

LETTER OF UNDERSTANDING

BY AND BETWEEN:

**ACTION CONCRETE PUMPING LTD.
(The "Company")**

AND

**INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115
(The "Union")**

In recognition of the difficulties the Company must face in competing for business in the Kamloops area of British Columbia, it is agreed that:

1. The Company shall be required to sign this agreement with the Union before they are able to apply the conditions set out herein.
2. This Letter of Understanding shall continue from July 1, 2003 to and including June 30, 2004.
3. This Letter of Understanding shall become void and of no effect if it is found that the Company is involved in or supports double-breasting.
4. All conditions of the Standard Heavy Construction Agreement shall apply to the work done by the Company except as changed or amended by this Letter of Understanding
5. The standard work week shall consist of forty (40) hours.
6. The standard work day shall commence between the hours of 6:00 a.m. and 1:00 p.m. Any employee called out to work after 1:00 p.m. shall be paid from 1:00 p.m. regardless of when such employee started. By mutual agreement between the employee and the company, and due to special circumstances, the work day may commence between 4:00 a.m. and 6:00 a.m.
7. When an employee works more than four (4) hours he shall be paid actual hours worked.
8. The following holidays shall be paid at time and one-half (1 ½x), effective January 1st, 2005:
 - Heritage Day
 - Friday before BC Day
 - Boxing Day
 - Easter Monday
 - Friday before Labour Day

- All other holidays contained in the Heavy Construction Agreement shall be paid for at time and one half (1 1/2 x) effective date of ratification of this agreement. Effective January 1, 2005, these holidays shall be paid at double time (2 x).
9. All Employees shall be paid for their lunch period every day at straight time and such lunch period shall be included as part of their regular shift. This provision shall apply after six (6) hours of work.
 10. Missed meal after ten (10) hours. A non-taxable meal allowance of twelve dollars (\$12.00) shall be paid when hours are worked beyond ten (10) hours in a shift when working outside the Kamloops city limits.
 11. Coveralls shall be supplied and cleaned by the Employer.
 12. It is understood that all time spent traveling, driving, cleaning and fueling of the trucks and pumps is considered time worked and shall be paid as such.
 13. When an employee is called out for work and no work is performed, he shall be paid a minimum of:
 - a) On regular shifts, two (2) hours at straight time.
 - b) On Saturdays, Sundays and General Holidays, two (2) hours are the prevailing overtime rate.
 14. SENIORITY:
 - a) All employees who have been employed by the Company more than thirty (30) days shall accrue seniority from their date of hire.
 - b) The Company shall maintain a seniority list for all employees covered by this Letter of Understanding.
 - c) Seniority shall be the determining factor in lay-offs and recalls from lay-offs, provided the employee with the greatest seniority has the ability to perform the work in question. Subject to the terms of this Section, in the event of lay-off, the employee with the least seniority shall be laid off first.
 - d) In recognition of the unique nature of this industry, it is understood that employees properly assigned to a specific work assignment on a specific project for a specific client shall not be subject to bumping by an employee not assigned to the same project. This provision shall remain for the period of the employees assignment only.
 - e) Seniority shall be retained in the event of lay-off for a period equal to the employees length of service to a maximum of eighteen (18) months. The most senior person on lay-off shall be the first rehired, subject to the terms of this Article.
 - f) Seniority shall not be retained in the event of termination for cause (subject to grievance procedure), quitting or employment by the Company outside the bargaining unit.

15. It is recognized that because of the nature of the employer's business, there may be occasions when a pump operator may be required to leave a pump at a location other than the employer's yard or may be required to report to work at a location other than the yard and move a pump back to the yard, or to another location. In these circumstances, such employee will require transportation to his vehicle. It is recognized that such transportation is to be supplied by the employer and time required is time worked.

16. Overtime shall be paid after forty (40) hours as follows:

- 40 to 60 hours at time and one half (1 ½ x's)
- Double time (2 x's) for all time in excess of 60 hours per week, and/or on Sundays and holidays.

16. The Company shall make the following remittances in accordance with the Heavy Construction Agreement, for each employee for each hour worked:

	July 1, 2003
OE Pension Plan	\$2.00
OE Benefits Plan	\$1.75

16. The Company shall deduct and remit Union dues in the amount of forty-three cents (\$0.43) per hour worked from each employee.

17. Schedule "A" Wages

July 1, 2003
\$22.00

16. The Company shall pay holiday pay and vacation pay on each pay cheque in the amount of 10% (total) in addition to the hourly rate of pay.

21. Felix Fuchs may continue to work and operate equipment as is the current practice.

SIGNED this _____ day of _____ in _____, B. C.

For the Company:

For the Union:
