

COLLECTIVE AGREEMENT

Between

B.C. RENTALS LTD.

and

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

MAY 1, 2005 TO APRIL 30, 2007

TABLE OF CONTENTS

ARTICLE 1 - OBJECTS	1
ARTICLE 2 - BARGAINING AGENCY	1
ARTICLE 3 - UNION SECURITY	2
ARTICLE 4 - MANAGEMENT RIGHTS	2
ARTICLE 5 - DEFINITION OF EMPLOYEE	2
ARTICLE 6 - HOURS OF WORK AND OVERTIME	3
ARTICLE 7 - GRIEVANCE PROCEDURE	7
ARTICLE 8 - ARBITRATION	7
ARTICLE 9 - SENIORITY	9
ARTICLE 10 - VACATIONS.....	11
ARTICLE 11 - GENERAL HOLIDAYS	13
ARTICLE 12 - WAGES	14
ARTICLE 13 - TRAVEL TIME - TRANSPORTATION - EXPENSES	15
ARTICLE 14 - LEAVE OF ABSENCE.....	17
ARTICLE 15 - GENERAL PROVISIONS	18
ARTICLE 16 - TECHNOLOGICAL OR PROCEDURE CHANGES.....	23
ARTICLE 17 - NEW JOB CLASSIFICATION.....	23
ARTICLE 18 - TRUCK MAINTENANCE AND SAFETY	23
ARTICLE 19 - MEDICAL - INSURANCE - DENTAL - PENSION	24
ARTICLE 20 - SAVINGS CLAUSE	27
ARTICLE 21 - DURATION.....	27
APPENDIX "A" - WAGE SCHEDULE	29
APPENDIX "B"	31
APPENDIX "C"	32

COLLECTIVE AGREEMENT

BETWEEN:

B.C. RENTALS LTD.

(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(hereinafter referred to as the "Union")

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.

The purpose of the Agreement is to establish conditions which will result in quality services. The parties to this Agreement are committed to customer service and the success of the Company in the marketplace.

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 at the place(s) set out in the certificate(s) of bargaining authority and at any other premises opened or taken over by the Company in British Columbia.
- 2.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.
- 2.03 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit, except in the instruction or training of employees **and under the conditions applicable to 2.04.**
- 2.04 **Management staff may assist bargaining unit members on the counter to provide cover for periods of absence, sick leave, and vacation.**

Management will at no time carry out or seek to carry out these responsibilities on a full time basis nor will Management carry out or seek to carry out these responsibilities while any counter staff is on either temporary or permanent lay-off.

The aforementioned management "rights" for providing periods of cover detailed in 2.04 are dependant entirely upon the continuance of the current management and ownership structure of the Company.

In the event that a situation arose which either resulted in any change of ownership, or abuse of these provisions, 2.04 and its contents would be withdrawn immediately from this collective agreement.

ARTICLE 3 - UNION SECURITY

- 3.01 UNION SECURITY 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 employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. 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.
- 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 or other check-off provisions shall be remitted to the Union not later than the fifteenth 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 plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination 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 be dealt with as hereinafter provided.
- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants.

ARTICLE 5 - DEFINITION OF EMPLOYEE

- 5.01 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 Code of British Columbia. "Employee" shall also mean a person employed in a job classification listed in Appendix "A"

and/or "B" attached hereto, and working at or from any premises opened or taken over by the Company in British Columbia.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

6.01 DAY SHIFT The standard work day shall consist of eight (8) hours occurring between 7:00 A.M. and 5:30 P.M. The standard work week shall consist of forty (40) hours, Monday to Friday. Graveyard shift shall lead off at 12:01 A.M. Monday.

Hours of work in the Shop may be changed by mutual Agreement between the Company and the Union.

An employee may be required to alter their shift hours within the standard work day but notice will be given prior to leaving work on the previous shift. This alteration may be for: (a) one day or, (b) for the remainder of the work week. Any further alteration in shift hours in the same work week would attract overtime to those hours worked outside of the employee's regularly established shift hours under (a) above, or outside of the new altered shift hours under (b) above.

6.02 AFTERNOON SHIFT If a second shift is employed, the hours of work shall be seven and one-half (7 ½) hours of work between the hours of 4:30 P.M. and 12:30 A.M. for which eight (8) hours will be paid and a shift premium of thirty-five cents (.35) shall be added on to the classified hourly rate.

6.03 NIGHT SHIFT If a third shift is employed, the hours of work shall be seven (7) hours of work between the hours of 12:30 A.M. and 8:00 A.M. for which eight (8) hours shall be paid and a shift premium of fifty cents (.50) shall be added on to the classified hourly rate.

6.04 (a) LUNCH PERIOD Each shift shall have a half hour lunch period at mid-shift.

(b) 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. If an employee is working off the Company's premises, these periods shall be increased to fifteen (15) minutes.

6.05 SHIFT CHANGE The Company shall give the employee forty-eight (48) hours' notice prior to changing of shifts.

6.06 SHIFT - TRANSFER OF EMPLOYEE When it is necessary for an employee to be transferred from one shift to another shift, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.

6.07 SHIFT - START AND STOP TIMES If an employee is working on the second or third shift and is unable to start the shift on time and/or to complete the shift, then the hourly rate for such an employee shall be computed by dividing the employee's total pay for a regular full shift by the applicable total number of hours he would be required to work to qualify for a full second or third shift, multiplied by the actual hours worked.

- 6.08 In cases where hours of work must be varied in customers' camps to comply with Provincial Fire Regulations such work as is carried out under these conditions shall be at straight time rates for the first eight (8) hours.
- 6.09 SHIFT ROTATION When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.
- 6.10 OVERTIME All hours worked outside of the standard work hours, outside the established shift hours and outside the standard work week shall be considered overtime and paid at double time.
- 6.11 OVERTIME VOLUNTARY All overtime shall be on a voluntary basis, however, it is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business. The Union agrees that when overtime is necessary, it will do its utmost to cooperate with the Company to ensure that employees are available to do the work.
- 6.12 OVERTIME NOT PART OF DAILY GUARANTEE Where an employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only and will not be included in the computation of his daily guarantee as provided under this Agreement
- 6.13 OVERTIME - CALCULATION OF Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this Agreement, when an employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an employee works any part of a fifteen (15) minute unit, he shall receive credit for time worked for that full fifteen (15) minute unit.

If the Company has a time clock when an employee works overtime his time worked shall be calculated on a 10 or 12 minute period depending on time clock calibration. If an employee works any part of a 10 or 12 minute unit, he shall receive credit for time worked for that full 10 or 12 minute unit.

- 6.14 (a) OVERTIME MEAL Employees who work beyond ten (10) hours per day shall receive a minimum of one-half (½) hour's pay for time off to eat a meal, and each four (4) hours thereafter, but may take up to forty-five (45) minutes off for such purpose. Further to this, if an employee feels that he requires additional time off, he will request such additional time from the Foreman and if the request is reasonable the Foreman shall grant same. This break shall occur at the regular meal hour.
- (b) The Company shall pay the cost of such a meal subject to the following conditions. The meal allowance for the Greater Vancouver area will be a maximum of ten dollars (\$10.00) for meals, and in the areas outside Vancouver the employees will buy a meal at the going rate of the area involved and be reimbursed for the cost. In all cases receipts shall be obtained and turned in to the Company with the amounts being justified by the prices in the area involved.
- 6.15 REST BETWEEN SHIFTS It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.

CLARIFICATION: Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

6.16 WORK BEFORE REGULAR SHIFT Employees called in before their regular starting time shall be paid at the double time rate for time worked prior to their regular starting time.

6.17 WORK AFTER REGULAR SHIFT Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.

Employees will not be required to remain at work after the task they were called out for is completed. However, if another callout occurs during the four (4) hour period they will be expected to respond and perform the work in order to qualify for the four (4) hours pay.

6.18 WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS Double time for all hours worked on a Saturday, Sunday or on any General Holiday listed in Article 11, or day observed as such under the terms of this Agreement. This double time is in addition to any General Holiday pay an employee may be entitled to under other provisions of this Agreement.

6.19 WORK THROUGH REGULAR LUNCH PERIOD Where an employee is required to work through his regular established lunch period, such employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

6.20 WORK WEEK - GUARANTEED

(a) An employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week. The forty-eight (48) hour notice of lay-off provided in the Seniority Section of this Agreement shall take precedence when an employee is laid off on a Thursday. He would work Friday and Monday and by working Monday is not entitled to full pay for that week.

(b) If an employee of his own volition does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base 5.

6.21 WORK WEEK - TUESDAY TO SATURDAY

(a) If business conditions warrant that a Tuesday to Saturday work week be considered, the Company and the Union will discuss the establishment of such a schedule. If such a work week is established, a premium of thirty-five cents (\$.35) per hour for all hours worked will apply.

(b) Staffing for a Tuesday through Saturday work schedule shall first be on a voluntary basis. Secondly, the Employer will give consideration to seniority in the classification subject to the operating needs of the business, it being understood that the least senior employee to be considered first.

(c) Lay-offs and lay-off notice shall be in accordance with Article 9.04. However, lay-off notice shall be exclusive of Sundays, Mondays and General Holidays.

- (d) The Company may implement a four day, ten hour work week as an alternative to the Tuesday-Saturday work week. In the event that a four day, ten hour work schedule is established, the parties will meet to mutually agree on conditions and guidelines.

6.22 CALL TIME

- (a) An employee reporting for work on his regular shift shall receive a minimum of eight (8) hours' pay at his regular rate.
- (b) An employee called to work on a Saturday, a Sunday or on a General Holiday, (or days observed as General Holidays), shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.

Employees will not be required to remain at work after the task they were called out for is completed. However, if another call out occurs during the four (4) hour period they will be expected to respond and perform the work in order to qualify for the four (4) hours' pay.

- (c) The provisions of this Section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.

6.23 PREPARATION TIME The Company will pay one (1) hour personal preparation time to employees being sent on out-of-town jobs for a period of overnight or longer at regular rates up to time and one-half. This will not be paid if an employee prepares for a trip during his normal working hours or if the employee has had a minimum of twenty-four (24) hours notice that he will be going out-of-town.

6.24 CALL OUT:

Re: STANDBY

All employees recognized by the Company as being suitably experienced will be requested on a voluntary basis to rotate for weekly standby.

1. would be on standby one (1) week rotation.
2. would be required to carry a pager and cellular telephone.
3. would be restricted to Lower Mainland as long as on duty.
4. would go from Monday to following Monday morning.
5. \$300.00 extra per week of standby.
6. call out time would be in addition to this standby.
7. in the event that due to exceptional circumstances the designated individual for standby duty was unable to fulfill standby requirements, it would be their responsibility to ensure the duties/responsibilities were fully re-assigned/carried through.

8. responsibility of person on Standby to handle call out if possible, if not, call whoever can do the job, if available.

ARTICLE 7 - GRIEVANCE PROCEDURE

- 7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation or any alleged violation of this 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 such person or persons as he or the Union may wish, shall take the matter up with the Company within thirty (30) calendar days.

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. If a solution is reached, this shall be final.

STEP C - If an agreement is not reached under the provisions of Step B above, upon mutual agreement between the Union and the Company and at any time prior to the appointment of an Arbitration Board, or other body, another party may be requested to confer with the Union and the Company to assist in the settlement of any difference arising from an alleged violation of this Agreement. Within ten (10) days of appointment, the selected party will make inquiries which it considers adequate and will submit in writing recommendations for settlement of the difference which will not be binding upon either the Union or the Company or detract from their privileges under this Agreement. All expenses incurred by the appointed party will be paid equally by the Union and the Company. The parties may agree that the recommendation rendered at this Step will be binding on both parties. If a solution is reached, this shall be final.

- 7.02 **GRIEVANCE - TIME LIMIT** 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 and 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, shall constitute cause.

- 7.03 **SECTION 87** Grievances pertaining to discharge and suspension will not be processed under Section 87 of the Labour Relations Code 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, 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, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred 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.
 - (e) The Parties may mutually agree that a sole arbitrator be appointed in place of a three (3) person board. The decision of the sole arbitrator shall be deemed to be the decision of the Board and shall be final and binding. All expenses incurred by the sole arbitrator shall be paid equally by the Parties. Each Party shall pay its own costs.
- 8.02 If the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) 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, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time provided, that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.
- 8.03 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.04 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.
- 8.05 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.
- 8.06 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9 - SENIORITY

9.01 SENIORITY LIST The Company shall at least once every six (6) months, post in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.

9.02 PROBATIONARY PERIOD When a new employee is hired, it is agreed that he shall be on probation for sixty (60) calendar days and during this period seniority will not be applicable. When the probationary period is completed seniority will commence from the date of hiring.

9.03 EMPLOYEE - RE-EMPLOYMENT An employee re-entering the employ of the Company within twelve (12) months after his right to recall has expired shall not be subject to another probation period.

9.04 (a) LAY-OFFS In the event of lay-offs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification and qualifications. The Company shall give at least forty-eight (48) hours' notice on lay-offs, exclusive of Saturdays, Sundays and General Holidays.

If lay-offs occur, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job.

If lay-offs are to take place out of seniority, the company will discuss the matter with the Union during the forty-eight (48) hour notice period. If no agreement can be reached, the lay-offs will occur and the matter referred to the grievance procedure.

(b) An employee laid off in one classification will be given the opportunity of displacing an employee with less seniority in a higher position provided the senior employee has the capability to perform the job.

Employees who bump to another job will be paid the wage rate for the new position.

Employees who accept a position under this Article shall have the right to reinstatement in their former position when such becomes available. The job, in such instances, shall not be posted and the employee will be reinstated in his former classification.

(c) The exception to the foregoing is in shops where the Workers' Compensation Regulations require a First Aid Attendant. The senior employee with the required First Aid Certificate shall be the First Aid Attendant and shall not be laid off provided there is sufficient work to keep him employed. Senior employees who are on lay-off and who obtain the required First Aid Certificate may bump a First Aid Attendant with less seniority, subject to (a) above.

Where no bargaining unit first-aid person is available, a non-bargaining unit employee may temporarily fill that role.

9.05 SENIORITY RETENTION

- (a) A laid-off employee shall retain his seniority and recall rights with the Company for twelve (12) months after the date of lay-off.
- (b) If a laid-off employee is called back to work with the Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such lay-off.

9.06 RE-CALL When vacancies occur, the Company shall rehire laid-off employees according to their seniority and the principle of last man off, first man on, shall prevail, subject to job classification and qualifications.

The Company shall contact laid-off employees either personally, by mail or through the Union dispatcher at the address or at the telephone numbers supplied by the employee. It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

A laid off employee shall forfeit all recall and seniority rights if he fails to report to work within three (3) days after notification to return to work unless failure proved to be unavoidable.

9.07 JOB POSTING

- (a) When a job vacancy occurs, for any present or new classification covered by this Agreement, a notice of the vacancy shall be posted for a period of four (4) working days. Postings will not be required for Yardman/Truck Driver vacancies.
- (b) Employees desiring such job shall apply, in writing within the period specified in a) above, except that employees on vacation or out-of-town on work for the Company at such time shall have the privilege of applying when they return.
- (c) Qualifications, ability and seniority shall be the determining factors in selecting applicants. Seniority shall be the governing factor if there is more than one qualified applicant.
- (d) There shall be a normal progression in the filling of job vacancies. In filling a position, it shall be awarded to the senior applicant in the classification below that of the job classification posted, who has the qualifications to perform the duties of the position.
- (e) In the event that the senior applicant(s) is not given a trial period, the Company agrees to discuss their decision with the senior applicant(s) and the Union prior to filling the job vacancy.
- (f) The successful applicant on a job vacancy shall be considered to be on a trial period for up to thirty (30) working days. During this trial period, the employee must demonstrate that he can satisfy the requirements of the work performance criteria for the job to the satisfaction of the Employer.
- (g) During the trial period, an employee who fails to demonstrate the ability to perform the job or who chooses not to retain the position shall be returned to their former position, without a loss of seniority. In such cases, the Employer shall have the right to require all employees who changed job positions in consequences of the

promotion, to move back into their job positions and wage rates, which they occupied prior to the promotion.

- (h) The employer may temporarily fill the vacancy until a permanent replacement is decided through the application of this Article.

ARTICLE 10 - VACATIONS

10.01 Employees will receive vacations and be paid for the vacation in accordance with the following schedule:

YEARS OF CONTINUOUS SERVICE	VACATION PERIOD	VACATION PAY
- Less than one year	1 day for each major fraction of month worked (max.10 working days)	4 1/2%
- 1 year but less than 2 years	2 weeks	4 1/2% or 80 hours*
- 2 years but less than 7 years	3 weeks	6 1/2% or 120 hours*
- 7 years but less than 13 years	4 weeks	8 1/2% or 160 hours*
- 13 years but less than 20 years	5 weeks	10 1/2% or 200 hours*
- 20 years but less than 25 years	6 weeks	12 1/2% or 240 hours*
- 25 years and over	7 weeks	14 1/2% or 280 hours*

* pay at employee's current classified rate, whichever is greater at the time the vacation is taken.

10.02 CALENDAR YEAR For the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay, the Parties agree that when an employee has earned a minimum of fifteen hundred (1500) hours for which wages are payable in an employee's calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

Employees who work less than fifteen hundred (1500) hours shall be paid as the case may be four and one-half percent (4-1/2%), six and one-half percent (6-1/2%), eight and one-half percent (8-1/2%), ten and one-half percent (10-1/2%), twelve and one-half percent (12-1/2%) or fourteen and one-half percent (14-1/2%) of their gross earnings for the work year immediately preceding the vacation period.

10.03 VACATION PAY ON TERMINATION In the event of termination of service with the Company after an employee had his vacation he earned for the previous year, he shall receive as vacation pay four and one-half percent (4-1/2%), six and one-half percent (6-1/2%), eight and one-half percent (8-1/2%), ten and one-half percent (10-1/2%), twelve and one-half percent (12-1/2%) or fourteen and one-half percent (14-1/2%) as the case may be of his gross earnings he earned in the year in which he ends his employment for which no vacation has been paid.

10.04 (a) VACATION PAY - STATEMENT OF On an employee's anniversary date, the Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay under Article 10.01 was calculated, and shall include all overtime payment, commissions, or anything of a monetary value on which the employee has to pay income tax.

- (b) Vacation pay based on the appropriate percentage of gross earnings shall be accrued and shall be paid out upon request to the employee once in each calendar quarter.
- (c) On the employee's anniversary date the employee's accrual shall then be credited with the difference subject to Article 10.02, or paid out as elected by the employee.

10.05 VACATION PERIOD If an employee so requests, the Company will provide three (3) weeks of the employee's vacation time in the summer months (May 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority.

The Company will consider four (4) weeks' vacation during the summer months for those employees eligible for five (5) weeks or more vacation, if so requested.

10.06 VACATION ENTITLEMENT In any year that an employee becomes entitled to an additional vacation upon reaching his anniversary date of employment, he will be entitled to one (1) week's vacation with pay at that time.

(i.e.- An employee who reached his second (2nd) anniversary on October 1st would be entitled to one (1) weeks vacation at that time plus two (2) weeks vacation in the ensuing vacation period or he could save his newly achieved vacation time and take three (3) weeks vacation in the ensuing vacation period).

10.07 VACATION - ANNIVERSARY DATE AND CUT-OFF DATE An employee's anniversary of employment date will govern his attainment of vacation entitlement. His vacation pay and time off will be adjusted from his anniversary date to the cut-off date.

The Company may establish a vacation cut-off date.

10.08 VACATIONS - SCHEDULE -

Vacation schedules shall be posted by February 1st.

All requests for vacations must be submitted no later than April 30. After April 30, those employees who have not recorded their choice of vacation time will not be able to exercise seniority rights for vacation purposes over those who scheduled their vacations in a timely fashion. Employees who fail to designate their preference by April 30 shall receive vacations only during those periods not already allotted.

For holidays which are scheduled prior to April 30th, the Company will give approval or denial within two (2) weeks of receiving the request.

The approved and assigned vacation schedule will be posted no later than May 15th.

An employee's scheduled vacation period shall not be changed by the Company without the consent of the employee concerned.

The dates for the application of this section may be altered by mutual agreement.

When an employee has been laid off fifteen (15) working days or more in the previous year of their employment, they may elect not to take vacation time off.

10.09 VACATIONS - REQUIREMENT TO TAKE Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

10.10 VACATION ENTITLEMENT - RELATED TO STATUTES The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government legislation or any Orders or Regulations made thereunder.

10.11 VACATION ENTITLEMENT

Eligibility for vacations shall be maintained, but not accumulated during absence:

- (a) due to temporary illness or non-occupational accident exceeding twenty-six (26) weeks;
- (b) with authorized leave of absence;

10.12 Eligibility for vacations will be maintained and accumulated during absence due to:

- (a) a compensable accident;
- (b) serving in the non-permanent Armed Forces of Canada;
- (c) temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.
- (d) lay-offs

ARTICLE 11 - GENERAL HOLIDAYS

11.01 The Company shall give to each employee a holiday with pay on each of the designated General Holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work. An employee shall receive such holiday pay even if the holiday falls on a Saturday, Sunday or an employee's weekly day off. The designated General Holidays shall be:

- | | |
|-------------------|---------------------|
| 1. New Year's Day | 7. B.C. Day |
| 2. Heritage Day | 8. Labour Day |
| 3. Good Friday | 9. Thanksgiving Day |
| 4. Easter Monday | 10. Remembrance Day |
| 5. Victoria Day | 11. Christmas Day |
| 6. Canada Day | 12. Boxing Day |

and any other holiday declared, proclaimed or celebrated by the Federal and/or Provincial Government will be paid for.

11.02 GENERAL HOLIDAY - SATURDAY & SUNDAY When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the Holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday, respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

11.03 GENERAL HOLIDAY PAY WILL BE PAID Without limiting the general application of Section 11.01 but subject to the provisos contained herein, General Holiday pay provisions will prevail:

- (a) Where an employee is off work due to any circumstance for which he is eligible to receive compensation under Workers' Compensation Act, provided such employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday.
- (b) Where an employee is off work due to sickness, quarantine, or an accident provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.
- (c) Where an employee is laid off or is on an approved leave of absence provided such an employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the holiday occurs.
- (d) Where an employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.

11.04 GENERAL HOLIDAY - DURING VACATION When a general holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

11.05 The Company shall have the option of providing an alternate day(s) for those employees required to work Heritage Day and/or Easter Monday to provide customer service. The alternate day shall, by mutual agreement, be either the last working day prior to the holiday or the Friday following the holiday.

ARTICLE 12 - WAGES

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classification and applicable wage rates shall be those agreed upon and set out in Appendix "A", attached hereto, and forming part of this Agreement.

12.02 PAY STATEMENT The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

12.03 TIME SLIPS An employee shall be required, on Company time, to fill out time slips, service reports and job or work reports daily if the Company so requests.

12.04 CONSTRUCTION RATES

- (a) Construction rates of pay shall be paid to employees to install permanent machinery on construction sites or who do repair work on construction sites that would otherwise be done by members of Building Trades Unions. The construction rates of pay shall only apply to the actual hours worked on the construction site.

- (b) Construction rates shall not apply to service calls, inspection calls, warranty work and delivery jobs.

12.05 ACCIDENTS - PAY TO EMPLOYEES Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. If an employee is required to take time off while on the job to consult a doctor with regard to any compensable injury he has received on the job, he shall be paid for such time off provided a doctor's letter or note is supplied and he returns to complete the day's work, if practicable.

12.06 WAGE RATE - HIGHEST DAILY RATE Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

There shall be a normal progression in the filling of temporary vacancies. In filling a temporary vacancy, it shall be awarded to the senior applicant in the classification below that of the classification to be filled, who has the qualifications to perform the duties of the position.

An employee in training and under the supervision of another qualified person, will not be considered as on a temporary assignment.

12.07 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 pay day, payment will be made the preceding day.
- (b) Payment of wages will be made during working hours. In the event that an employee is laid off, the Company shall pay such employee not later than the next business day after he ceased to be an employee of the Company, all wages, salary and holiday pay earned by such employee, excluding authorized deductions.

ARTICLE 13 - TRAVEL TIME - TRANSPORTATION - EXPENSES

- 13.01 (a)
- i) Travel time during the employee's regular shift hours, Monday to Friday inclusive, will be paid for at straight time.
 - ii) Travel time authorized by the Company or the customer outside the employee's regular shift hours, Monday to Friday, will be paid for at time and one-half up to a maximum of eight (8) hours in any twenty-four (24) hour period.
 - iii) All travel time for Saturday and Sunday and any holiday will be paid for at time and one-half to a maximum of eight (8) hours in any twenty-four (24) hour period.
 - iv) The exception to this provision would be where first-class sleeping accommodation is provided. In this instance, time would cease at 9:00 P.M. and commence at 8:00 A.M. the next day.

- v) (a) Travel time at the prevailing overtime rates shall be paid outside the regular hours of work for those employees travelling in Company or rented trucks or cars. This provision shall not apply when an employee is travelling by a public carrier or to and from a public carrier.
- (b) Public carriers shall be defined as follows: buses, taxis, aircraft, trains, boats and any vehicle licensed to transport passengers and operated by a licensed operator (exclusive of Company trucks or cars mentioned in V (a) preceding).

Buses, aircraft or boats that may be chartered or purchased by the Company to transport employees shall be licensed to transport passengers and operated by an operator holding a current appropriate license to do so.

Travel time by employees outside the regular shift hours under V (b) preceding shall be at time and one-half, as defined in II, III and IV.

- (b) The exception to this provision would be where first class sleeping accommodation is provided while travelling on a public conveyance. In this instance, time would cease at 9:00 P.M., and commence at 8:00 A.M., the next day.
- (c) Travel time will not attract premiums.

13.02 WORK OUTSIDE BRANCH AREA Employees required to report for work outside the base branch and who cannot return home daily, shall be paid all their transportation, accommodation and meal expenses, and other reasonable, miscellaneous, listed, receipted items.

13.03 WORK OUTSIDE CITY LIMITS

- (a) In going to work outside the limits of Greater Vancouver and returning daily, men shall be at such city limits at the starting time, and allowed time to return to such city limits at the close of the work day. They shall be paid all fares to and from the city limits to place of work, or alternatively, be supplied with transportation by the Company. It is understood that where employees reside in the city where the work is being done, they shall report to and finish work at the regular starting and stopping time.
- (b) All time spent driving or riding in a motor vehicle to and from such job or jobs shall be considered as time worked.

13.04 JOBS AWAY FROM HOME

- (a) When an employee is going out on a job which will require his absence from home for one or more nights, the Company shall inform such an employee, on or before the day of his departure, of the approximate length of time he will be out on the job. If an employee is sent out on one job and subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days.

- (b) If there is reason to extend this period, and the employee requests to return home, the Company will transport such an employee back to his home base and during such transportation such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement.
 - (c) This will not preclude long term out-of-town assignments which will be arranged in advance.
- 13.05 STANDBY TIME If an employee reports to a field job outside the Greater Vancouver area and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24).
- 13.06 LAY OVER TIME Where an employee is required to remain in the field on Saturday, Sunday or a General Holiday, he shall be paid eight (8) hours for each such day at straight time rates.
- 13.07 EMPLOYEE VEHICLES Employee vehicles shall not be used on Company business.
- 13.08 JOINT MANAGEMENT/UNION LIAISON

The Parties shall meet every two (2) months, or more frequently by mutual agreement, for the purpose of discussing issues related to the work place that affect the parties or any employee bound by this agreement. The parties will prepare mutually agreed minutes of each meeting and post them on the bulletin board(s). The minutes will include agenda items discussed and the disposition of each. The chair for each meeting will rotate between management and union and the chair will be responsible for preparing minutes and obtaining agreement from the other side as to their accuracy. Confidential or sensitive matters shall be omitted from the posted minutes at the request of either party. There shall be one (1) employee from the bargaining unit at each meeting.

ARTICLE 14 - LEAVE OF ABSENCE

14.01 UNION SERVICE

- (a) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.
- (b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY

- (a) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as his doctor states he can return to work.
- (b) When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

14.03 LEAVE OF ABSENCE - APPLICATION FOR If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED In any instances where an employee accepts other employment without the consent of Management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 15 - GENERAL PROVISIONS

15.01 INJURY REPORT An employee suffering injury while in the employ of the Company must report to the first aid department immediately, or as soon thereafter as practicable, and also report to that department on returning to work.

15.02 WASHROOM FACILITIES Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

15.03 SAFETY CLOTHING The Company will provide the following:

- Rubber clothes
- Rubber boots
- Welders' gloves
- Welders' aprons
- Goggles
- Helmets of a reasonable fit and a reasonable quantity as a tool crib item for shop, yard and field use
- Hard hats for job use where required.

Each employee required to wear prescription glasses which are CSA approved including shatter proof lenses and side shields shall be reimbursed by the Company for the cost of replacement glasses up to a maximum of one hundred and twenty five dollars (\$125.00) once per year.

15.04 PROTECTIVE CLOTHING The Company shall supply protective clothing when employees are engaged in cleaning equipment.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisors.

15.05 WATERLESS HAND CLEANER Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.

15.06 COVERALLS All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved. Any smock or set of coveralls supplied, shall be of the proper size to fit the employee. There shall be at least three (3) changes available each week to the employees involved, and field servicemen going out on calls shall have several extra sets of coveralls to take with them when they go out on such calls.

- 15.07 LUNCH ROOM The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.
- 15.08 CLEAN-UP Employees shall be allowed a minimum of five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.
- 15.09 SHOP TEMPERATURE With the cooperation of employees, the Company will attempt to maintain shop temperature above 50 degrees Fahrenheit (10 degrees Celsius), during cold weather. The Company agrees not to require its employees to perform outside repair work in temperatures below -20 degrees Fahrenheit (-29 degrees Celsius), unless adequate protection and some form of heat is provided. Tarpaulins, windbreaks, etc., shall be erected before commencement of work and heat must be made available.
- 15.10 SHOP STEWARD
- (a) The Union may elect or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
 - (b) When the Company for any reason finds it necessary to layoff or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
 - (c) Upon informing Management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
 - (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.
- 15.11 (a) PICKET LINE It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.
- (b) The Union reserves the right to render assistance to other labour organizations. It shall not be considered a violation of this Agreement for an employee to refuse to work with a non-Union workman (or workmen).
- 15.12 BONDING If, at any time, the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.
- 15.13 TOOL INSURANCE The Company shall provide, at its expense, tool insurance coverage to each eligible Journeyman and Apprentice. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, at no cost to the employee. Each employee will provide a brand name inventory of his tools every six (6) months on a form supplied by the Company to be eligible for tool insurance.

Such tool insurance shall include coverage on an employee's tool box.

15.14 TOOL ALLOWANCE

Journeymen Mechanics with 12 months' service shall receive two hundred and seventy dollars (\$270.00) as an annual tool allowance upon provision of receipts.

Apprentice Mechanics having a set of tools comprising 80% of the value of an average Journeyman Mechanic's kit, shall also qualify for such allowance.

New Journeymen Mechanics and Apprentice Mechanics with less than 12 months' service prior to May 1st of each calendar year shall receive a portion of the above allowance prorated to the number of full months employed with the Company.

Where the receipts in any one year exceed the annual allowance, an employee may request reimbursement up to double the annual allowance, but will forfeit their next annual entitlement.

Effective November 1st, 2001, Journeyman Mechanics with 12 months' service shall receive two hundred and eighty dollars (\$280.00) as an annual tool replacement allowance upon provision of receipts.

Effective May 1st, 2002, Journeyman Mechanics with 12 months' service shall receive two hundred and ninety dollars (\$290.00) as an annual tool replacement allowance upon provision of receipts.

15.15 SUB-CONTRACTING

Where the Company's facilities, space and trained personnel are available, the Company will endeavour to continue to have all work which is presently performed by its employees, performed by members of the bargaining unit.

The Company and the Union will meet semi-annually to discuss problems regarding sub-contracting.

15.16 NOTICE BOARD

(a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.

(b) The following information shall be kept in a central location, readily accessible to the Shop Steward:

- 1 Seniority list
- 2 Copy of the Agreement
- 3 Welfare Plan Provisions

Any employee requiring such information shall contact the Shop Steward for same.

15.17 SEVERANCE AND LAY-OFF PAY

- (a) If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this agreement and that employee has a minimum of two (2) years' service with the Company he shall be paid two (2) weeks' pay based on eighty (80) hours at his then applicable rate of pay. Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.
- (b) In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:

One (1) week's pay for each year of service with the Company to a maximum of seventeen (17) weeks.

In the event that part of the plant remains open or that an employee has lost his employment because of amalgamation or automation, an employee eligible to receive severance pay may elect to remain on the seniority list for possible recall. The Company shall hold the severance pay for such an employee for the period of his right to recall but during such period the employee may, subject to the same forfeiture provisions of Subsection (a) of this Section, request and receive payment of such pay.

15.18 BEREAVEMENT PAY If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay 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.

15.19 JURY DUTY

- (a) All time lost by an employee due to necessary attendance on jury duty or acting as a witness or any court proceedings arising out of his employment, or subpoenaed as a witness, or in completing his driver's tests required by the employee for actual employment with the Company, or doctor's examinations in connection therewith, shall be paid for by the Company at the rate of pay applicable to said employee.
- (b) When an employee returns from serving on jury duty or from participating as a witness, he will be returned to the job held prior to serving.
- (c) If an employee is employed on an afternoon or graveyard shift and attends upon jury duty or if an employee is attending upon jury duty or acting as a witness and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall not be required to work such shifts and shall receive pay for time loss pertaining to jury duty or acting as a witness as provided in this Subsection. All jury duty pay received by an employee for the days he received pay from the Company shall be paid over to the Company. Any employee on jury duty shall, subject to this Section, make himself available for work before or after being required for such duty whenever practicable during his regular shift.

15.20 DISMISSED OR IMPROPER CHARGES When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend him-self, he shall consult the General Manager of the Company to determine which legal firm should be used.

15.21 TRANSFER When an employee agrees to a transfer, the Company shall:

- (a) Allow reasonable living expenses to the transferred employee up to a maximum of thirty (30) days. Living expenses are to be discussed initially with the employee before departure and each fifteen (15) days thereafter;
- (b) Pay the transferred employee's transportation costs to the new location and supply first class accommodation and meals to the employee while he is en route to the new location;
- (c) Assume the cost of moving the transferred employee's family and household goods to the new location. This shall include the cost of transporting and accommodating the family while en route to the new location.

No transferred employee shall move his family or household goods at the Company's expense without written authority from the General Manager of the operation.

Any employee transferred to another branch shall, when his assignment is completed at that branch or location, have the Company pay all costs of moving him, his family and household effects back to his original location. This provision will only apply to employees who have been in the transferred position for three (3) years, or less.

15.22 ARTICLE HEADINGS The article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.23 EDUCATION FOR UPGRADING The Company agrees to consider the reimbursement of fees to an employee where he is improving or upgrading himself in his line of work. The cost of Tradesmen Qualification Examinations will also be considered.

The Company will be consulted prior to the employee incurring the obligation.

15.24 SAFETY BOOT ALLOWANCE Employees will receive up to one hundred and five dollars (\$105.00) annually as a Safety Boot Allowance, to be paid on a separate cheque. Boot allowances will be paid only on production of receipts.

New employees with less than 12 months' service prior to the anniversary date of the Collective Agreement shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company prior to the anniversary date.

Where the receipts in any one year exceeds one hundred and five dollars (\$105.00), an employee may request reimbursement up to a further one hundred and five dollars (\$105.00), but will forfeit their next annual entitlement.

Effective November 1st, 2001, employees will receive up to one hundred and ten dollars (\$110.00) annually as a Safety Boot Allowance to be paid on a separate cheque. Boot allowances will be paid only on production of receipts.

Effective May 1st, 2002, employees will receive up to one hundred and fifteen dollars (\$115.00) annually as a Safety Boot Allowance to be paid on a separate cheque. Boot allowances will be paid only on production of receipts.

ARTICLE 16 - TECHNOLOGICAL OR PROCEDURE CHANGES

16.01 In the event the Company proposes the introduction of equipment in its operations, requiring specialized training, the Company agrees to give the first opportunity to employees then on the payroll through the job posting procedures of this Agreement, to operate this equipment and/or train to operate the equipment, provided the applicant qualifies with the requirements of an aptitude test, cost of such test to be borne by the Company. Any employee taking such a test is entitled to know the results of such test. The Company further agrees to notify the Union as soon as its final decision is made as to the introduction of new equipment or any procedural change. Failure on the part of the Company to comply with these provisions will automatically give cause for grievance.

The Company agrees to work with the Union and with Canada Manpower in order to arrange for training of employees whose jobs no longer exist as a result of automation or a substantial change in job content, but whose seniority entitles them to continued employment. Such employees shall have the choice of taking the training provided or of accepting a lay-off.

ARTICLE 17 - NEW JOB CLASSIFICATION

- (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 18 - TRUCK MAINTENANCE AND SAFETY

18.01 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) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.
- (b) All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
- (c) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers and defrosters installed.
- (d) It is mutually agreed that a form shall be supplied the driver on which he must report defects in equipment with sufficient copies so that the driver may retain a copy and so that the head office of the Company will have a copy of this report on file.
- (e) 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.
- (f) The Company shall not compel any driver to operate a vehicle which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers, who of their own accord, operate with an overload may be subject to discipline and responsible for their own fines.
- (g) The Company shall supply a fire extinguisher and an adequate first aid kit for each service vehicle. Each uncovered service vehicle shall be equipped with a tarpaulin.
- (h) Bulkheads will be installed on van-type trucks.

ARTICLE 19 - MEDICAL - INSURANCE - DENTAL - PENSION

19.01 Effective May 1, 1999, the Company shall make contributions to the Operating Engineers' Welfare Plan at the rate of one dollar and thirty-five cents (\$1.35), per hour for each hour for which wages are payable to employees covered by this Agreement.

The Operating Engineers' Welfare Plan shall be controlled by a Board of Trustees composed of six (6) representatives from the Union and two (2) from the Amalgamated Construction Association of British Columbia.

Contributions must be forwarded by the Company to the Operating Engineers' Welfare Plan by the tenth (10th) day of the month following the month which the contributions cover, and shall be in accordance with the prescribed contribution forms supplied by the Welfare Plan.

In the event the Company fails to remit contributions to this Plan in conformity with this section of the Agreement, the Union is free to take any economic action it deems necessary against the Company, and such action shall not be considered a violation of this Agreement.

A Business Representative of the Union may inspect, during regular business hours, the Company's record of time worked by employees and contributions made to the Plan.

Other personnel of the Company party to this Agreement may become Associate Members of the Plan as provided for in the Trust Agreement, and, upon so doing, be governed by the regulations as provided by Trustees from time to time.

Benefits which will be provided under this Plan are as follows:

- (i) Medical Surgical Benefits;
- (ii) Weekly Indemnity Benefits for Non-Occupational Sickness and Accident;
- (iii) Such additional benefits as the Trustees of the Plan shall periodically determine.

19.02 GROUP LIFE - ACCIDENTAL DEATH INSURANCE The Company shall provide and maintain the following coverage for their employees at no cost to such employees. At no time will coverage be less than that currently in place as indicated below.

The benefits provided under this Article will be subject to the terms of the Collective Agreement and Appendix "C" and then to the terms of the insurance plan and the contracts between the Company and the Insurance Carrier.

- (i) \$25,000.00 - Group Life Insurance
- (ii) \$25,000.00 - Accidental Death and Dismemberment Insurance (twenty-four (24) hour coverage).

19.03 PENSION PLAN The Company shall make contributions at the rate of **two dollars and ninety-five cents (\$2.95)** per hour, for which wages are payable hereunder to each employee within the scope of this Agreement to the Operating Engineers' Pension Plan.

The Company is required to report on the forms provided by the Pension Plan.

Contributions must be forwarded by the Company to the Operating Engineers' Pension Plan by the tenth (10th) day of the month following that which contributions cover.

The Pension Plan's Auditor may inspect during regular business hours a Company's record of time worked by employees and contributions made to the Plan.

The Pension contribution will not apply to Sick Time hours.

Effective May 1st, **2006**, the Company shall make contributions at the rate of **three dollars and five cents (\$3.05)** per hour.

19.04 SICK TIME - The Company shall grant sick leave credits to each employee. These credits shall be granted on the following basis:

At the beginning of each service year with the Company, an employee will receive credit for forty-eight (48) hours' sick leave to apply to the service year which is just commencing. Before reaching an anniversary date at which time sick time will be received, an employee will receive during the interim period, sick leave credit based on four (4) hours per month which will be accumulative to a maximum of forty-eight (48) hours. A new employee shall not receive sick leave credits until he has been in the employ of the Company for sixty (60) calendar days.

The Company shall, to the extent that sick leave credits are available, pay to an employee who reports sick on a regular work day the equivalent of wages he would have earned at his classified rate of pay for his normal hours of work and reduce his sick leave credits by the number of hours that correspond with the number of hours that he would normally have worked.

Sick time shall be subject to the following provisions:

1. Sick leave shall be granted for an employee's personal use only.
2. An employee who reports sick during any day will have his sick leave allotment reduced by the number of hours not worked during that day.
3. Sick time is not to be used for any purpose other than legitimate illness.
4. All absence due to illness of a duration of more than three (3) consecutive scheduled work days shall require a doctor's certificate to an employee's department manager.
5. It is the responsibility of an employee to immediately notify his department supervisor of absence due to illness. If there is no notification, absence may be considered absence without pay.
6. A committee of three (3) comprised of an employee's supervisor, department manager and a business representative of the Union, shall rule on any contingencies not covered by these provisions.
7. In computing time served with the Company for the purpose of determining eligibility for sick time with pay, it will be governed by an employee's commencement date with the Company.
8. All unused sick time in a service year may be accumulated up to a maximum of twelve (12) extra days sick time provided that:
 - (a) There has been no more than two (2) days' sick leave credits used in that service year for which the extra days are granted.
 - (b) Accumulated extra sick time may only be used after the annual six (6) sick time days have been used up.
9. No pay or allowance will be made in lieu of sick time.

ARTICLE 20 - SAVINGS CLAUSE

- 20.01 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.
- 20.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 20.03 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.
- 20.04 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 21 - DURATION

- 21.01 This Agreement shall be in full force and effect from and including May 1st, **2005**, to and including April 30th, **2007**, and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the date April 30th, **2007**, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.
- 21.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.
- 21.03 By agreement of the Parties hereto, the provisions of Section 50 (2) and (3) of the Labour Relations Code of B.C. are specifically excluded.

Signed this _____ day of _____, **2005**.

B.C. RENTALS LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A" - WAGE SCHEDULE

<u>CLASSIFICATION</u>	<u>May 1, 2005</u>	<u>May 1, 2006</u>
WORKING FOREMAN	\$26.91	\$28.26
<u>MAINTENANCE</u>		
<u>MECHANIC</u>		
Group I	25.88	26.66
Group II		
Start	17.16	17.67
After 6 months	18.27	18.82
After 1 year	19.37	19.95
After 1 ½ years	20.49	21.10
After 2 years	22.13	22.80
RENTALSMAN		
Start	17.16	17.67
After 6 months	18.27	18.82
After 1 year	19.37	19.95
After 1 ½ years	20.49	21.10
After 2 years	22.13	22.80
RENTALS ADMINISTRATOR	24.59	25.33
TRUCK DRIVER Tractor/Trailer		
Start	19.62	20.21
After 6 months	22.13	22.80
YARDMAN/TRUCK DRIVER		
Start	13.83	14.24
After 6 Months	14.38	14.81
After 1 year	14.95	15.40
After 1 ½ years	15.48	15.94
After 2 years	16.06	16.54
After 2 ½ years	16.59	17.09
STUDENT	9.94	10.24

NOTE: Students will accumulate no seniority and shall also be exempt for coverage under Medical, Insurance, Dental and Pension provisions of this Agreement.

PREMIUMS:

FIRST AID ATTENDANT .50

BACK-UP TRACTOR/TRAILER DRIVER:

While the Company employs a tractor/trailer driver, one (1) employee from the Yardman/Truck Driver classification who obtains a Class 1 Driver's License with air ticket and who is prepared to act as a back-up tractor/trailer driver will be paid a premium of one dollar and seventy-five cents (\$1.75) per hour over his regular rate. When driving the tractor/trailer for more than four (4) hours he will be paid the Truck Driver - Tractor/Trailer rate for the day. For less than four (4) hours, he will only be paid the higher rate for those hours spent driving the tractor/trailer.

JOB DESCRIPTIONS

WORKING FOREMAN is an employee who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of the work.

MECHANIC (Group I) must possess the ability and qualifications to carry out any work in this trade as required by the Company. This position is for a general service mechanic able to efficiently test, diagnose and service electrical, hydraulic, mechanical and pneumatic machinery and equipment, without supervision and in the presence of customers in the field or on company premises. The classification of Group I Mechanic shall apply to those employees who are or become certified in their trade, or who are, in the opinion of the Company, proficient to perform the required duties at this level, subject to the posting procedure in Article 9 of this Agreement. The Company agrees that there will be a minimum of two (2) mechanics in the Company. This will not preclude the current staffing situation.

MECHANIC (Group II) must possess the ability and qualifications to carry out any work in this trade as required by the Company. This position is for a general service mechanic able to efficiently test, diagnose and service electrical, hydraulic, mechanical and pneumatic machinery and equipment, with limited supervision and in the presence of customers in the field or on Company premises. The classification of Group 2 Mechanic shall apply to those employees who are in the opinion of the Company, proficient to perform the required duties at this level.

RENTALSMAN is an employee who is sufficiently able and willing to instruct and inspect others in the performance of their work, or who because of exceptional skill and ability or the nature of his work is so recognized by the Company. The Rentalsman must possess the ability to instruct customers in the selection, usage and job application of Company machinery and equipment. Responsible for general counter, warehouse, yard cleanliness and organization.

TRUCK DRIVER Tractor/Trailer

- is an employee with a Class 1 Driver's License and air ticket who drives the tractor/trailer and is assigned to the delivery and retrieval of rental or new equipment.

The employee must also have a reasonable understanding of construction and industrial equipment. Duties include, but are not limited to, loading and unloading trucks, site and vehicle clean-up, deliveries and pick-ups.

YARDMAN/TRUCK DRIVER is an employee assigned to assist other employees in the performance of their duties in all departments.

This position requires a person with mechanical ability and reasonable understanding of construction and industrial equipment. Duties will include, but will not be limited to assisting rentalsman with preparing orders, loading and unloading trucks, site and vehicle clean-up stocking shelves, counting inventory, deliveries and pick-ups.

This is a supervised position only. Constantly under the control and direction of the person being assisted. In shop and out of shop required.

APPENDIX "B"

B.01 APPRENTICES

- (a) All Apprentices employed by the Company shall be indentured to the Operating Engineers' Apprenticeship Plan in accordance with the provisions of the Operating Engineers' Apprenticeship Plan.
- (b) Any registered Apprentice, who, as a requirement of his Apprenticeship attends school, shall be paid his regular wages by the Company, based on a forty (40) hour week, while attending school. This pay shall only apply for up to a maximum of five (5) weeks in each calendar year and the amount of any Government grant received by such Apprentice shall be deducted therefrom.
- (c) An Apprentice, having served his required time and having passed any necessary examinations presented by the Apprenticeship and Industrial Training Branch of the Department of Labour, will automatically be classified as a Journeyman.

The required Company examinations will be given approximately the same time as Government examinations.

- (d) The number of Apprentices employed shall not exceed the ratio of one (1) Apprentice to each four (4) Journeymen.
- (e) The wage rate for an Apprentice shall be based on a percentage of the Journeyman's wage rate and where applicable the following scales shall apply:

1st 6 months - 50% of Journeyman rate
2nd 6 months - 55% of Journeyman rate
3rd 6 months - 60% of Journeyman rate
4th 6 months - 65% of Journeyman rate
5th 6 months - 70% of Journeyman rate
6th 6 months - 75% of Journeyman rate
7th 6 months - 80% of Journeyman rate
8th 6 months - 90% of Journeyman rate

- (f) The Company shall make contributions at the rate of three cents (\$.03) per hour for which wages are payable hereunder, to each employee within the scope of this Agreement, to the Operating Engineers' Apprenticeship Board, 4333 Ledger Avenue, Burnaby, B.C., V5G 3T3.
- (g) Apprentices indentured to the said Apprenticeship program are required to pass all prescribed courses in order to be paid as per Appendix "B".

APPENDIX "C"

EMPLOYEE INSURANCE - ELIGIBILITY - Employees of the employer in the classification specified in the BENEFIT SCHEDULE of this policy who are employed on a full-time and full-pay basis shall become eligible for insurance under this policy as described below, except that an employee who is absent from work on the date he otherwise would become eligible shall not become eligible for such insurance until the date he returns to work on a full-time and full-pay basis.

AN EMPLOYEE WHOSE EMPLOYMENT COMMENCES ON OR PRIOR TO THE POLICY EFFECTIVE DATE SHALL BECOME ELIGIBLE FOR INSURANCE:

- ON THE POLICY EFFECTIVE DATE

AN EMPLOYEE WHOSE EMPLOYMENT COMMENCES AFTER THE POLICY EFFECTIVE DATE SHALL BECOME ELIGIBLE FOR INSURANCE:

- ON THE FIRST DAY OF THE MONTH COINCIDENT WITH OR NEXT FOLLOWING THE DATE HE COMPLETES TWO (2) MONTHS OF EMPLOYMENT

EMPLOYEE LIFE INSURANCE BENEFIT - If an employee dies while insured for this benefit, the Insurance Carrier will pay the amount due under this benefit in accordance with the provisions of this policy.

Limitation - If, while sane or insane, an employee insured under this benefit shall die by suicide, then with respect to any of his employee life insurance under this policy which has been in force for less than two (2) years during his lifetime, the Insurance Carrier's liability under this policy shall be limited to an amount equal to the contributions to the premiums paid for such insurance.

LIFE PREMIUM WAIVER

Definition - An employee shall be considered to be totally disabled if, as a result of sickness or accidental bodily injury, he is unable to engage in any gainful employment or occupation for which he is or becomes reasonably qualified by reason of education, training or experience.

Benefit - If an employee becomes totally disabled while insured for the EMPLOYEE LIFE INSURANCE BENEFIT and prior to attaining sixty-five (65) years of age, and continues to be so disabled until he shall have completed a waiting period of six (6) consecutive months, his insurance under such benefit will be continued in effect under this LIFE PREMIUM WAIVER, without payment of premiums from the commencement and during the uninterrupted continuance of total disability.

1. for a period of one (1) year commencing on the first day of total disability, if written proof satisfactory to the Insurance Carrier of the completion of the waiting period and the continuance of total disability is received at the Home Office of the Insurance Carrier within one (1) year immediately following the commencement of total disability, and
2. for further successive periods of one (1) year each, if due proof of the uninterrupted continuance of total disability is received at the Home Office of the Insurance Carrier within the three (3) months immediately preceding the beginning of each such one (1) year period. The Insurance Carrier agrees to request such proof by a

letter mailed to the last address shown on the Home Office records of the Insurance Carrier for such employee.

Amount of Insurance - The amount of insurance continued under this LIFE PREMIUM WAIVER shall be the amount of the employee's insurance in accordance with the BENEFIT SCHEDULE on the last day of his active employment, subject to any provisions contained in the policy on such day for the reduction or termination of insurance due to age.

Cessation of Life Premium Waiver - This LIFE PREMIUM WAIVER shall cease to apply to the employee's insurance under this benefit on the earliest of

1. the last day on which he is totally disabled,
2. the date he ceases to provide written proof satisfactory to the Insurance Carrier, as required, of the uninterrupted continuance of his total disability,
3. the date he fails to submit to a medical examination by a physician appointed by the Insurance Carrier, the Insurance Carrier hereby reserving the right to have the employee so examined at the expense of the Insurance Carrier at reasonable intervals during total disability but not more frequently than once in each one year period after the first two years of continuous total disability,
4. the date his insurance under this waiver terminates in accordance with the terms of the provision Amount of Insurance, or
5. the date he attains sixty-five (65) years of age.

Insurance After Cessation of Life Premium Waiver - If this LIFE PREMIUM WAIVER ceases to apply to the employee's insurance hereunder, such insurance shall continue thereafter subject to the immediate resumption of payment of premiums applicable thereto, provided the EMPLOYEE LIFE INSURANCE BENEFIT is then in force and the employee is a member of the classes of employees then eligible for insurance under the BENEFIT SCHEDULE. In such event, all provisions contained in the policy on the last day of his active employment shall henceforth apply with respect to the insurance of such employee.

If such employee resumes active employment with the employer, his insurance will then become subject to all the provisions contained in the policy on the date of his return to such employment, including the BENEFIT SCHEDULE then in effect.

Conversion - If the employee's insurance under the EMPLOYEE LIFE INSURANCE BENEFIT terminates upon cessation of this LIFE PREMIUM WAIVER, he shall be eligible to exercise the LIFE CONVERSION PRIVILEGE as if his employment had terminated on the date this LIFE PREMIUM WAIVER ceased to apply.

EMPLOYEE LIFE INSURANCE BENEFIT - LIFE CONVERSION PRIVILEGE

Employees Eligible for Conversion Privilege - Any employee who is insured for this benefit shall be eligible to convert his insurance under this benefit to individual life insurance if his insurance under this benefit terminates due to:

- (1) termination of his employment or termination of his membership in the classes of employees of the employer who are eligible for life insurance under the BENEFIT SCHEDULE, or
- (2) cancellation of the life insurance of the employer under this policy or cancellation of the life insurance of the employer for the class under the BENEFIT SCHEDULE in which the employee qualifies, provided that he has been insured continuously under this benefit for at least five years immediately prior to the date of such cancellation.

Conditions for Conversion - Any employee who is eligible for this privilege and who wishes to convert his insurance under this benefit to individual life insurance may do so provided that a written application for such individual life insurance is received by the Insurance Carrier and the first premium is paid in full by the end of the thirty-one day period immediately following the date the employee's insurance under this benefit terminates.

Conversion Privilege - Any employee who is eligible for conversion and who has complied with the terms of the provision Conditions for Conversion is entitled to have issued to him by the Insurance Carrier, without evidence of insurability being required, an individual policy of life insurance

on any level premium life of endowment plan providing a level amount of insurance which is regularly issued by the Insurance Carrier for the amount which he is eligible to convert,

on a one year plan of convertible Term Insurance, provided the effective date of such policy precedes the employee's sixty-fifth birthday, or

on a plan nonconvertible Term Insurance providing coverage which terminates automatically on the date the employee attains age sixty-five,

without waiver of premium, disability benefits or other benefits or riders. The premium shall be the premium applicable at the employee's attained age on the effective date of the individual policy in accordance with the rates then in use by the Insurance Carrier for the plan and amount of the individual policy and the class of risk to which the employee then belongs. The effective date shall be the next day following the end of the thirty-one day period immediately following the date the employee's insurance under this benefit terminates.

Any individual policy issued in accordance with this privilege shall be in lieu of all rights and benefits under any life premium waiver provided by this benefit for which the employee may be eligible upon termination of his insurance under this benefit.

Amount of Individual Life Insurance - If an employee becomes eligible for conversion in accordance with Subsection 1 of the provision Employees Eligible for Conversion Privilege, then, subject to the provision Conversion Limitations, he shall be entitled to apply for an amount of individual life insurance equal to or, at his option, less than the total amount for which he was insured under this benefit on the date his insurance terminated.

If an employee becomes eligible for conversion in accordance with Subsection 2 of the provision Employees Eligible for Conversion Privilege, the, subject to the provision Conversion Limitations, he shall be entitled to apply for an amount of individual life insurance equal to or, at his option, less than the greater of 50% of the total amount for which he was insured under this benefit on the cancellation date or \$10,000.00, but in no event greater than the total amount for which he was insured under this benefit on the date the insurance cancelled.

Conversion Limitations

- (1) The aggregate amount of all in-force individual policies obtained by any one employee through the exercise of this privilege shall never exceed the largest amount of group life insurance for which such employee has ever been insured under this policy at any one time.
- (2) If an employee is eligible for conversion in accordance with Subsection 2 of the provision Employees Eligible for Conversion Privilege, any amount of Group Term Life Insurance which he is eligible to convert shall be reduced by any amount of group life insurance for which he is or becomes eligible under any group coverage issued or reinstated by the Insurance Carrier or by any other company within the thirty-one day period immediately following the date his insurance under this benefit terminates.
- (3) Any individual policy issued as a result of the conversion of group life insurance shall be on a plan of individual life insurance regularly issued by the Insurance Carrier for the amount of group life insurance for which application for conversion has been made.
- (4) If the amount of group life insurance which an employee is eligible to convert is less than the amount of the minimum individual life insurance policy regularly issued by the Insurance Carrier, the employee shall not be entitled to apply for an amount of individual life insurance which is less than the total amount he is eligible to convert.

Extension of Coverage - If an employee dies during the thirty-one day period commencing on the date he becomes eligible to apply for individual life insurance under this privilege, the amount of life insurance under this policy which he was eligible to convert shall be payable as a claim under this policy, and any individual policy issued or for which application has been made under this privilege shall be of no effect and without claim other than for the return of any premiums paid.

EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

If an employee while insured for this benefit sustains any accidental bodily injury which, independent of all other causes, is the direct cause of any loss shown in the Schedule of Losses and Benefits, and if such loss occurs within the 12 month period immediately following the date such injury was sustained, the Insurance Carrier will pay, subject to the provisions of this policy, the amount provided for such loss in accordance with the BENEFIT SCHEDULE and the Schedule of Losses and Benefits on the day such injury was sustained.

Schedule of Losses and Benefits

<u>Loss</u>	<u>Percentage of Amount Insured</u>
Life	100%
Two Hands	100%
Two Feet	100%
Sight of Two Eyes	100%
One Hand and One Foot	100%
One Hand and Sight of One Eye	100%
One Foot and Sight of One Eye	100%
One Hand or One Foot	50%
Sight of One Eye	50%

Loss of a hand or a foot shall mean severance at or above the wrist or ankle joint. Loss of sight must be entire and irrecoverable.

If an employee sustains more than one loss as a result of any one accident, payment shall be made only for that one loss for which the largest amount is payable.

Limitations - No amount shall be payable under this benefit for any loss which is contributed to by, or is caused directly or indirectly by

- (1) suicide or intentionally self-inflicted injury, while sane or insane,
- (2) the employee's commission of, or attempt to commit, an assault or any criminal offense
- (3) insurrection or war, whether or not war be declared, any act incident to such insurrection or war, or participation in any riot
- (4) travel or flight in any aircraft, or descent from such aircraft, if the employee is a pilot or other member of the crew of the aircraft, or if such flight is made for purposes of instruction, training or testing
- (5) illness or disease of any kind, or medical or surgical treatment thereof, or any infection other than septic infection caused through a wound accidentally sustained or
- (6) intentional use of drugs, unless prescribed by and used in accordance with the direction of a physician

Modification of this Benefit - If any part of the provisions of this benefit is modified either to bring it into conformity with the laws of the jurisdiction in which this policy is issued or for any other reason, such modification shall be shown in the POLICY SCHEDULE.

EMPLOYEE INSURANCE - EFFECTIVE DATES

An eligible employee's insurance under this policy shall become effective as described below, except that if an employee is absent from work on the date any of his insurance under this policy otherwise would become effective, such insurance shall not become effective until the date he returns to work on a full-time and full-pay basis.

Basic Insurance - An employee who is eligible for any amount of Basic Insurance must submit a written application and provide evidence of his insurability satisfactory to the Insurance Carrier for such amount of Basic Insurance and such amount shall become effective on the later of

- (1) the first day of the month coincident with or next following the date on which the employee becomes eligible for such amount, or
- (2) the first day of the month coincident with or next following the date the Insurance Carrier approves evidence of his insurability for such amount.

Additional Insurance - An employee who wishes to be insured for any amount of Additional Insurance must apply for such insurance and must provide evidence of his insurability satisfactory

to the Insurance Carrier for such amount of Additional Insurance, and such amount shall become effective on the later of

- (1) the first day of the month coincident with or next following the date on which the employee becomes eligible for such amount, or
- (2) the first day of the month coincident with or next following the date the Insurance Carrier approves evidence of his insurability for such amount.

Any change in an employee's insurance for which he becomes eligible in accordance with the BENEFIT SCHEDULE shall be made as described below, except that if an employee is absent from work on the date any increase in his insurance under this policy otherwise would become effective, such increase in insurance shall not become effective until the date he returns to work on a full-time and full-pay basis.

Changes in Basic Insurance - An employee who is eligible for any increase in Basic Insurance must provide evidence of his insurability satisfactory to the Insurance Carrier for any such increase, and such increase shall become effective on the later of

- (1) the first day of the month coincident with or next following the date on which the employee becomes eligible for such increase, or
- (2) the first day of the month coincident with or next following the date the Insurance Carrier approves evidence of his insurability for such increase
- (3) However, if as a result of a change in earnings, an employee becomes eligible for a change in coverage, such change shall become effective on the Policy Anniversary Date coincident with or next following the date on which the employee becomes eligible for such change; provided the data required by the Insurance Carrier to effect such change is received 31 days prior to the Policy Anniversary Date.

Any decrease in an employee's Basic Insurance shall become effective at the end of the month in which he becomes eligible for such decrease.

Changes in Additional Insurance - An employee who is eligible for any increase in Additional Insurance and who wishes to be insured for such increased amount must apply for such insurance and must provide evidence of his insurability satisfactory to the Insurance Carrier for any such increase, and such increase shall become effective on the later of

- (1) the first day of the month coincident with or next following the date on which the employee becomes eligible for such increase, or
- (2) the first day of the month coincident with or next following the date the Insurance Carrier approves evidence of his insurability for such increase
- (3) However, if as a result of a change in earnings, an employee becomes eligible for a change in coverage, such change shall become effective on the Policy Anniversary Date coincident with or next following the date on which the employee becomes eligible for such change; provided the data required by the Insurance Carrier to effect such change is received 31 days prior to the Policy Anniversary Date.

Any decrease in an employee's Basic Insurance shall become effective at the end of the month in which he becomes eligible for such decrease.

EMPLOYEE INSURANCE - TERMINATION

Termination of Employee Insurance - An employee's insurance under this policy shall terminate, except as provided under the provision Inactive Employee Status, on the earliest of

- (1) the end of the policy month in which he ceases to be employed as defined under DEFINITIONS
- (2) the end of the policy month in which he ceases to be a member in the classes of employees of the employer who are eligible for insurance under the BENEFIT SCHEDULE
- (3) the end of the period for which premiums have been paid for his insurance, or
- (4) the date of cancellation of this policy or of the insurance of the employee's employer under this policy, or cancellation of the class under the BENEFIT SCHEDULE in which the employee qualifies for insurance.

Inactive Employee Status - If an insured employee's employment as defined under DEFINITIONS otherwise would terminate because of absence from work due to sickness or bodily injury, then, for the purpose of continuing his insurance and the option of the employer, such employee shall be considered by the Insurance Carrier to be at work up to and including the earlier of

- (1) the last day on which he is unable to be at work due to sickness or bodily injury, or
- (2) the date his insurance terminates for any reason other than absence from work due to sickness or bodily injury.

If an insured employee's employment as defined under DEFINITIONS otherwise would terminate because of absence from work due to temporary lay-off, leave of absence, strike or lockout, and if, within the seven day period immediately following the date such employee's employment otherwise would terminate, the employer advises the Insurance Carrier that such employee's insurance is to be continued, then, for the purposes of insurance such employee shall be considered by the Insurance Carrier to be at work up to and including the earliest of

- (1) the last day of such temporary lay-off, leave of absence, strike or lockout
- (2) the date his insurance terminates for any reason other than absence from work due to temporary layoff, leave of absence, strike or lockout
- (3) the end of the policy month immediately following the policy month in which he ceases to be at work, except that

in the case of an employee who is absent from work during any period of formal maternity leave taken by the employee pursuant to provincial or federal law or pursuant to mutual agreement between the employee and the employer, such time limit shall be extended to the end of such maternity leave.

or

- (4) the day immediately prior to the date he commences active full-time service as a member of the armed forces of any country.

Extension of Coverage - Upon termination of his insurance under this policy in accordance with the provision Termination of Employee Insurance or the provision Inactive Employee Status, an employee may qualify for an extension of coverage as specifically described in certain benefits of this policy.

Beneficiary Appointment - Subject to any statutory restrictions, an insured employee may appoint a beneficiary to receive employee death proceeds payable under this policy or may change any beneficiary already appointed, by filing written notice at the Home Office of the Insurance Carrier. Responsibility for the legal sufficiency of any such change of beneficiary shall rest with the employee and beneficiary and not with the Insurance Carrier.

The term beneficiary wherever used in this policy shall mean either beneficiary or beneficiaries, whichever is applicable.

Claims - On the death of an insured individual the Insurance Carrier will pay any amount due upon receipt of due proof of claim. Proof of claim shall include such evidence under oath as may be required by the Insurance Carrier of the death of the insured individual and the causes leading thereto, and of the title of the claimant, and proof of age satisfactory to the Insurance Carrier, and such other information as the Insurance Carrier may consider necessary to establish the validity of the claim.

However, any claim for loss of life under the ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT, if such benefit is included in this policy, must be received at the Home Office of the Insurance Carrier within the ninety day period immediately following the date of death.

Death Proceeds - Employee death proceeds are payable as set out below, provided there is no law to the contrary.

- (1) If an beneficiary appointment has been made by an employee and if one or more appointed beneficiaries survive the employee, any proceeds payable shall be paid either to the surviving beneficiary, or to the surviving beneficiaries in equal shares unless otherwise stipulated by the employee as part of his beneficiary appointment.
- (2) If no beneficiary appointment has been made by an employee or if no appointed beneficiary survives the employee, any proceeds payable shall be paid to his personal representative.

Any dependent death proceeds payable by the Insurance Carrier under the DEPENDENT LIFE INSURANCE BENEFIT, if such benefit is included in this policy, shall be paid to the employee.