

COLLECTIVE AGREEMENT

COWICHAN PETROLEUM SALES LTD.

OCTOBER 1, 2003 - SEPTEMBER 30, 2005

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THIS AGREEMENT entered into this day of , 2003

BETWEEN:

COWICHAN PETROLEUM SALES LTD.

Duncan, British Columbia

(Hereinafter known as the Company)

OF THE FIRST PART,

AND:

I.W.A. CANADA, LOCAL 1-80, C.L.C.

With offices at 351 Brae Road,
Duncan, British Columbia

(Hereinafter known as the Union)

OF THE SECOND PART.

PREAMBLE:

The purpose of this Agreement is to secure for the Company, the Union and the Employees the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible the safety and physical welfare of the employees, economy of operation, quality and quantity of output, and protection of property. It is recognized by the Agreement to be the duty of the Company and the Union and the employees to co-operate fully, individually and collectively for the advancement of the said conditions.

The Company and the Union agree to abide by the terms set out in this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in this Agreement. The company agrees, in the exercise of the functions of Management, that the provisions of this Agreement will be carried out.

Wherever a masculine reference is used in the Agreement, it shall be deemed to include the equivalent feminine reference.

ARTICLE I - BARGAINING AGENCY

SECTION 1: RECOGNITION

- (a) The Company recognizes the Union as the sole collective bargaining agency of the employees of the Company at 2999 Allenby Road, Duncan, B.C., except confidential employees and those employees with the authority to hire or discharge.
- (b) It is agreed that when a dispute arises as to whether or not a person is an employee within the bargaining unit, it shall be subject to grievance procedure. In the event of failure to reach a satisfactory settlement, it shall be dealt with by arbitration.
- (c) The Union agrees to issue a withdrawal card to employees transferred from the bargaining unit to a job outside the bargaining unit providing that no dispute arises within the meaning of Clause (b) herein.

SECTION 2: MEETINGS

The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing wages and working conditions and adjusting any matters within the confines of this Agreement which come within the scope of collection bargaining between employer and employee.

SECTION 3: BARGAINING AUTHORITY

The Party of the First Part agrees that the bargaining authority of the Party of the Second Part shall not be impaired during the term of this Collective Agreement. The Party of the First Part agrees that the only certification that they will recognize during the terms of this Agreement is that the Party of the Second Part, unless ordered by due process of law to recognize some other bargaining authority.

SECTION 4: ACCESS TO OPERATION

Official Union representatives shall obtain access to the Company's operations for the purpose of the Agreement which will be granted by the Company on request and subject to such reasonable terms and conditions as may be laid down by the Company.

SECTION 5: MANAGEMENT RIGHTS

Subject to the terms of this Agreement, all matters concerning the operations of the Company's business shall be reserved to management. The Union recognizes that the Company's rights include the right to:

- (a) Manage and operate its business.
- (b) Maintain order, discipline and efficiency.
- (c) Assign work and determine job content and qualifications for an employee to perform work.
- (d) Discharge, classify, reprimand, suspend for proper cause.
- (e) Increase and decrease working force.
- (f) Make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations shall not conflict with this Collective Agreement.

ARTICLE II - UNION SECURITY

SECTION 1: CO-OPERATION

The Company will co-operate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors and foremen the policy herein expressed.

SECTION 2: UNION SHOP

All new employees shall, within thirty (30) calendar days after the execution of this Agreement, or thirty (30) calendar days after entering employment, whichever date last occurs, become members of the Union and maintain membership therein throughout the term of this Agreement, as a condition of continued employment.

SECTION 3: MAINTENANCE OF MEMBERSHIP

Any employee who is a member in good standing, or is reinstated as a member of the Union shall as a condition of continued employment maintain such membership in good standing throughout the term of the Agreement.

SECTION 4: DISCHARGE OF NON-MEMBERS

Any employee who fails to maintain his membership in the Union as prescribed herein by reason of refusal to pay dues and assessments shall be subject to discharge after seven (7) days' written notice to the company of the said employee's refusal to maintain his membership.

SECTION 5: UNION MEMBERSHIP

- (a) No employee shall be subject to any penalties against his application for membership or reinstatement, except as may be provided for in the IWA Constitution, and in accordance with the By-Laws of Local 1-80.
- (b) Any employee who applies to join the Union pursuant to the provision herein and whose application is rejected by the Union shall not be subject to discharge from employment.

SECTION 6: CHECK-OFF

**IWA-CANADA
CHECK-OFF**

Starting Date **19**

Name of Employer

Name of Employee

Address

Phone
(Please Print)

Postal code

Operation

Social Insurance No.

Are you a Member of the IWA _____
In what IWA operation were you last employed? _____

Local Union _____

I HEREBY AUTHORIZE AND INSTRUCT YOU TO DEDUCT FROM MY WAGES AND REMIT TO LOCAL 1- THE FOLLOWING IN PAYMENT OF THE AMOUNT SET OUT BELOW:

1. Union Initiation Fees in the amount of \$ _____
2. Union Back Dues in the amount of \$ _____
3. Union Dues \$ _____ per month, commencing _____ 19
4. Union Assessments in the amount and at the time stated in notice received by you from the Local Union designated above.

Clock No. _____

APPLICATION FOR MEMBERSHIP

I hereby request and accept membership in the IWA-CANADA, LOCAL _____ and agree to abide by the constitution and By-Laws of the organization. In case of misstatement of qualifications for membership I agree to forfeit all rights, privileges and monies paid.

Signature of Applicant-Employee

This assignment in the case of employees already members of the Union shall be effective immediately, and for those employees not previously members of the Union, it shall become effective thirty (30) calendar days from the date of execution.

The Local Union shall notify the Company by letter of the amount of back dues owed by new employees and copies of such letter shall be furnished to the employee and the Shop Committee.

The Company shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the employee) to the Local Union named therein not less often than once each month, with a written statement of names of the employees for whom the deductions were made and the amount of each deduction.

SECTION 7: SOCIAL INSURANCE NUMBER

The Company shall furnish the Union with the Social Insurance Number of each employee on its payroll on the first occasion when dues are forwarded to the Union after the of this Agreement or after the employee enters the employment of the Company, whichever date last occurs.

ARTICLE III - UNION COMMITTEE

SECTION 1: DEFINITION

For the purpose of this Agreement, when the term "Union Committee" is used, it shall mean the Union committee, members of which are appointed by the Union.

SECTION 2: COMPOSITION

The Union Committee shall consist of not less than two (2) employees who have completed probationary period of employment with the Company who are members of the Union and, wherever possible, they shall be selected on a departmental basis.

SECTION 3: NOTIFICATION

The Union will, within sixty (60) days from the date of this Agreement, notify the company in writing of the members of the Shop Committee. The Union or Shop Committee will inform the Company in writing when any member change takes place on the said Committee. No member of the Union Committee will be recognized by the Company unless the above procedure is carried out.

SECTION 4: EXCEPTIONS

The provisions of the Union Committee will not apply in reference to the Accident Prevention Committee, where the members are designated according to the provisions of the Workers' Compensation Act, however, on mutual agreement between the Union and Company. The Union Committee may also act as Accident Prevention Committee members.

ARTICLE IV - HOURS OF WORK

SECTION 1: HOURS AND OVERTIME

- (a) The regular hours of work shall be eight (8) hours per day and forty (40) hours per week with rate and one-half pay for any hours worked over eight (8) hours per day and forty (40) hours per week.
- (b) Any hours worked in excess of eight (8) hours and up to eleven (11) hours in any one day shall be paid for at the rate of time and one-half. Any hours worked in excess of eleven (11) hours in any one day shall be paid at the rate of double time.

- (c) For the purpose of computing overtime and days worked, a statutory holiday shall be considered a shift worked.
- (d) The Company may, on seventy-two (72) hours notice change the work week to a Tuesday to Saturday. While on this weekly shift, Saturday will be worked at straight time. Overtime rates of pay will apply for work performed on Sunday or Monday while on this shift.
- (e) Banking Overtime
 - (i) All overtime hours are to be paid either in banked time off or wages, at the Employee's option. The decision to receive banked overtime or wages should be made by the Employee at the time overtime hours are worked.
 - (ii) Banked time off to be mutually agreed upon between the Employer and Employee.
 - (iii) Banked overtime accumulated credits are available on request from the office.

SECTION 2: REST PERIODS

All employees shall be entitled to two (2) fifteen-minute rest periods during each regular day, provided always that the Company shall have the right to use relief employees in implementing this provision.

SECTION 3: HOT MEALS

Where an employee is required to work two (2) hours or more beyond his normal daily shift, he will be paid Eight Dollars (\$8.50) and fifty cents for a meal, and receipts may be requested by the employer.

SECTION 4: NO WORK GUARANTEE

The foregoing provisions of this Article shall not be construed as guaranteeing to any employee any number of hours of work per day or week.

SECTION 5: ALTERNATE SHIFT SCHEDULING

It is mutually agreed that both parties, Union and Management, shall work out and agree to the details before implementation of an alternate shift.

ARTICLE V - TECHNOLOGICAL CHANGE

SECTION 1: JOINT COMMITTEE

It is agreed that a Joint Committee will be established to consider technological changes in progress and make recommendations to the Parties to assist them in ameliorating the effect of such changes. The Committee will meet with the Provincial and Federal representatives concerned with retraining of manpower.

SECTION 2: ADVANCE NOTIFICATION

The Company shall notify the Union Committee and the Union not less than six (6) months in advance of intent to institute changes in working methods or facilities which would involve the discharge or laying off of employees.

SECTION 3: RETRAINING

The Company shall co-operate with the Government of British Columbia and participate in every way possible in training or retraining of employees so affected.

SECTION 4: RATE ADJUSTMENT

- (a) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his regular job at the time of the set back for a period of three (3) months and for a further period of three (3) months he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the setback and the rate of his new regular job will apply. However, such employee will have the option of terminating his employment and accepting severance pay as outlined below, providing he exercises this option within the above-referred-to six-month period.
- (b) Following an application of (a) above, where an employee is set back to a lower paid job because of an application of seniority brought on by mechanization, technological change or automation he will receive the rate of his regular job at the time of the setback for a period of three (3) months and for a further period of three (3) months he will be paid an adjusted rate which will be midway between the rate of his regular job and the time of the setback and the rate of his new regular job. At the end of this six-month period, the rate of his new regular job will apply.

SECTION 5: SEVERANCE PAY

Severance pay shall be in line with the Employment Standards Act and/or the Federal Canadian Labour Code.

ARTICLE VI - WAGES

SECTION 1: RATES

Category	Effective May 1, 2003
Driver/Salesman	\$21.01
Clerical Staff	16.00
Office Manager	18.00

- Pup trailer rate premium twenty (.20) cents per hour driven.
- Shop rate shall be fifteen (\$15.00) dollars per hour.

- (a) And this work shall be the employee's option as to whether he wants this work or not.
- (b) It is also understood that if the employee has been working at his/her regular job or is asked to work his/her regular job during the day that shop rate is applied, he/she shall be paid at their regular rate for the entire shift.

SECTION 2: PAY DAYS

Pay days shall be bi-weekly.

SECTION 3: NEW EQUIPMENT

IWA-Canada, Local 1-80 and the Company agree that during the term of this agreement, that if any new equipment is acquired, we agree to sit down and discuss and finalize an hourly rate for the new equipment.

ARTICLE VII - UNIFORMS

If uniforms are required by the employees, then they shall be supplied. (i.e. shirts, ties, caps, pants, jackets, coveralls, blazers, shirts, blouses, shop coats)

ARTICLE VIII - PRESENT CONDITIONS & BENEFITS

It is mutually agreed that the following conditions and privileges are to be continued:

1. Petroleum discounts
2. Coffee, tea and supplies

ARTICLE IX - STATUTORY HOLIDAYS & FLOATING HOLIDAY

SECTION 1:

Employees shall have the following holidays with no loss of regular pay:

- | | |
|-------------------|--------------------|
| 1. New Year's Day | 6. Labour Day |
| 2. Easter Holiday | 7. Thanksgiving |
| 3. Victoria Day | 8. Remembrance Day |
| 4. Canada Day | 9. Christmas Day |
| 5. B.C. Day | 10. Boxing Day |

At the option of the Company, but wherever possible by mutual agreement with the Committee, either good Friday or Easter Monday shall become the designated Easter Holiday, and the Company shall notify its employees of the designation at least one (1) week prior to the said holiday.

SECTION 2: QUALIFYING CONDITIONS

- (a) An employee, to qualify for Statutory Holiday pay, must comply with each one of the following three conditions:
 - (i) Have been on the payroll thirty (30) calendar days immediately preceding the holiday.
 - (ii) Have worked his last regularly scheduled work day before and his first regularly scheduled work day after the holiday, unless his absence is due to illness, compensable occupational injury, or is otherwise authorized by the employer.

- (iii) Notwithstanding (ii) above, the employee must have worked one (1) day after the holiday, both of which must fall within a period of sixty (60) calendar days.
- (b) In case of injury or illness in (i) above, the employer shall have the right to request a medical certificate.
- (c) Employees while on Leave of Absence or any employees while members of a Negotiating Committee thereof shall not qualify for paid Statutory Holidays.

SECTION 3: SUNDAY HOLIDAYS

In the event that one of the within-named Statutory Holidays falls on Sunday, it shall be observed the following Monday.

SECTION 4: SATURDAY HOLIDAYS

In the event that one of the within-named Statutory Holidays falls on Saturday, it shall be observed on the preceding Friday or the succeeding Monday, or partly on one day or the other, as agreed upon between the Company and the Union Committee.

SECTION 5: WEEKLY WORK SCHEDULE

Hours paid as Statutory Holiday pay shall not be involved in the weekly work schedule.

SECTION 6: HOLIDAY SHIFT

An employee working on a paid holiday shall be paid in addition to his holiday pay, rate and one-half for any hours worked on a shift designated as the "holiday shift".

SECTION 7: ARRANGEMENT FOR CHANGE

In the event of a Statutory Holiday falling on a Tuesday, Wednesday or Thursday, and where the Company and Committee mutually agree, the said holiday may be observed the preceding Monday or following Friday respectively.

SECTION 8: FLOATING HOLIDAY

Effective January 1, 2001 all employees with three (3) or more years of seniority will be entitled to one (1) floating holiday each year.

SECTION 9: WORK FOR OWNER

The Employer and the Union agree that **John Ballard**, the owner, will have the right to deliver fuels on statutory holidays, weekends and call-outs after normal working hours.

This Agreement will be in force as long as regular employees are not displaced from their regular work, and if regular employees are displaced from their regular work they will have first rights to perform the above mentioned duties.

ARTICLE X - VACATIONS WITH PAY

SECTION 1:

- (a) Employees with over one (1) year seniority and have completed two (2) years' seniority will receive two (2) weeks vacation with pay at four (4%) percent.

- (b) Employees who have over two (2) years' seniority and up to completion of Ten (10) years' seniority will receive three (3) weeks vacation with pay at six (6%) percent.
- (c) Employees who have over ten (10) years' seniority and up to completion of eighteen (18) years' seniority will receive four (4) weeks vacation with pay at eight (8%) percent.
- (d) Employees who have over eighteen (18) years' seniority will receive five (5) weeks vacation with pay at ten and one-half (10 1/2%) percent.
- (e) Employees with less than one (1) year or casual workers will have holiday pay based on four (4%) percent of their gross annual earnings.

SECTION 2: VACATION PAY ON TERMINATION

An employee whose employment is terminated shall receive vacation pay at the appropriate percentage of the wages or salary earned during the period of entitlement in accordance with the employee's years of service.

SECTION 3: VACATION TIME

- (a) Vacations for employees shall be taken at such time as mutually agreed upon, when quantity and regularity of production shall not be impaired.
- (b) All earned vacations must be taken.

SECTION 4: PAYMENT OF VACATION PAY

- (a) The calculation and comparison of the vacation pay amounts developed by the percentage of gross wages method will be completed and the greater amount paid to the employee within fourteen (14) days of the common vacation pay cut-off or anniversary date. The Company's present cut-off or anniversary date method shall be continued unless a change is agreed upon between the Company and the Local Union.
- (b) The rate of the employee's regular job will be the rate of the employee's regular job at the date of the common vacation cut-off date or the employee's anniversary date, as the case may be
- (b) On the date when an employee completes one (1), two (2), ten (10), or eighteen (18) years service and where there is a common cut-off date for all employees in the operation, the employee will receive:
 - (i) In the case of one (1) year, one (1%) percent of his gross earnings between the date of employment and the date of the last common cut-off date.
 - (ii) In the case of two (2), ten (10), or eighteen (18) years, two (2%) percent of his gross earnings between the date of his last anniversary date and the date of the last common cut-off date.

SECTION 5: CASUAL AND PART-TIME EMPLOYEES

Casual employees who are called in to work on an intermittent basis will receive four (4%) percent of their total wages as vacation pay. Regular part-time employees will have their vacation time and pay based upon their seniority date.

SECTION 6: EMPLOYMENT STANDARDS ACT

Part 4 - Annual Vacation of the Employment Standards Act, S.B.C., 1980, c.10, and amendments hereto, except where varied or modified by the provisions herein, shall become a part of this Agreement.

ARTICLE XI - CALL TIME

SECTION 1: WHERE NO WORK

Any employee who is called for work and on reporting finds no work available due to reasons beyond his control, shall be entitled to two (2) hours' at the usual rate. This shall not apply if the Company gives sufficient notice cancelling said call.

SECTION 2: WHERE WORK COMMENCES

Where an employee is called to work, he shall be paid not less than four (4) hours pay.

ARTICLE XII - HEALTH & WELFARE

The Company agrees to register their employees and fully participate in the IWA Health & Welfare Plan #2 and/or have coverage equal to the Plan.

It is also agreed that any improvements that occur in the Health & Welfare Plan #2 will be automatically be included in this Memorandum of Agreement.

SECTION 1: SICK DAYS

All full time employees will receive up to five (5) sick days per year to be used to offset the waiting period when an employee commences the Weekly Indemnity Program.

ARTICLE XIII - SENIORITY

SECTION 1: PRINCIPLE

- (a) The Company recognizes the principle of seniority, competency considered.
- (b) The selection and promotion of supervisory officials shall be entirely a matter for the Company's decision, but in making such election or promotion, length of continuous service shall be given due consideration.

SECTION 2: REDUCTION AND RECALL OF FORCES

- (a)
 - (i) In the event of a reduction of the forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of the above section. Where a reduction of forces is caused by emergency conditions, the application of plant seniority may be postponed for such period as may be necessary but not exceeding five (5) working days. If the Company decides to exercise its right under this provision, it shall notify the Union Committee as soon as possible.
 - (ii) When recalling forces after a period of layoff following a reduction of forces, an employee shall be recalled in order of his plant seniority subject to the competency of the person involved and the provisions outlined above.
- (b) During a reduction of forces, where an employee's seniority is such that he will not be able to keep his regular job, he may elect whether or not to apply his seniority to obtain a lower

paid job or a job paying the same rate of pay or accept a lay-off until his regular job becomes available, provided however:

- (i) If during the lay-off period, the employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority entitles him to a job.
 - (ii) The application of this provision shall not result in an employee, in the exercise of his rights, bumping an employee with less seniority.
- (c) Details of the application of this Section shall be worked out by the Local Union and the Company.

SECTION 3: RETENTION DURING LAY-OFF

It is agreed between the Parties that seniority during lay-offs shall be retained on the following basis.

- (a) Employees with less than one (1) year's service shall retain their seniority for a period of six (6) months.
- (b) Employees with one (1) or more years' service shall retain their seniority for one (1) year, plus one (1) additional month for each year's service up to an additional six (6) months.

A laid-off employee's seniority retention under (a) and (b) above is reinstated on the completion of one (1) day's work.

It shall be the employer's responsibility to maintain an address file of his employees and it shall be the employee's responsibility to notify his employer in writing of any change of address.

SECTION 4: JOB POSTING

- (a) Vacancies shall be posted in advance for a period of not less than two (2) working days except when otherwise agreed.
- (b) This Section shall not apply to temporary replacements of two (2) weeks or less necessitated by illness, injury, or other leave of absence, or to temporary replacements of longer duration for employees on vacation, but in filling these vacancies senior employees will be given preference in accordance with the contract.

SECTION 5: PROBATIONARY PERIOD

- (a) Notwithstanding anything to the contrary contained in this Agreement save and except the provisions of Clause (b) of this Section, it shall be mutually agreed that all employees are hired on probation, the probationary period to continue for thirty (30) working days, during which time they are to be considered temporary workers only, and during this same period no seniority rights shall be recognized. Upon completion of thirty (30) working days, they shall be regarded as regular employees and shall then be entitled to seniority dating from the day on which they entered the Company's employ, provided however, that the probationary period of thirty (30) working days shall only be cumulative within the three (3) calendar months following the date of entering employment.
- (b) Clause (a) of this Section does not apply to employees who move from one operation of a Company to another operation of the same Company within thirty (30) days for those laid off, and within ninety (90) days for those terminated as a result of a permanent closure.

SECTION 6: SENIORITY LIST

- (a) It is agreed that a seniority list will be supplied to the Union by the Company twice during each calendar year, setting out the name and starting date with the Company and the starting date for department seniority of each regular employee. The Company will advise the Union once each month of changes to the said list.
- (b) All present employees of the Company shall have seniority rights from the date they commenced employment with Cowichan Petroleum Sales Ltd. and maintain their seniority through transfers of agencies or ownership of the Company.

SECTION 7: REINSTATEMENT

- (a) In any case where an employee has been transferred by the Company to a supervisory position and at a later date ceases to be a supervisory worker, and the Company desires to retain his services, it is agreed that reinstatement can be made within the bargaining unit in line with his bargaining unit seniority. The following options shall prevail:
 - (i) If the Supervisor has the bargaining unit seniority, he shall revert back to his previously held job, or
 - (ii) If the Supervisor does not have the bargaining unit seniority as outlined in (i) above, he may apply his seniority to a job commensurate with his bargaining unit seniority, competency considered, or,
 - (iii) If the Supervisor does not have the bargaining unit seniority to obtain a job, he shall be laid off and subject to all the provisions of this Agreement.
- (b) Employees who are required for temporary supervisory duty for a period of not more than sixty (60) working days in each calendar year shall continue to accumulate their seniority. These employees will return to the job they held prior to the temporary supervisory assignment.

Should any special circumstances arise which will require an extension of this provision, the same shall be discussed between the Local Union and Management, and if agreement is reached, the period may be extended.

SECTION 8: CONTRACTING AND SUB-CONTRACTING

The Company agrees not to use contractors or sub-contractors to displace regular or laid-off employees.

ARTICLE XIV - LEAVE OF ABSENCE

SECTION 1: INJURY OR ILLNESS

The Company will grant Leave of Absence to employees suffering injury or illness for the term of the Agreement, subject to a medical certificate if requested by the employer. The employee shall have a reasonable period of time to present such medical certificate. The employee shall report or cause to have reported the injury or illness which requires his absence to the Company as soon as may be reasonably possible.

SECTION 2: MATERNITY LEAVE

The Company will grant a reasonable period of extended maternity leave without pay to female employees where there is a valid reason.

SECTION 3: WRITTEN PERMISSION

Any employee desiring Leave of Absence must obtain permission in writing from the Company for such leave, except in cases of illness or injury covered previously in this Agreement.

SECTION 4: EXTENDED LEAVE

The Company will grant Leave of Absence up to a maximum of six (6) months without pay to employees for compassionate reasons or for educational or training or extended vacation purposes, conditional on the following terms:

- (a) That the employee apply at least one (1) month in advance unless the grounds for such application could not reasonably be foreseen.
- (b) That the employee shall disclose the grounds for application.
- (c) That the Company shall grant such leave where a bona fide reason is advanced by the applicant, or may postpone leave for educational or training purposes where a suitable replacement is not available.
- (d) That the Company shall be required to consult with the Union Committee in respect of any application for leave under this Section.

SECTION 5: BEREAVEMENT LEAVE

- (a) When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted an appropriate leave of absence for which he shall be compensated at his regular straight-time hourly rate of pay for his regular work schedule for a maximum of three (3) days.
- (b) Members of the employee's immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, mother-in-law, father-in-law, sons-in-law, daughters-in-law, step-children, step-parents, grandparents, grandparents-in-law and grandchildren.
- (c) Compensable hours under the terms of this section will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid

holidays, but will not be counted as hours worked for the purpose of computing overtime.

SECTION 6: JURY DUTY

Any regular full time employee who is required to perform jury duty, including Coroner's jury duty, or who is required to appear as a Crown witness or Coroner's witness on a day on which he would normally have worked, will be reimbursed by the Company for the difference between the pay received for the said jury or witness duty and his regular straight time hourly rate of pay for his regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for the said jury or witness duty. The employee will be required to furnish proof of jury or witness duty pay received.

SECTION 7: UNION BUSINESS

- (a) The Company will grant Leave of Absence to employees who are appointed or elected to Union office for a period up to and including one (1) year. Further Leave of Absence may be granted by mutual consent. The employee who obtains this Leave of Absence shall return to this Company within thirty (30) calendar days after completion of his term of employment with the Union.
- (b) The Company will grant Leave of Absence to employees who are elected as representatives to attend Union meetings and Union conventions or as members of any Negotiating Committee of IWA-CANADA in order that they may carry out their duties on behalf of the Union. The Union agrees to give the Company five (5) days notice before granting Leave of Absence.

SECTION 8: PUBLIC OFFICE

- (a) The Company will grant Leave of Absence for campaign purposes to candidates for Federal, Provincial or Municipal elective public office for periods up to and including eight (8) weeks, provided the Company is given due notice in writing of twenty (20) calendar days, unless the need for such application could not reasonably be foreseen.
- (b) Employees elected or appointed to Federal, Provincial or Municipal office shall be granted as much leave as is necessary during the term of such office. Municipal office holders, where the term of public office is served intermittently, shall give the Company reasonable notice for absences from work for conducting Municipal business.
- (c) The employee who obtains this Leave of Absence shall return to his Company within thirty (30) calendar days after completion of public office.

SECTION 9: REVOCATION OF LICENSE

In the event that a driver has his driver's license revoked and other employment is not available within the Company, he shall be granted Leave of Absence and it shall not be a violation of this Agreement for him to accept employment elsewhere until his driver's license is restored and he is able to return to his regular job. A repetition of this offense could cause disciplinary action which may lead to dismissal.

ARTICLE XV - ACCIDENT PREVENTION COMMITTEE

SECTION 1: COMPOSITION

- (a) The Management of every operation shall maintain an Accident Prevention Committee consisting of not less than two members.

- (b) The said Committee shall consist of an equal number of representatives of the company and the Employees. Employee representatives will be elected by a vote supervised by the Union.
- (c) Employee representatives shall be regular employees in the operation with at least one (1) year's experience in that type of operation over which their inspection duties shall extend.

SECTION 2: DUTIES

The general duties of the Accident Prevention Committee shall be as directed by the regulations made pursuant to the Workers' Compensation Act.

SECTION 3: PAY FOR MEETINGS

- (a) The Company will pay straight-time rates not exceeding two (2) hours per week to employee members for the actual time spent in attending Accident Prevention Committee meetings outside of working hours.
- (b) The rate to be paid to employee members shall be the employee's regular straight-time job rate.

SECTION 4: MEETINGS DURING WORK

Where Accident Prevention Committee meetings are held during working hours with the consent of the Company, employees' time will not be deducted for attending such meetings or investigations into accidents.

SECTION 5: INVESTIGATIONS

In the case of a fatal accident, the Accident Prevention Committee in the operation shall, within forty-eight (48) hours, conduct an investigation into such fatal accident.

SECTION 6: CESSATION OF WORK

Any one or all employees working in the immediate proximity when a fatal accident has occurred may without discrimination refrain from working the balance of the shift.

ARTICLE XVI - SAFETY EQUIPMENT

- (a) Where the following articles of equipment are required to be used by the employer or by the Workers' Compensation Board, the employer shall:
 - (i) Supply new employees with the articles of equipment as required,
 - (ii) Supply employees moving to another department with the articles of equipment they require and that they do not have at the time of the move, or
 - (iii) Replace articles of equipment as required when they are presented worn or damaged beyond repair by an employee at no cost to the employee as follows:
 - 1. Coveralls
 - 2. Hard hats
 - 3. Eye protection
 - 4. Dust protection
 - 5. Ear protection
 - 6. Gloves

7. Work boots

- (iv) Replace gloves as required at no cost to the employee, only when they are presented worn or damaged beyond repair; otherwise the replacement will be at the expense of the employee.

- (v) Replace safety toed work boots as required up to one Hundred (\$100) dollars per pair when they are presented and are worn and damaged beyond repair, upon receipt.

ARTICLE XVII - PENSION PLAN

The Company at the signing of this agreement agrees to contribute seventy-five (75) cents per hour worked into the employees' R.R.S.Plan.

ARTICLE XVIII - SEVERANCE PAY FOR PERMANENT PLANT CLOSURE

- (a) Employees terminated by the employer because of permanent closure of the operation shall be entitled to severance pay equal to one (1) week's pay for each year of continuous service and thereafter in increments of completed months of service with the Company to a maximum of twenty-six (26) weeks.

- (b) Where an operation is relocated and the employees involved are not required to relocate their place of residence and are not terminated by the employer as a result of the plant relocation, they shall not be entitled to severance pay under this section.

ARTICLE XIX - ADJUSTMENT OF GRIEVANCES

SECTION 1: PROCEDURE

The Company and the Union mutually agree that when a grievance arises in the plant coming under the terms of the Agreement, it shall be taken up in the manner set out below:

Step One

The individual employee involved shall first take up the matter with the foreman directly in charge of the work within fourteen (14) days of the date of the said grievance.

Step Two

If the question is not satisfactorily settled in this way, the same individual, with the Union Committee, shall take up the problem with either the Manager or Foreman, or both, as designated by the Company.

Step Three

If a satisfactory settlement is not then reached, the Union Committee shall take up the problem with either the Manager, Owner, or both, as designated by the Company. A statement in writing of the alleged grievance, together with a statement in writing by the foreman, shall be exchanged by the Parties concerned.

Step Four

If the problem is not then satisfactorily solved, it shall be referred to the Union and the Management.

Step Five

If a satisfactory settlement is not then reached, it shall be dealt with by arbitration.

SECTION 2: TIME LIMIT

If a grievance has not advanced to the next stage under step two, three, four or five within fourteen (14) days after completion of the preceding stage, then the grievance shall be deemed to be abandoned and all rights of recourse to the grievance procedure shall be at an end. Where the union is not able to observe this time limit by reason of the absence of the aggrieved employee or the union committee from the plant, the said time limit shall not apply. The union shall be bound to proceed in such a case as quickly as may be reasonably possible.

ARTICLE XX - ARBITRATION

SECTION 1: INTERPRETATION

- (a) In the case of a dispute arising under this Agreement, which the Parties are unable to settle between themselves as set out in Adjustment of Grievances; the matter shall be determined by arbitration in the following manner:

Either Party may notify the other Party and the Arbitrator in writing, by registered mail, of the question or questions to be arbitrated.

After receiving such notice and statement, the Arbitrator and the other Party shall, within three (3) days, acknowledge receipt of the question or questions to be arbitrated. The Arbitrator shall be appointed by agreement between the two parties or by the Minister of Labour.

- (b) The decision of the Arbitrator shall be final and binding upon the Parties of the First and Second Parts.
- (c) If the Arbitrator finds that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights and privileges preserved under the terms of this Agreement, provided always that if it is shown to the Arbitrator that the employee has been in receipt of wages during the period between discharge (or suspension) and reinstatement, or date of failure to re-hire and re-hiring, the amount so received shall be deducted from wages payable by the Company pursuant to this section.
- (d) The Arbitrator shall be required to hand down his decision within fourteen (14) days following completion of the hearing.

SECTION 2: COST SHARING

The Parties of the First and Second Parts shall bear in equal proportions the expenses and allowances of the Arbitrator and stenographic and secretarial expense, and rent connected with his duties as Arbitrator.

SECTION 3: PLACE OF HEARING

Any arbitration to be held hereunder shall be held within the boundaries of the City of Duncan or at such other place as may be decided by the Parties.

ARTICLE XXI - STRIKES AND LOCKOUTS

- (a) There shall be no strikes or lockouts by the Parties to this Agreement with respect to any matter arising out of the Agreement for which arbitration is provided under the terms of the Agreement.
- (b) The Parties to this Agreement expressly agree that there will be no activity within the meaning of (a) above threatened, declared, authorized, counselled, aided or brought about on its part.
- (c) In the event of a strike during the term of the Agreement the Union will instruct its members and Officers who may be involved to cease such activity and comply with the terms of the Agreement.

ARTICLE XXII - DURATION OF AGREEMENT

- (a) The Parties hereto mutually agree that this Agreement shall be effective from and after the 1st day of October 2003 and shall remain in force and be binding on all Parties until the 30th day of September 2005, and thereafter from year to year unless terminated by either Party by written notice in accordance with the Statutes of British Columbia. If notice is given to commence collective bargaining, this Agreement continues in full force until a new Agreement is reached or one of the Parties takes legal lockout or legal strike action.
- (b) The Parties hereto agree that the operation of Section 66(1) of the Labour Code of British Columbia Act, R.S.B.C. 1979, C.212 is excluded from this Agreement.

IWA-CANADA, LOCAL 1-80, C.L.C.

COWICHAN PETROLEUM SALES LTD.

E. & O.E.

/cr

Cowpetsales03-05

10/08/2003