

COLLECTIVE AGREEMENT

Between:

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD. and ECO PRO SYSTEMS INC.)

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

April 1, 2002 to April 30, 2012

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COLLECTIVE AGREEMENT

By and Between:

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD. and ECO PRO SYSTEMS INC.)

(hereinafter referred to as the "Company")

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

(hereinafter referred to as the "Union")

WITNESSETH: that the parties hereto agree as follows:

ARTICLE 1: OBJECTS

- 1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement; to prevent strikes, lockouts, and work stoppages; to enable the skills of both Employer and employees to operate to the end that waste and avoidable and unnecessary expense and delays are prevented; to promote good public relations.

ARTICLE 2: BARGAINING AGENCY

- 2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company employed and working at those classified occupations listed in Appendix "A" for the following locations:

343 Bay Street
507 Ellice Street
350 David Street
2525 Bridge Street

hereinafter called the "Locations".

- 2.02 This Agreement shall be binding on the Company and the Union in regard to the above locations and no others.
- 2.03 Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his or her employment with the Company, whichever is shorter. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee at any time cease to

be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.

- 2.04 The Company shall have all new employees complete the required Union Membership, Death Benefit and Pension Enrollment Cards, which will be supplied by the Union. The Company shall mail the completed cards to the Union office.

ARTICLE 3: UNION DUES

- 3.01 All full time permanent employees covered by this Agreement shall, as a condition of employment, pay the equivalent of dues to the Union. These dues shall be paid monthly at two and one-half (2-1/2) times the hourly rate as set forth in Appendix "A" of this Agreement.
- 3.02 CHECK-OFF: - The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.03 AMOUNTS DEDUCTED: - Union dues deducted under this provision shall be remitted to the Union no later than the thirtieth of the month following the month in which such check-off applies.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the business and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the exclusive right to select its employees, to hire, classify, promote, demote or discipline them and to discharge employees for proper causes, provided that a claim of discrimination (as prohibited under the Human Rights Act) against an employee in respect to any of these matters, or a claim of violation of any Section or Article of this Agreement, may be the subject of a grievance and shall be dealt with as hereinafter provided. The Company shall first call the Union for employees but reserves the exclusive right to select the employees and may hire other employees other than those provided by the Union.
- 4.03 SUPERVISORS, OFFICE PERSONNEL: All management, supervisors, leadhands or any employee at any level at Ralmax Developments Ltd. (Dispose All Recycling Ltd. and Eco Pro Systems Inc.) will be considered "working positions" which allows them to work at any job, duty, or labour required during the work day as needs may arise. This means that during the day, any management staff can work alongside any non-management staff performing the same duties and fulfilling the same job function.

- 4.04 BONUSES: The Company reserves the right to pay bonuses to employees if management should find such appropriate.

ARTICLE 5: DEFINITION OF EMPLOYEE

5.01 PERMANENT FULL TIME:

In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Board of British Columbia under the Labour Relations Code. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" attached hereto. Permanent full-time employees are defined as any employee not included in Articles 5.02, 5.03 and 5.04.

5.02 TEMPORARY FULL TIME:

Temporary full-time staff are defined as employees who work at least forty (40) hours per week for less than two (2) months during the calendar year and who are not students. Temporary full-time staff will be hired with temporary status and will typically only be brought in to handle special work projects for a predictable short term. The pay level will be 85% of the level for the area they are working in. Temporary full-time staff are not subject to any of the employee benefit programs nor subject to Union membership but will pay Union dues.

5.03 STUDENTS:

Student staff are defined as any employees who are attending a school, college, university, or training program on a full-time basis. Typically student staff may work weekends and during the school term vacation. The pay level will be 75% of the lowest starting entry pay level. Student staff are not subject to any employee benefit programs nor subject to Union membership. If student staff work over sixteen (16) hours in any week, Union dues will be assessed at a rate of two and one-half (2-1/2) percent of gross pay but not to exceed an amount equal to two (2) hours pay at the student staff's current rate per month.

5.04 PART-TIME:

Part-time staff are employees who typically work less than sixteen (16) hours per week or during the summer months. The pay level will be 85% of the starting classification rate. Part-time staff are not subject to any employee benefit programs nor subject to Union membership. If part-time staff work over sixteen (16) hours in any week, Union dues will be assessed at a rate of two and one-half (2-1/2) percent of gross pay but not to exceed an amount equal to two (2) hours pay at the part-time staff's current rate per month.

ARTICLE 6: HOURS OF WORK AND OVERTIME

- 6.01 A maximum of eight (8) hours (without overtime) shall constitute a day's work between the hours of 7:30 a.m. and 4:00 p.m. on a forty (40) hour work week, Sunday to Saturday.

Start of shifts may vary by two (2) hours either way.

- 6.02 OVERTIME: After eight (8) hours per day - time and one-half (1-1/2); after eleven (11) hours per day - double time (2x).
- 6.03 CALL OUT TIME: When an employee is called out for work, he shall be paid at least two (2) hours at the employee's applicable hourly rate. Unless weather or other Acts of God prohibit it, an employee who starts work shall be guaranteed at least four (4) hours pay in any day he works.
- 6.04 TIMESHEETS & SAFETY CONCERNS: Employees will fill out timesheets daily in the prescribed format on the prescribed forms. Safety concerns and mechanical problems are to be reported on the timesheets for further action by others.
- 6.05 NIGHT & EVENING SHIFTS: It is understood that on some of the Employer's projects, a night or evening shift may be required and if such is the case, then no additional compensation will be forthcoming.

ARTICLE 7: GRIEVANCE PROCEDURE

- 7.01 Should a dispute arise between the Company and an employee or the Union regarding the interpretation, application, operation, or any alleged violation of the Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

STEP A - The employee or the Union, together with the Personnel Manager, shall attempt to resolve the issue within seventy-two (72) hours of the employee becoming aware of the alleged incident or infraction occurring giving rise to the grievance. If a solution is reached at this stage it shall be final and binding upon all parties.

STEP B - Should a solution not be reached by Step (A) then a Business Representative of the Union, accompanied by the employee if the employee or Business Representative so wish, shall discuss the matter with the Company Personnel Manager within fourteen (14) days of the alleged incident or infraction occurring giving rise to the grievance. If a solution is reached at this stage, it shall be final and binding upon all parties.

- 7.02 GRIEVANCE - DISCHARGE OR SUSPENSION: - Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays) in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request. In the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, may constitute cause.
- 7.03 SECTION 87: - Grievances pertaining to discharge and suspension will not be processed under Section 87 of the Labour Relations Act of British Columbia unless there is mutual agreement between the parties.

ARTICLE 8: ARBITRATION

- 8.01 If the procedures set forth in Section 7.01, Step A and Step B and/or Section 7.02 do not result in a solution being reached within seven (7) days of the first discussion between a

Business Representative of the Union and a representative of the Company, the dispute shall be referred, within a further seven (7) days, to an Arbitration Board of three (3) persons appointed as follows:

- (a) The Party desiring Arbitration shall appoint a member for the Board and shall notify the other party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
 - (b) The Party receiving the notice shall within five (5) days appoint a member for the Board and notify the other party of its appointment.
 - (c) The two (2) Arbitrators so appointed shall confer to select a third person to be Chairman and failing for three (3) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour of British Columbia to appoint such third member.
 - (d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award, within ten (10) days from the date of the appointment of the Chairman, provided the parties may extend the time by agreement in writing.
- 8.02 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.03 If the Award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.04 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares subject to pre-approval of estimated cost.
- 8.05 By mutual agreement between the Parties, a single Arbitrator shall be appointed.

ARTICLE 9: PROBATIONARY PERIOD

- 9.01 When a new employee is hired, it is agreed that he or she shall be on probation for ninety (90) calendar days. The probationary term may be extended by mutual agreement between the Union Business Representative and Company Management. In the event of temporary lay-off and recall during the probationary period, probation shall be cumulative.
- 9.02 The Company may terminate a probationary employee for any job related negative performance.

ARTICLE 10: VACATIONS AND GENERAL HOLIDAYS

- 10.01 Vacation and General Holiday pay shall be accrued at the rate of ten percent (10%) of gross earnings (six percent [6%] for annual vacation and four percent [4%] for General Holidays) and shall be paid to the employee at least monthly or upon termination of employment.

For clarification purposes, it is the intent that holiday pay is paid on all "wages", and not on "non-wage" bonuses, that are taxable to the employee.

Employees who have completed twelve (12) months of continuous employment from their date of hire (excluding temporary layoff) upon request shall be entitled to a minimum of three (3) weeks vacation. Vacation periods will be arranged by mutual agreement between the employee and the Employer.

The recognized holidays are:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
first Monday in August (British Columbia Day)	Boxing Day

and any day declared a public holiday by the Federal and/or Provincial Governments. No work will be performed on Labour Day. All work performed on General Holidays shall be paid for at double time rates. In the event that any additional day or days are declared public or provincial holidays by the Federal and/or Provincial Governments, then such holidays shall be recognized and the General Holiday pay shall be increased by one-half of one percent (0.5%) for each additional day.

When a General Holiday falls on a Saturday or Sunday, the actual day will be observed.

When Christmas Day and Boxing Day fall on Saturday and/or Sunday, the following Monday and/or Tuesday will be observed.

Work performed on the day upon which it has been agreed that the holiday will be observed will be paid for at double time rates.

ARTICLE 11: GENERAL PROVISIONS

- 11.01 SHOP STEWARD: There will be only one (1) Shop Steward and this person shall be appointed by the Union with consultation with the Company. The Steward, if not working towards a harmonious relationship, may be replaced within fifteen (15) days written notification by the Employer. This Steward may not be necessarily last to be laid off or first to be rehired.
- 11.02 SEVERANCE: As per Employment Standards.
- 11.03 Tenants at the Company owned work sites shall be exempt from the Union at their discretion.
- 11.04 HUMAN RIGHTS POLICY: The parties agree on the Human Rights Policy in Appendix "B". (Subject to changes in policy.)
- 11.05 The Company and the Union agree there will be no strike or lockout while this Agreement is in full force.

11.06 PAYMENT OF WAGES:

- (a) The Company shall, every second Friday, pay to each employee all wages earned by the employee to a day not more than five (5) working days prior to the date of payment provided that, if a General Holiday falls on the regular payday, payment will be made the preceding day.
- (b) Payment of wages will be made during working hours.
- (c) In the event that an employee is laid off the Company shall pay such employee, not later than the two business days after he ceases to be an employee of the Company, all wages, salary and holiday pay earned by such employee, excluding authorized deductions.
- (d) Where an employee is not paid as provided above, such employee shall be deemed to be still on the payroll of the Company and shall receive his usual wages until there is compliance with the provisions or other arrangements are made.
- (e) Wage rates shall be as outlined in Appendix "A" and as modified from time to time by other Articles in this Agreement.
- (f) In addition to the wages outlined in Appendix "A", and as modified elsewhere in this Agreement, the Employer retains the right to give, at its discretion, a "bonus" that is not related to hours of work, productivity or efficiency.

11.07 REST PERIODS: An employee shall be granted two (2) ten (10) minute breaks during the course of each shift - one (1) in each half of the shift. An employee shall be granted a ten (10) minute break after each two (2) hours of overtime he works in any day. All breaks shall be taken at the scheduling of the supervisor or manager without any loss of pay.

11.08 LUNCH PERIOD: Each shift shall have a one-half (1/2) hour lunch period at or near mid-shift.

11.09 BEREAVEMENT PAY: If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided under this Section.

11.10 SUB-CONTRACTING & CONTRACTING OUT: Where the Company's facilities, space, trained personnel, time expediency, cost, and customer demands allow it, the Company will endeavour to continue to have work done by its own employees. Where sub-contracting or contracting out is deemed necessary by the Company, they may select any sub-contractor or sub-contracting company they wish.

ARTICLE 12: NEW JOB CLASSIFICATION

12.01 NEW JOB CLASSIFICATION: When a new job classification is introduced which is not included in the list of current classifications, the Company and the Union Representative

shall promptly negotiate a wage rate. This wage rate will be negotiated within five (5) working days after notification to the Union Representative. New job classifications will fall under one of the existing classifications in Schedule "A".

ARTICLE 13 - TRUCK MAINTENANCE AND SAFETY

13.01 TRUCK MAINTENANCE: It is to the mutual advantage of both the Company and the employees, that employees should not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of Management and in respect thereto the Company agrees as follows:

- (a) Employees shall report any safety defects on equipment and vehicle problems to the Company.

It shall not be a violation of this Agreement for employees to refuse to operate any equipment or vehicle which is deemed unsafe. In the event that such equipment or vehicle is subsequently deemed to be in safe operating condition then the employee shall be required to operate such equipment or vehicle.

- (b) It is mutually agreed that the driver of a vehicle must report defects in equipment to the service department and list said defects upon a work-order.
- (c) When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the out-going driver.

ARTICLE 14: BENEFITS AND PENSION PLANS

14.01 BENEFITS:

Each employee covered by this Agreement shall have the option of enrolling in the Operating Engineers Benefits Plan. Those opting to enroll shall share the cost. Effective May 1, 2002 the Company shall make remittances at the rate of one dollar and thirty-five cents (\$1.35) per hour for each hour earned in respect to each employee opting to enroll. Company share will be seventy-five cents (\$0.75). Employee share will be sixty cents (\$0.60). Those employees choosing not to enroll shall sign a company waiver. Should a permanent employee be laid off (with a minimum of one [1] year's service), the Employer will continue to contribute their share to a maximum of two (2) months.

If required by the Board of Trustees, the contribution rate shall be reviewed for increases without opening the Agreement at that time.

14.02 PENSION PLAN:

- (a) The Employer shall make contributions at the rate of three percent (3%) of the hourly rate per hour for each hour earned in respect to each employee covered by this Agreement to the Operating Engineers' Pension Plan.

- (b) New employees hired after April 1, 1997 shall not be eligible for contributions to the Union Pension Plan until they have five (5) years of service, after which Article 4.02 (a) shall apply.

When such new employees achieve five (5) years of service, the Employer shall make a lump sum contribution equal to three percent (3%) of the annual earnings for the past five (5) years to a Registered Retirement Savings Plan.

- 14.03 Effective May 1st of each year the contribution rate shall be reviewed by the parties without opening the Agreement at that time.
- 14.04 ELIGIBILITY: Contributions for Health and Welfare will commence on the first day of the month following completion of the probationary period. Pension contributions shall begin six (6) months after probationary period. All members of the Union hired shall have contributions remitted from the first day of hire.
- 14.05 Contributions must be mailed or delivered by the Employer to the Administration of the O.E. Health, Welfare and Pension Plans office no later than the thirtieth (30th) day of the month following that which contributions cover.

ARTICLE 15: SAVINGS CLAUSE

- 15.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.
- 15.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 15.03 If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

ARTICLE 16: ENABLING CLAUSE

- 16.01 When in the opinion of both parties it is deemed beneficial to the Employer and the Union members the terms and conditions of the Agreement may be modified, such mutually agreed modifications to this Agreement shall be by Letter of Understanding and may be for one project, for a type of work or for a specific period of time. It is the intent of this Article that the Company remain competitive in all of their markets.

ARTICLE 17: DURATION

17.01 This Agreement shall be in full force and effect from and including April 1, 2002 and shall remain in effect up to and including April 30, 2012.

Signed this _____ day of _____, 20__.

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD.
and ECO PRO SYSTEMS INC.)

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A"

HOURLY WAGE RATES AND CLASSIFICATIONS

	<u>May 1, 2002</u>
Operator	20.00
Driver	19.10
Driver (mini-bin)	16.00
Labourer	14.60
Pipelayer	17.35
Foreman	18.25
Recycle Labourer	12.80

The hourly wage rate payable pursuant to this Agreement after May 1st, 2002 will be determined each May 1st by the following formula:

- A. The Company shall select the hourly wage rates of five (5) contractors that perform similar work to that of the Company in the Victoria area;
- B. The Company will total the hourly wage rates for the five (5) contractors and then divide the total by five (5) producing the average hourly rate.
- C. The wage rate payable will be ninety percent (90%) of the average rate calculated pursuant to paragraph B above. In the event the rate calculated is lower than the current rate, no decreases will be forthcoming.

ENTRY LEVELS

Level 1	0 - 800 hours	55% of Classification Rate
Level 2	801 - 1600 hours	65% of Classification Rate
Level 3	1601 - 2400 hours	80% of Classification Rate
Level 4	over 2401 hours	100% of Classification Rate

APPENDIX "B"

HUMAN RIGHTS POLICY

By and Between:

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD. and ECO PRO SYSTEMS INC.)

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Preamble:

Ralmax Developments Ltd., Dispose All Recycling Ltd. and Eco Pro Systems Inc. ("Ralmax") and the International Union of Operating Engineers, Local 115 (Local 115) support the Human Rights Act of British Columbia. This policy outlines what that commitment means to us all.

The Human Rights Act of British Columbia prohibits (and it is the policy of Ralmax and Local 115) that no employee, or customer, will be discriminated against or harassed "because of race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation, age or because that person has been convicted of a criminal or summary conviction offense that is unrelated to the employment or to the intended employment of that person."

While no form of discrimination will be tolerated, most work place discrimination takes place as "harassment". Usually on the grounds of "sex harassment," "race harassment," "age harassment", etc.

Harassment on any ground prohibited by the Act, is a violation of the Act, and is a violation of this policy.

Harassment is defined as making someone feel uncomfortable because of any action, deed or word that is sexual, racist, age related etc, in nature.

Harassment can occur even if there is no intention to do so; harassment is measured by the effect not the intent. This means that the threshold of harassment is crossed when the action, word or deed of someone causes another person to become "uncomfortable".

Every person the right to work in the company, or be a customer of the company, without being subjected to a poisoned environment that makes them feel awkward or uncomfortable.

Purpose:

The purpose of this policy is to see that all of the employees of the company respect each other, our customers, and the Human Rights Act, and to set up a procedure to identify and

remedy any problem that might occur from the date of this policy while it is still solvable here in the company.

Adhering to this policy should stop harassment before it starts. However, should an incident of harassment arise, this policy will work to eliminate it before it gets out of hand.

Every employee must realize that he or she has the right to take any allegation of discrimination to the British Columbia Council of Human Rights, and Ralmax and Local 115 clearly and unequivocally support any employee's right to do so without fear of any retaliation from the Company, the Union, or from any employee of the Company or the Union.

Responsibility of Management

It is the responsibility of every officer, director, manager or supervisor of the Company to refrain from any action, word or deed that violates the Human Rights Act or this policy, and to immediately report to the General Manager any allegations/incidents of prohibited harassment whether brought to their attention or personally observed. Under no circumstances should an allegation be dismissed or the complainant be told to deal with it personally. The General Manager shall immediately advise the Union.

Responsibility of All Other Employees

It is the responsibility of every employee of the company to refrain from any action, word or deed that violates the Human Rights Act, or this policy, and to immediately report to the General Manager any allegations/incidents of prohibited harassment whether brought to their attention or personally observed. Under no circumstances should an allegation be dismissed or the complainant be told to deal with it personally. The General Manager shall immediately advise the Union.

Complaint Process:

Preamble

If the policy is to work to create a harassment-free work environment, it is critical that any "allegation" of inappropriate actions, words or deeds be dealt with immediately. Any problem can be resolved in a constructive way if it is caught early.

If You See It:

If you see or hear an action(s), word(s), or deed(s) that is(are) racist, sexist, age related, etc in nature that you believe could make someone else uncomfortable then you are obligated to report it to the General Manager who will report it to the Union. If you do not report it you become part of the problem instead of part of the solution.

If It Happens To You:

If you see or hear an action(s), word(s), or deed(s) that is (are) racist, sexist, age related, etc in nature that makes you uncomfortable then you are obligated to report it to the

General Manager who will report it to the Union. If you do not report it you become part of the problem instead of part of the solution.

Remedy

It is the expectation of the company that every employee regardless of their position in the company will abide by this policy and not create an incident that causes another employee, or customer, to feel offended by a racist, sexist, or age related etc. action, word, or deed. However, when an allegation has been made, it is the responsibility of Ralmax to appoint an agreed-upon outside dispute resolutionist to investigate the matter with the intention of resolving the issue.

While discipline may be given, up to and including termination if necessary, the key aim of this Policy is to catch a problem early and restore the working environment before it has become too seriously damaged.

The disputes resolutionist brought in shall be reimbursed at the expense of Ralmax.

I have read, and I understand, the above policy, and acknowledge that I have received a copy of it.

Dated this _____ day of _____, 20 _____

Signature: _____

Name Printed: _____

LETTER OF UNDERSTANDING

BETWEEN:

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD. and ECO PRO SYSTEMS INC.)

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

We agree to Red Circle the following employees for the entire duration of their employment with Eco Pro Systems Inc.:

- Paul Cooper;
- James Jones; and
- Scott Robertson

These employees will not be covered by the Ralmax Collective Agreement.

Any new Employees of Eco Pro Systems Inc. will be covered by the Ralmax Collective Agreement.

Signed this _____ day of _____, 2003.

RALMAX DEVELOPMENTS LTD.
(DISPOSE ALL RECYCLING LTD.
and ECO PRO SYSTEMS INC.)

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115
