

AGREEMENT BETWEEN:

JAMES WESTERN STAR LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

October 26th, **2002** to and including October 25th, **2004**

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This Agreement made and entered into this _____ day of _____, 20__.

BETWEEN:

JAMES WESTERN STAR LTD.
2072 Falcon Road
Kamloops, B. C. V2C 4J3

(Hereinafter referred to as the "Employer")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL NO. 115
4333 Ledger Avenue,
Burnaby, B. C. V5G 3T3

(Hereinafter referred to as the "Union")

CLAUSE 1 OBJECTS

1.01 The purposes of this Agreement are to stabilize the industry and to promote peace and harmony; to promote the settlement of labour disagreements by conference, to facilitate the peaceful adjustment of all disputes and grievances; to prevent strikes and lock-outs, waste, expense, avoidable and unnecessary delays and generally to encourage a spirit of helpful cooperation between the Employer and the Union to their mutual advantage.

CLAUSE 2 WAGES

2.01 Employees employed by James Western Star Ltd. will receive wages as laid out in Schedule "A" to this Agreement.

CLAUSE 3 MANAGEMENT RIGHTS

3.01 The Union recognizes and agrees that subject to the terms of this Agreement the Employer has the exclusive right to manage its business.

3.02 It is expressly understood that all rights not specifically covered by this Agreement shall remain the rights of the Employer.

CLAUSE 4 UNCONDITIONAL BAN ON STRIKES AND LOCKOUTS

4.01 The parties of this Agreement agree that during the term of this Agreement or any extension thereof, there will be an unconditional ban against strikes by the Union or its membership, and against lockouts by the Employer.

CLAUSE 5 HOURS OF WORK

5.01 The regular hours of work shall be eight (8) hours per day.

Day shift will be either of the following shifts depending on the seasonal work level in the shop:

Day Shift - 8:00 a.m. - 4:30 p.m. with one-half hour lunch break at midshift.

Day Shift - 7:30 a.m. - 4:00 p.m. with one-half hour lunch break at midshift.

Afternoon shift will be either of the following shifts depending on the seasonal work level in the shop:

Afternoon Shift - 4:00 p.m. - 12:30 p.m. with one-half hour lunch break at midshift.

Afternoon Shift - 12:30 p.m. -9:00 p.m. with one-half hour lunch break at midshift.

A afternoon shift differential of one dollar (\$1.00) will be paid for each hour after 5:00 p.m. to those employees working afternoon shift.

5.02 Employees may be required to work one of three (3) shifts:

Shift one - Monday to Friday, 8:00 a.m. - 4:30 p.m. daily.

Shift two - Tuesday to Saturday, 8:00 a.m. - 4:30 p.m. daily.

Shift three - Monday to Friday, 4:00 p.m. - 12:30 midnight daily.

5.03 (a) The Employer reserves the right to establish other shifts as required from time to time.

(b) The Union and the Employer mutually agree that the Union and/or the Shop Steward be notified before any new shifts are implemented. This is to ensure a smooth transition from one shift to another.

5.04 All work done outside of the regular hours shall be considered overtime and paid for at the rates provided.

5.05 All time worked between eight (8) and eleven (11) hours per day and between forty (40) and forty-eight (48) hours per week shall be paid at one and one-half time (1 ½ times) the regular rate.

All time worked in excess of eleven (11) hours per day or forty-eight (48) hours per week or all time worked on Sundays and/or Statutory Holidays shall be paid at double time (2 x's) rates."

Upon thirty (30) days written notice, the employer reserves the right to re-address Sunday at double time should business operations necessitate shift changes which include Sunday as a regular work day.

5.06 The Employer shall, whenever possible, give eight (8) hours notice to employees who are to be laid off temporarily.

5.07 At the time an employee is requested, or the employee requests to work extra hours beyond his regular shift hours, by mutual agreement, the employee may ask for compensating time off in lieu of pay. The time off shall be taken at the straight time rate of pay at a time mutually agreed to by the employee and the Employer. This time shall be taken off before October 31 of each year otherwise the time will be paid for at the straight time rate of pay.

The intent of this clause is for rescheduling of a regular shift (e.g. a Saturday for a Monday) and not for extra hours at the completion of a regular shift.

CLAUSE 6. STATUTORY HOLIDAYS

6.01 Subject to the eligibility provisions set out in this Agreement, the following days shall be recognized as paid statutory holidays:

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

6.02 To be eligible to receive pay for a statutory holiday, an employee must have been employed by the Employer for a minimum of four (4) weeks prior to the statutory holiday and he must work the last scheduled work day before the holiday and the first scheduled work day following the holiday unless otherwise agreed between the Employer and employee.

6.03 All eligible employees will be paid for the statutory holidays at their regular applicable rate of pay times the number of hours in their regular assigned shift.

- 6.04 In addition to the paid holiday, any employee who is required to work on a statutory holiday shall be compensated at the applicable overtime rate established in this Agreement.
- 6.05 When any of the above noted statutory holidays or general holidays fall on Saturday or Sunday and not proclaimed as being observed some other day, the following Monday, when one (1) day is involved, or the following Monday and Tuesday, when two (2) days are involved, shall be deemed to be holidays for the purpose of this Agreement unless other arrangements can be made by mutual agreement.
- 6.06 Pursuant to Clause 6.02, when any of the above noted holidays fall on an employee's scheduled day off, the employee shall receive another day off with pay at a time mutually agreeable between the employee and the Employer.
- 6.07 When a statutory holiday is observed on Friday or Monday and the Employer decides to shut down his operation on the corresponding Saturday to enable all concerned to observe a three day weekend, the Employer will inform the employees of his intention at least seven (7) days prior to the effective weekend.

CLAUSE 7 VACATIONS

- 7.01 All employees covered by this Agreement shall receive an annual vacation with pay in accordance with the following schedule:

1 to 4 years - 2 weeks
After 4 years - 3 weeks

After twelve (12) years – 4 weeks.

Each employee is required to take at least one-half (1/2) of their vacation entitlement as time off each year.

- 7.02 Vacations shall be scheduled on a seniority basis up to March 31st of each year, after which time vacations will be scheduled on a first come first served basis.
- 7.03 When a statutory holiday falls, or is observed during an employee's annual vacation period, he or she shall be granted an additional day vacation with pay for each statutory holiday in addition to his or her regular vacation time.
- 7.04 Vacations for employees shall be taken at such times when quantity, regularity and disruption of the work of the Employer will be least impaired, and as mutually agreed by the employee and the service manager.
- 7.05 Where an employee is to take his annual vacation entitlement in one unbroken vacation or any combination of five (5) consecutive working days, it shall be the employee's responsibility to notify the payroll department one (1) week prior to commencement of holidays, to ensure that payment for the period taken is made at least one working day

before the commencement of the employee's vacation.

- 7.06 Vacation earned must be taken in the calendar year in which it is earned or before March 31st of the following year. The employer shall pay the employee their unused (to a maximum of one-half (1/2) their entitlement) vacation pay in either June or December of each year at the Employee's request.**

NOTE: Each employee is required to take at least one-half (1/2) of their vacation entitlement as time off each year"

CLAUSE 8 WORKING CONDITIONS

- 8.01 Any employee called to work and not being required shall be paid two (2) hours time. Should the employee commence work he shall receive not less than four (4) hour pay. It is agreed that this Clause may be amended during the course of this Agreement by the mutual agreement between the Employer and the Union.
- 8.02 Lunch period shall be one-half (1/2) hour at mid-shift.
- 8.03 The Employer will honour an employee's written assignment from his wages of his Union dues. The Employer will deduct any assignment amounts from the employee's wages and pay the same amount to the Union by the fifteenth (15th) day of the month following such deductions.
- 8.04 If a normal pay day falls on a holiday or weekend, then payment of wages will be made on the work day preceding the holiday.
- 8.05 Two (2) fifteen (15) minute breaks shall be taken in a work shift. Time of the first work break shall be at one-quarter (1/4) of the scheduled shift or as near that period as possible; the second shift work break shall be at three-quarters (3/4) of the scheduled shift or as near that period as possible. Where an employee is required to work beyond ten (10) hours in any day, a hot meal will be provided as well as time to eat such meal.
- 8.06 Safety aids, such as welding goggles, shields, earplugs and coveralls shall be supplied by the Employer.
- 8.07 The Employer shall grant leave of absence without loss of seniority to an employee who serves as a juror or crown witness in any court. The Employer shall pay such an employee the difference between his normal earnings and the payment he received for jury service or court witness, excluding payment for travelling, meals, or other expenses. The employee shall present proof of service and the amount of pay received to the Employer.
- 8.08 In case of fire or theft where there has been physical break and entry, the Employer shall protect the value of an employee's personal tools to a total of their replacement cost, providing an inventory of tools is filed with the Employer. The Employer shall supply the required forms and secure the inventory for each employee. The employee shall receive a

signed copy of the inventory from the Employer. Coverage will commence at the date of the filing of the inventory with the Employer.

8.09 In the event an employee's personal tool having a value in excess of \$25.00 is broken while being used in the shop the employee will:

- (1) immediately notify the service manager or shop foreman of the situation,
- (2) take the necessary steps to obtain a warranty settlement for the tool. If a warranty settlement is not obtained then the service manager will assess the situation giving due consideration to the following:
 - (1) The condition of the tool immediately prior to it breaking.
 - (2) The expected useful life of a similar new tool.
 - (3) The application for the tool and whether the tool should have been a shop provided tool.
 - (4) Was the tool being used in a manner consistent with its original purpose at the time it was broken.

If the situation so warrants the Employer will replace the tool with a new tool of the same brand and quality.

8.10 During the term of this Agreement the employees are entitled to the following benefits:

- (1) Free coffee during coffee and lunch breaks;
- (2) The use of the telephone for emergency calls;
- (3) Upon authorization from the service manager, the employee may use the shop for minor maintenance of a vehicle owned by an employee. This includes use of the steam cleaner and shop tools.

8.11 Only those employees set out in Schedule "A" are covered by this Agreement.

The intent of this Clause is to allow the Employer the flexibility to hire casual employees to perform non bargaining unit work.

8.12 The Employer shall have the right to establish, maintain and enforce reasonable house rules and regulations to assure orderly plant operations. The employer shall furnish the employees and the Union with a copy of such rules and regulations and any future changes prior to said rules being enforced.

8.13 All employees shall receive \$200.00 annually, paid on a separate cheque on the final payroll of the calendar year, for the purchase and/or repair of safety footwear for the following year.

Employees with less than twelve (12) months service as of December 31st of each calendar year shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company. All employees must be actively employed on December 31st to receive this payment.

CLAUSE 9 BEREAVEMENT LEAVE

- 9.01 The Employer will continue payment of regular wages to a regular full time employee who must be absent from work solely due to the death of an immediate relative. Leave will be granted for three (3) consecutive working days. An employee is not eligible for bereavement leave for periods of sickness or disability and lay-off.
- 9.02 For the purpose of this Clause, "immediate relative" shall mean one of the following: spouse, parent, child, brother, sister, mother-in-law, father-in-law, grandparents, grandchild, sister-in-law, brother-in-law. For the purpose of this Clause spouse included common-law relationships recognized by Canadian law.

CLAUSE 10 UNION SECURITY

- 10.01 The Employer recognizes the Union as the sole and exclusive bargaining agent for the employees in the bargaining unit described in the certification issued by the Labour Relations Board of British Columbia.
- 10.02 The parties are agreed that membership in the Union will be available to all non probationary employees, but that Union membership will not be a condition of employment. Each employee, as a condition of his continued employment or on his date of hiring, must authorize the Employer in writing to deduct monthly dues from his pay.

The Company shall deduct dues, in accordance with the Union's instructions, from each employees first (1st) pay of each month and remit to the Union no later than the fifteenth (15th) day of each month following the month in which the deductions were made. Remittances shall be made in accordance with the forms provided by the Union and shall include each employees name, social insurance number, month for which dues are payable and the amount of said remittances.

Upon completion of the employees probationary period the Company shall deduct the appropriate initiation fee from the employee's next paycheque and remit to the Union on the next monthly remittances.

- 10.03 The Union may elect or appoint a working shop steward or shop stewards from the employees to represent the employees and the Union shall notify the Employer as to the name or names of such shop steward or shop stewards. The Employer agrees that no shop steward shall suffer any discrimination by reason of holding such office.
- 10.04 When the Employer for any reason finds it necessary to terminate a shop steward, the Employer will make its best effort to notify the office of the business representative of the

Union prior to such termination.

- 10.05 The Business Representative of the Union shall have access to the Employer's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to. The Business Representative shall first obtain permission from the service manager or one of the principals to enter the premises, permission not to be unreasonably withheld.
- 10.06 The shop steward shall be allowed reasonable time during working hours to carry out his duties. Performance of such duties shall not reasonably interfere with the employee's primary work duties and responsibilities with the Employer.
- 10.07 Any employee being reprimanded by the Employer shall have the right to request that the shop steward be in attendance. The Employer will recognize any one (1) shop steward to be the representing steward in any situation which requires the involvement of a shop steward.

CLAUSE 11 GRIEVANCE PROCEDURE

- 11.01 The Employer shall not dismiss or discipline an employee bound by this Agreement except for just and reasonable cause.
- 11.02 Grievance means any difference between the persons bound by this Agreement relating to the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether the matter is arbitrable and shall include whether an employee has been disciplined or dismissed for just cause.
- 11.03 Should a grievance arise, there shall be no stoppage of work on account of such grievance and an earnest effort will be made to settle the grievance promptly in the following manner:
- (a) Step 1. Within fifteen (15) calendar days from the date of the incident prompting the grievance the employee shall discuss the matter with his service manager at James Western Star Ltd. with or without the presence of the shop steward at the employee's option.
 - (b) Step 2. If no settlement is reached at Step 1, the Union shall submit the grievance in writing to the Company President within seven (7) calendar days of the last discussion provided in Step 1. The Company President and the service manager shall meet with the griever, the shop steward and/or the Business Representative of the Union within seven (7) calendar days of the receipt of the written grievance in an attempt to reach a satisfactory settlement of the grievance.
 - (c) Step 3. If settlement is not reached through the foregoing procedures, the grievance may be referred to an arbitration board.

- 11.04 The Employer may submit a grievance in writing to the Union within twenty-five (25) calendar days from the date upon which the incident or circumstances giving rise to the grievance first occurred or arose. The Union shall reply giving its decision within thirty (30) calendar days of receipt of the grievance.

CLAUSE 12 ARBITRATION PROCEDURE

- 12.01 When either party has requested that the grievance be submitted to arbitration, it shall notify the other party of its nominee to the arbitration board. The recipient of the notice shall within seven (7) calendar days notify the other party of its appointee to the arbitration board.
- 12.02 If the recipient of the notice fails to appoint a member within seven (7) calendar days, or if the two (2) appointees fail to select a chairman within seven (7) calendar days of their appointment, the appointment shall be made by the Minister of Labour of the Province of British Columbia.
- 12.03 The arbitration board may determine its own procedure and shall sit, hear the parties and make its award within thirty (30) days of its last meeting. The board shall deliver its award in writing to each of the parties giving reasons for the decision and the award of the majority of the arbitration board shall be final and binding on all parties.
- 12.04 Should the parties disagree as to the meaning of the board's decision, either party may resubmit the matter in dispute to the arbitration board for clarification. The arbitration board's final award will consist of the original arbitration award and the clarifying award.
- 12.05 The arbitration board shall not have the power to change this Agreement or to alter, modify or amend any of its provisions, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and conditions of this Agreement or to in any way modify, add to, or detract from any provision of this Agreement.
- 12.06 The time limits established for the arbitration procedure in Clause 12 may be extended by mutual consent of both parties.
- 12.07 Each party shall pay the costs and expenses of its appointee to the arbitration board and shall share equally the cost and expenses of the chairman.

CLAUSE 13 HEALTH AND SAFETY

- 13.01 Employees working in any unsanitary or dangerous jobs shall be supplied with all the necessary tools, other than those he is expected to have for his trade, safety equipment and protective clothing when needed.
- 13.02 An employee who is injured at work during working hours and is required to leave for treatment or is sent home for such injury shall receive payment for the remainder of the

shift at his regular rate of pay unless a doctor or nurse states that the employee is fit for further work on that shift.

- 13.03 Transportation to the nearest physician or hospital for employees requiring medical care as a result of an accident shall be at the expense of the Employer.
- 13.04 A safety committee will be formed to include members of the bargaining unit and the Employer. The committee will establish the number of bargaining unit members that should participate, the duration of their term on the committee, the frequency of meetings, and any other administrative matters that are required to ensure the intent of the committee is being upheld.
- 13.05 The shop steward, or where there is a safety committee, a Union representative of this committee, shall accompany the Compensation Board Inspector on all inspections.

CLAUSE 14 SENIORITY

- 14.01 The Employer shall publish a seniority list during the first week of January and the first week of July of each calendar year.
- 14.02 The seniority list shall be posted on the premises, and copies of the seniority list shall be forwarded to the Union. Any objection to the accuracy of a posted seniority list must be lodged with the Employer in writing within thirty (30) days of the seniority list being posted. Thereafter, the posted list will be deemed to be valid and correct for all purposes.
- 14.03 The Employer when laying off employees shall lay them off in reverse order of their seniority provided the senior employee has the necessary skills or qualifications to perform the duties required to satisfy the job classification to be retained.
- 14.04 When vacancies occur after lay-off, the Employer shall rehire laid-off employees according to their seniority provided the employee to be recalled has the necessary skills or qualifications required for the position to be filled.
- 14.05 Should a customer request a particular employee to do specific jobs, the Union and the Employer agree that the Employer may waive the provisions of Clauses 14.03 and 14.04 regarding lay-off and recall.
- 14.06 Only those employees who have successfully completed their probationary period are entitled to claim the rights and benefits arising out of seniority as provided for in this Agreement.
- 14.07 Seniority shall commence from the first day of employment of each employee.
- 14.08 An employee will lose all his seniority rights where:
 - (a) He is discharged for just and reasonable cause; or

- (b) He voluntarily terminates his employment; or
- (c) He is on lay-off for more than five (5) consecutive calendar months.
- (d) He does not return to work within five (5) days in response to a recall from lay-off. This time limit may be extended by mutual agreement between the employee and the Employer.

CLAUSE 15 PROMOTION POLICY

- 15.01 Promotions will be made on the basis of the selection of the applicant who has the highest qualifications and/or the demonstrated skills and abilities for the position. Where two (2) or more candidates possess equal qualifications and/or demonstrated skills and abilities, then the employee having the most seniority will be given first consideration for the position.
- 15.02 Positions will be posted for five (5) working days before a selection is made and posting shall include reference to specific shifts.
- 15.03 The company will post the names of all bargaining unit members applying for posted positions indicating the successful candidate. The unsuccessful applicants will have five (5) working days to grieve the Employer's decision before the selection becomes final.
- 15.04 It is agreed that the Employer will post upgrading courses available on the bulletin board for all employees to peruse.

CLAUSE 16 PROBATIONARY PERIOD

- 16.01 All new employees will be considered probationary for the first ninety (90) calendar days.
- 16.02 The right is reserved to the Employer to shorten or eliminate the probation period for former employees in recognition of prior employment with the Employer, related work experience, or demonstrated aptitude.
- 16.03 Probationary employees shall be on trial to determine their suitability for regular employment. The Employer may dismiss a probationary employee if he does not find him suitable for regular employment. This is a lesser standard as provided for in Section 93 of the Labour Code of British Columbia.
- 16.04 When an employee has successfully completed his probationary period his seniority shall date from the commencement of his probationary period.
- 16.05 The provisions of this Agreement are restricted with respect to probationary employees as follows:

- (a) They shall not attain seniority until they have successfully completed their probationary period;
- (b) Their employment may be terminated in accordance with Clause 16.03;
- (c) They shall not be entitled to benefits under Clause 18 (Technological Change).

16.06 When new employees are required and there is an afternoon shift currently in progress, said employees will be required to work on the afternoon shift unless the new employee is hired to fill a specialized vacancy on the day shift. The intent of this Clause is to ensure that the steady employees are given the preference of working the day shift.

CLAUSE 17 HEALTH AND WELFARE

17.01 Full time employees will become eligible for benefits as provided by the benefit plans arranged by the Employer and listed below:

- (a) Basic Medical Services Plan of British Columbia or equivalent, eligible after one (1) month of continuous service.
- (b) Extended Health Benefits Plan eligible after forty-six (46) calendar days of continuous service.
- (c) FADA Employee Benefits Plan, or equivalent, eligible, after forty-six (46) calendar days of continuous service.

17.02 The Employer will continue to pay its present proportion of the premiums and will remit on behalf of the employees their present proportion of the premiums required by the insurers to maintain the agreed to benefit levels for regular employees during the term of this Agreement.

17.03 In the event an employee is sick for eight (8) consecutive days (at which time his group insurance comes into force), the Employer will pay the employee for the fifth, sixth and seventh day at the same rate he would have received from the group insurance plan if the group insurance plan commenced on the fourth day. The fifth, sixth and seventh day must be regularly scheduled work days for the employee. A doctor's certificate is required.

17.04 The Company shall provide and maintain benefit coverage for its employees and their dependents. When the Company changes carriers the coverage shall be no less than currently provided.

A copy of the employer's benefit plan brochure is to be included in the terms and conditions of this Agreement as Schedule "B".

Should the Company change carriers or coverage, the Company shall provide the Union

with a copy of the new benefit plan brochure when available.

17.05 Employees shall be notified in advance of any future increases to the Vision Care program.

17.06 Effective October 26, 2004, employees who wish, may contribute through Payroll Deduction, to a self-directed RRSP through the CIBC. The Company shall make matching contributions, and remit same at the same time as the employee's contribution, no later than once per month, as follows:

Five (5) to ten (10) years seniority - \$15.00 per month

Over ten (10) years seniority - \$25.00 per month

CLAUSE 18. TECHNOLOGICAL CHANGE AND SEVERANCE PAY

18.01 It is the purpose of this Clause to provide for technological change and to minimize any adverse affects of such change on employees in the bargaining unit by providing for retraining or severance pay.

18.02 The Employer will provide the Union with as much notice as possible of its decision to introduce a technological change.

18.03 Where ever practical, employees whose jobs are eliminated by a technological change shall be eligible for retraining to equip them to operate any new equipment. Such retraining will be provided by the Employer to employees but employees must become capable of doing the new job within thirty (30) calendar days (or such longer period as may be agreed to by the Employer and the Union), failing which they may be terminated pursuant to the severance pay provisions in Clause 18.06.

18.04 In cases where retraining is not practical, the employee(s) shall elect:

(a) Termination of employment; or

(b) To be placed on the recall list as set out in Clause 14.03 and 14.04 of this Agreement.

18.05 An employee shall be eligible for severance pay immediately if he elects termination under Clause 18.04 (a). If he elects to go on a recall list under Clause 18.04 (b) and is not recalled after five (5) months, he shall be eligible for severance pay at that time in the same amount as he would have received if he had elected termination immediately under Clause 18.04 (a) and his employment shall be terminated.

18.06 Full time regular employees eligible for severance pay under Clause 18.04 or Clause 18.05, or whose employment is terminated due to closure of all or part of the Employer's operation, shall be paid severance pay according to the following formula:

Employees with more than one (1) year of continuous employment shall receive one (1) week's pay for each full year of service to a maximum of eight (8) week's pay.

- 18.07 It is understood that employees laid off under Clause 14 due to depressed business conditions are not eligible for benefits under this Clause.
- 18.08 In the event an employee who has been terminated in consequence of a technological change (and paid severance pay under Clause 18.06) is subsequently rehired, it is understood that he is hired only as a new employee for all purposes of this Agreement.
- 18.09 Employees who are paid severance pay in accordance with this Agreement shall have no other claim for the loss of their employment.

CLAUSE 19 APPRENTICESHIP TRAINING

- 19.01 Apprentices are to be covered by Supplemental Unemployment Benefits (SUB) Plan for the two week waiting period while in attendance at Apprenticeship Training. Payment will be equal to the E.I. premium the apprentice qualified for up to the E.I. Weekly maximum of \$413.00 per week.

Upon successful completion of the apprenticeship training sessions a bonus will be paid as follows:

- \$1,000.00 on a 6 week course
- \$1,400.00 on a 8 week course

James Western Star Ltd. will pay the employee's cost of B. C. Medical, Manulife Group Insurance and Vision Care while he is in attendance of training sessions.

Apprentices need to have a minimum of three (3) months employment with James Western Star Ltd. to qualify.

CLAUSE 20 DURATION OF AGREEMENT

- 20.01 This Agreement shall be for the period from and including October 26th, **2002** to and including October 25th, **2004** and from year to year thereafter, subject to the right of either party to the Agreement at any time within four (4) months immediately preceding the date of the expiry of this Agreement by written notice, to require the other party to the Agreement to commence collective bargaining.
- 20.02 Should either party give written notice aforesaid, this Agreement shall thereafter continue in full force and effect until:
- (a) The Union commences a lawful strike;
 - (b) The Employer commences a lawful lockout; or
 - (c) The parties enter into a new or further Agreement, whichever is the earliest.

20.03 Section **50(2)and 50(3)** of the Labour Code of British Columbia does not apply to this Agreement.

Signed on behalf of the
Employer:

JAMES WESTERN STAR LTD.

Signed on behalf of the
Union:

INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL NO. 115

Dated this _____ day of _____, 20__ in the City of Kamloops, Province of
British Columbia.

SCHEDULE "A"

	<u>October 26, 2002</u>	<u>October 26, 2003</u>
Diesel engine/gear mechanic	\$27.23	\$27.77
Heavy duty truck mechanic Level 1 (T.Q.'s)	\$26.96	\$27.23
Heavy duty truck mechanic Level 2 (Unlicensed)	\$23.64	\$24.11
Working foreman	\$27.53	\$28.08
Body shop foreman	\$27.78	\$28.34
Bodyman	\$23.41	\$23.88
Body shop helper	\$17.05	\$17.39

An afternoon shift differential of one dollar (\$1.00) will be paid for each hour worked after 5:00 p.m. to those employees working the afternoon shift.

NOTE: Apprentice Mechanic rates are based on the Heavy Duty Truck Mechanic Level 1 (T.Q.'s) rate of pay.

LETTER OF AGREEMENT #1

BETWEEN:

JAMES WESTERN STAR LTD. (KAMLOOPS)

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

The Parties hereby agree that Russel Robillard shall receive one Dollar (\$1.00) per hour over and above the pay rate for “Bodyman” as contained in the Collective Agreement.

Signed this _____ day of _____ 20__.

James Western Star Ltd.	International Union of Operating Engineers Local 115

LETTER OF AGREEMENT #2

BETWEEN:

JAMES WESTERN STAR LTD. (KAMLOOPS)

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

The Parties hereby agree to a probationary Body Shop Helper rate of ten dollars (\$10.00) per hour.

This rate shall only apply for the first ninety (90) calendar days of employment. Upon completion of the Ninety (90) days, the Company shall indenture the employee as a Body Man Apprentice and shall pay him under the apprenticeship scale of wages.

Signed this _____ day of _____ 20__.

James Western Star Ltd.	International Union of Operating Engineers Local 115

LETTER OF AGREEMENT #3

BETWEEN:

JAMES WESTERN STAR LTD. (KAMLOOPS)

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

The Parties hereby agree that each employee who was employed by the Company as of October 26, 2002 shall, upon completion of ten (10) years of service with the Company, receive a lump sum payment, on a separate cheque, of two percent (2%) of their previous year's gross earnings.

This payment shall be paid each year until the employee completes twelve (12) years of service and receives the additional week of annual vacation as per the Collective Agreement.

Signed this _____ day of _____ 20__.

James Western Star Ltd.	International Union of Operating Engineers Local 115