purpose of attending to Union business. Such leaves of absence shall not exceed two (2) weeks' duration, nor shall they exceed two (2) members at any one time unless otherwise mutually agreed.

Article 8.02 - Leave of Absence - Personal

Subject to staffing requirements and following six (6) months of employment, the employer may grant an employee a leave of absence without pay, not to exceed three (3) calendar months duration. Employees will be automatically terminated if they accept other employment during this leave. Employees will maintain and accumulate seniority during leave.

Article 8.03 - Bereavement Pay

In the case of a death in the immediate family of an employee, the Company will grant to the employee, two (2) days' leave of absence with pay at the employee's regular hourly rate of pay. Immediate family shall mean: Spouse, Father, Mother, Legal Guardian, Son, Daughter, Brother and Sister.

ARTICLE 9 - HEALTH AND WELFARE

Health and Welfare benefits will be provided through IBEW Local 258. The premiums to be paid will be \$175.00 per month. Health and welfare benefits will commence on the first of the month following completion of the probationary period. Premiums will be paid 50% by the employer and 50% by the employee for the first calendar year from the start of benefits. On the completion of one (1) calendar year, the employer will pay 100% of the Health and Welfare.

ARTICLE 10 - ANNUAL VACATIONS

Article 10.01 - Annual Vacation Entitlement

Employees will be entitled to annual vacation time and vacation pay in accordance with the following provisions.

Number of Completed
Years _____

Number of days and Vacation Pay

Less than 1 year

One (1) day per completed month to a maximum of 2 weeks with four percent (4%) of gross earnings as pay.

1 - 3 years	Two (2) weeks, with four percent (4%) of gross earnings as pay.
3 - 8 years	Three (3) weeks, with six percent (6%) of gross earnings as pay.

The Employer will grant vacations subject to staffing requirements. Senior employees will have the first choice of vacation time. Vacation pay will be paid out on every pay period. No employee shall be permitted to accept extra pay in lieu of actual vacation time off.

ARTICLE 11 - GENERAL HOLIDAYS

Article 11.01

Employees shall observe the following holidays and will be paid in accordance with the Employment Standards Act of B.C.

New Year's Day	Canada Day	Remembrance Day
Good Friday	B.C. Day	Christmas Day
Labour Day	Victoria Day	Thanksgiving Day

and any other day which might be declared by the federal or provincial governments.

Article 11.02

Employees directed by the employer to work on any of the above noted holidays shall be paid at double time for all hours worked, in addition to the regular holiday pay.

Article 11.03

Should one of the holidays occur during an employee's vacation, he/she will receive an additional vacation day.

Article 11.04

No member of the Union shall be required to work on Labour Day excepting to preserve life or property.

ARTICLE 12 - PAYMENT OF WAGES AND PREMIUMS

Article 12.01 - First Aid Premiums

Employees designated as First Aid Attendants shall receive the following payments in addition to their regular wage.

Level III - Certificate \$1.00 per hour.

Level II - Certificate \$0.75 per hour.

Level I - Certificate \$0.25 per hour.

Article 12.02 - Training

Employees assigned by the Manager to train fellow employees shall receive 5% training differential above their own classification rate for all time spent on training the other employees.

Article 12.03 - Travel Expense

The employer will be required to pay the cost of ferry and/or toll when they direct an employee to travel through tolls or on ferries.

Article 12.04

Wages shall be paid every second Friday. Automatic banking of pay cheques is mandatory.

Article 12.05

Wages shall be paid in accordance with the rates of pay as listed in Appendix "A", appended hereto.

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be signed by duly authorized representatives on this ___ day of _____, 1999

SIGNED FOR THE COMPANY:
KARMA MIDNIGHT VENTURES
LTD.

SIGNED BY THE UNION:
LOCAL 258 OF THE IBEW

JOHN E. McGRAW
Business Manager and
Financial Secretary

oteu 15
krmamidn.agr

APPENDIX "A"

HOURLY RATES OF PAY

Meter Technician	\$28.37 per hour.
Helper	\$12.00 per hour.

PIECEWORK RATES OF PAY

Socket metres	\$ 6.50 per unit.
Left-in metres	\$ 6.50 per unit.
Key vaults	\$ 6.50 per unit.
D-Code metres	\$16.00 per unit.

Note:

It will be the employer's right to decide if work will be paid hourly or by the piece. Each employee will be notified as to the method of payment, hourly or piece work, prior to that specific job commencement.

APPENDIX "B"

JOB DESCRIPTIONS

METER TECHNICIAN

A Meter Technician shall undertake work associated with all aspects of metering.

HELPER

Assist the Meter Technician as required.

krmamidn.agr