

COLLECTIVE AGREEMENT



between

ITT FLYGT CANADA

and

Canadian Office and Professional Employees' Union, Local 15

Effective: May 1, 2005 to Expiry: April 30, 2008

TABLE OF CONTENTS

	<i>Page</i>
ARTICLE 1 – PURPOSE.....	1
ARTICLE 2 – UNION SECURITY AND RECOGNITION.....	1
ARTICLE 3 – UNION REPRESENTATION.....	2
ARTICLE 4 – THE RIGHTS OF THE EMPLOYER.....	2
ARTICLE 5 – DEFINITION OF EMPLOYEES.....	2
ARTICLE 6 – HOURS OF WORK, OVERTIME AND SHIFT PREMIUM.....	2
ARTICLE 7 – STATUTORY HOLIDAYS.....	3
ARTICLE 8 – ANNUAL VACATIONS.....	4
ARTICLE 9 – LEAVE OF ABSENCE.....	4
ARTICLE 10 – SICK LEAVE, WELFARE PLANS AND PENSION PLAN.....	5
ARTICLE 11 – SALARIES.....	6
ARTICLE 12 – HIRING, PROMOTION, LAY-OFF AND RECALL.....	7
ARTICLE 13 – SENIORITY.....	8
ARTICLE 14 – GENERAL.....	8
ARTICLE 15 – DISCHARGE AND TERMINATION.....	9
ARTICLE 16 – TECHNOLOGICAL OR PROCEDURAL CHANGES AND SEVERANCE PAY ...	9
ARTICLE 17 – GRIEVANCE PROCEDURE.....	10
ARTICLE 18 – ARBITRATION.....	11
ARTICLE 19 – SINGLE ARBITRATOR.....	11
ARTICLE 20 – DURATION.....	12
APPENDIX "A" – JOB CLASSIFICATIONS AND SALARY SCALES.....	13
LETTER(S) OF UNDERSTANDING.....	14

(COVERING MISCELLANEOUS MANUFACTURING AND WHOLESALE OFFICES)

COLLECTIVE AGREEMENT

BETWEEN: ITT FLYGT CANADA - Division of I.T.T. Industries of Canada Limited
(hereinafter referred to as the "Employer")
(Party of the First Part)

AND: CANADIAN OFFICE and PROFESSIONAL EMPLOYEES UNION,
LOCAL 15
(hereinafter referred to as the "Union")
(Party of the Second Part)

ARTICLE 1 – PURPOSE

Section 1 The purpose of this Agreement is to maintain a harmonious relationship between the Employer and the employees; to define clearly the hours of work, rates of pay and conditions of employment; to provide for an amicable method of settling differences which may from time to time arise; and to promote the mutual interest of the Employer and employees and in recognition whereof, the Parties hereto covenant and agree as follows:

Section 2 Neither the Union nor the Employer in carrying out their obligations under this Agreement shall discriminate in matters of hiring, training, promotion, transfer, lay-off, discharge or otherwise because of race, colour, creed, national origin, age, sex or marital status.

ARTICLE 2 – UNION SECURITY AND RECOGNITION

Section 1 This Agreement shall apply solely to employees in the bargaining unit for which the Union is certified under the Labour Relations Code and shall be binding on the Employer and the Union and their respective successors and assigns.

Section 2 The Employer agrees that all employees covered under this Agreement as a condition of employment, shall, within thirty (30) days from the effective date of this Agreement, become and remain members of the Union.

Section 3 The Employer further agrees that all new employees hired subsequent to the effective date of this Agreement, shall as a condition of employment within thirty (30) days from the date of employment, become and remain members of the Union.

Section 4 Upon written authorization from the employee, the Employer agrees to deduct Union initiation fees, dues and assessments from the wages of each employee and to transmit the monies so collected to the Union, once monthly, together with a list of employees from whom such deductions have been made.

ARTICLE 3 – UNION REPRESENTATION

Section 1 The Employer shall recognize the Office Steward(s) elected or appointed by the Union and shall not discharge, discipline or otherwise discriminate against such Office Steward(s) for carrying out the duties proper to that position. The Union shall inform the Employer of the names of the Office Steward(s).

Section 2 The Office Steward(s) may, within reason, investigate and process grievances or confer with the Representative(s) of the Union during regular working hours, without loss of pay. The Steward(s) will obtain permission from their immediate supervisor before leaving their immediate area for such purposes and such permission will not be unreasonably denied.

ARTICLE 4 – THE RIGHTS OF THE EMPLOYER

Section 1 The Union recognizes the rights of the Employer to operate the business and direct the working force subject to the provisions of this Agreement.

ARTICLE 5 – DEFINITION OF EMPLOYEES

Section 1 **Probationary Period** — All new employees, except temporary employees, will be considered probationary for the first one hundred fifty (150) days of employment. After one hundred fifty (150) days' employment, an employee will become regular. Temporary employees transferred to or attaining regular status shall have their temporary period of employment included in their probationary period.

Section 2 **Full-time regular** — An employee hired to work on a full-time basis in a regular continuing position.

Section 3 **Temporary** — An employee hired for a specified period not exceeding three (3) months' duration, except when extended by mutual agreement between the Union and the Employer. A temporary employee attaining regular status will have rights under this Agreement which are based on length of service or seniority dated from the start of continuous employment. Unless and until a temporary employee attains regular status such employee shall be excluded from all terms of this Agreement except appropriate hours, wages and overtime sections.

ARTICLE 6 – HOURS OF WORK, OVERTIME AND SHIFT PREMIUM

Section 1 **Hours of Work** — On a bi-weekly work schedule seventy-five (75) hours, ten (10) x seven and one-half (7 ½) hour days, Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m.

Section 2 A lunch period of one-half (½) hour will be provided and taken within the two (2) hours in the middle of the regular working day. Precise time to be arranged between the Employer and the employee.

Section 3 Two (2) relief periods per day of fifteen (15) minutes each, one (1) in the morning and one (1) in the afternoon, shall be provided without loss of pay.

Section 4 **Overtime Premiums** — All time worked before or after the regularly established working day or in excess of the hours per day as outlined in Section 1, Monday to Friday, shall be considered overtime and be paid for at 200% of the employee's prorated hourly rate.

- Section 5** All time worked on Saturday and/or Sunday shall be considered as overtime and paid at the rate of 200% of the employee's prorated hourly rate.
- Section 6** An employee requested to work overtime beyond the regular work day shall be allowed a meal expense of \$14.00 (receipts required) and a half hour (1/2) paid meal period at the overtime rate of pay, provided such overtime is in excess of two (2) hours' work. The meal period may be taken before, during or after the overtime work, as may be mutually agreed.
- Section 7** An employee called back to work after completing a regular day's work, or from a regular day off shall be paid overtime rates for a minimum of four (4) hours or for time worked, whichever is greater. It is understood that this provision shall not apply for purposes of inventory overtime (Article 6, Section 3 through 6, shall apply in that instance provided such inventory overtime is performed Monday to Friday inclusive).
- Section 8** Employees may decline overtime on a seniority basis providing there are other qualified employees available to perform the work. In such cases, the junior employees cannot decline to work overtime.

ARTICLE 7 – STATUTORY HOLIDAYS

Section 1 The Employer agrees to provide all employees with the following statutory holidays, with pay:

New Year's Day	Good Friday	Easter Monday
Victoria Day	Canada Day	BC Day
Labour Day	Thanksgiving Day	Remembrance Day
Christmas Day	Boxing Day	Heritage Day

and any other day that may be stated a legal holiday by the Provincial, Civic and/or Federal Government. Should any of the above holidays fall on an employee's regular day off, the employee shall receive an additional day or days off, with pay, to be taken either a Friday or a Monday or at a time mutually agreed with the Employer.

Heritage Day shall be taken as a floating holiday. Employees shall give a minimum of one (1) week's notice of intention to use the Heritage Day floater and management will approve if workload schedule permits.

- Section 2** No work shall be performed by employees on the above mentioned holidays except in unforeseen circumstances. Work performed on such occasions will be paid for at the rate of double the employee's regular rate in addition to the regular salary.
- Section 3** In the event any of the holidays enumerated in Section 1 above, occur during the period of an employee's vacation, an additional day's vacation with pay shall be allowed for each holiday so occurring.
- Section 4** **"Floating" Holidays** — In addition to the holidays stipulated in Section 1 above, upon completion of the probationary period, each employee will be entitled to one (1) paid holiday in each year of service thereafter. This will be known as a "floating" holiday to be taken at a time mutually agreeable to the Employer and the employee between Christmas Day and New Year's Day.

ARTICLE 8 – ANNUAL VACATIONS

- Section 1** Vacation entitlement will be earned from June 1st through May 31st of each year. In the first year of employment an employee will earn a pro-rated entitlement of one (1) day per month from their date of hire up to May 31st, to a maximum of ten (10) days. Vacation must be taken between the 1st of June and the 31st of May following the end of the reference year. Employees starting employment before or on the 15th of the month will accrue one day for the month. All employees shall be entitled to a vacation in accordance with the following schedule:
- (a) Upon completion of six (6) months' service in his/her first vacation year, an employee shall be entitled to receive a paid vacation of five (5) working days which if taken, will be deducted from his/her total entitlement for that year. Such vacation shall be taken at a time mutually agreed with the Employer.
 - (b) Each employee who completes one (1) vacation year shall receive a paid vacation of ten (10) working days, subject to (a) above. Payment for such vacation shall be at current salary or four (4%) percent of gross earnings for the period in which vacation was earned, whichever is greater.
- Section 2** Each employee who completes two (2) vacation years' service shall receive three (3) weeks' paid vacation. Pay for such vacation shall be at the employee's current salary or six (6%) percent of gross earnings for the period in which vacation was earned, whichever is greater.
- Section 3** Each employee who completes eight (8) vacation years' service shall receive four (4) weeks paid vacation. Pay for such vacation shall be at the employee's current salary or eight (8%) percent of gross earnings for the period in which vacation was earned, whichever is greater.
- Section 4** Each employee who completes fifteen (15) vacation years' service shall receive five (5) weeks' paid vacation. Pay for such vacation shall be at the employee's current salary or ten (10%) percent of gross earnings for the period in which vacation was earned, whichever is greater.
- Section 5** If an employee so requests, the Employer will provide three (3) weeks of the employee's vacation time in the summer months (June 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority. In the summer months, vacation periods will be allocated on the basis of seniority, providing however that all vacation time taken be consistent with the efficient operation of the business.
- Section 6** Employees shall select their vacation periods in order of seniority as defined in this Agreement; however, only one (1) vacation period shall be selected by seniority until all employees in the signing group have selected one (1) period. Subsequently, all employees in the signing group who have chosen to take their vacations in broken periods shall select in order of seniority for a second vacation period and again for subsequent periods until all periods are chosen.

ARTICLE 9 – LEAVE OF ABSENCE

- Section 1** **Union Business** — Leave of absence without pay will be granted to employees for the purpose of attending to Union business providing the Employer's work requirements will allow for such leave. The Union will request such leave by giving the Employer at least two (2) weeks' notice, in writing.

- Section 2** **Bereavement Leave** — In case of death in the immediate family of the employee, i.e. father, mother, husband, wife, common-law spouse, son, daughter, sister, brother, mother-in-law, father-in-law, grandfather, grandmother, an employee shall be granted compassionate leave of three (3) days with pay. Such leave of absence will not be charged against paid sick leave or annual vacation entitlement. The Employer must be notified of the employee's intention to use this provision. Where the employee is required to travel out of the Lower Mainland region, this leave shall be extended up to a maximum of four (4) days with pay.
- Section 3** **Special Leave Without Pay** — If an employee desires a leave of absence for reasons other than those referred to in this Article, he/she must obtain permission, in writing, for such leave from the Employer. It is understood that such leave shall not interfere with the operation of the department concerned.
- Section 4** **Jury Duty** — Employees who are subpoenaed as witnesses or required by law to serve as jurors or witnesses in any court shall be granted leave of absence with pay for this purpose. The employee concerned shall deposit with the Employer any pay received for such service, other than expenses, and shall render an accounting of amounts received together with proof of service. Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their normal shift remains to be worked. Total hours on Jury Duty and actual work on the job in the office in one (1) day, shall not exceed eight (8) hours for purposes of establishing the basic work day. Any time worked in the office in excess of the combined total of eight (8) hours, shall be considered overtime and paid as such.
- Section 5** **Maternity Leave and Parental Leave** — Leave of absence without pay in case of pregnancy shall be granted in accordance with the "Employment Standards Act". Such leave will not affect sick leave entitlements or seniority.
- Section 6** **Family Responsibility Leave** — Family Responsibility Leave shall be granted in accordance with the provisions of the *Employment Standards Act*.

ARTICLE 10 — SICK LEAVE, WELFARE PLANS AND PENSION PLAN

- Section 1** **Sick Leave** — All employees shall be entitled to sixty-five (65) hours' paid sick leave per annum. This entitlement shall be based on the employee's current rate at the beginning of the year and shall be paid at the beginning of the year.
- Section 2** **Medical Plan** — The Employer shall provide all employees with coverage under the B.C. Medicare with the premiums for the plan fully paid by the Employer.
- Section 3** **Short and Long Term Salary Continuance (W.I.P. and L.T.D. Plan)**
The Employer agrees to provide and maintain the current plans in effect during the term of this Agreement at no cost to the employee. Such benefit shall be effective two (2) days after absence due to illness or accident.
- Section 4** **Group Life and Accidental Death and Dismemberment Plans**
Employer agrees to provide and maintain the current plans in effect during the term of this Agreement at no cost to the employees.
- Section 5** **Pension Plan** — The Employer agrees to contribute 9.5% of hourly wages to the Local 15 COPE Pension Plan for each hour any regular employee enrolled in the plan receives wages.

Eligibility, benefits and other conditions of the Plan shall be as outlined in the Local 15 Pension Brochure subject to the terms of the Trust Agreement or as amended by the authorized Trustees of the Plan. Contributions must be forwarded by the Employer to the Administrator by the fifteenth (15th) day of the month following the month which contributions cover.

The Employer shall provide a copy of the brochure to each employee on request.

Section 6 Dental Plan — The COPE Local 15 Prepaid Dental Plan shall continue to be made available to all eligible employees (and their dependants) desiring same. The Employer agrees to pay full premium costs. The Plan shall provide the following benefits: 100% for Part "A" and 50% for Part "B" with no limit on total claims value per year.

Section 7 Extended Health — The Pacific Blue Cross Extended Health Benefit Plan or equivalent shall be made available to all employees. This Plan shall include an eyeglass option of three hundred (\$300.00) dollars every twenty-four (24) months. Premium costs shall be fully paid by the Employer.

Section 8 Details of the above Health and Welfare Plans shall be made available to all employees on request.

Section 9 It shall be the responsibility of the Employer to advise the employees of the benefits available and to provide said employees with the necessary application cards to join the Plans. It shall then be the employee's responsibility to complete the application cards for benefits under the Plans and return same to the Company Representative, who shall be responsible for forwarding them to the carrier(s).

ARTICLE 11 – SALARIES

Section 1 Employees will be classified in accordance with the skills used and shall be paid not less than the salary specified for such classification in accordance with the salary plan classifications and duties outlined thereunder, as set forth in Appendix "A", which is attached hereto and made part of this Agreement. Job classifications shall not be changed, nor shall the established hours of work, or rates of pay be altered, without agreement of the Union.

Section 2 Any position not covered by Appendix "A", new positions which may be established during the life of this Agreement, or re-classification of existing positions, shall be subject to negotiation and agreement between the Employer and the Union with respect to classification and salary for the position in question. In the event the Parties fail to agree, such matters may be referred to the grievance and arbitration procedures as defined in Articles 17, 18 and 19 of this Agreement.

Section 3 It is agreed that the salaries contained in Appendix "A" are minimum salaries. This Agreement shall not be so construed as to reduce the pay or increase the hours of any employee, within the bargaining unit, nor shall it be so construed that any employee may not be given an increase in pay before period specified or be advanced or promoted in the service of the Employer.

Section 4 Promotional Increases — An employee who is promoted to a higher position shall be placed on a step in the salary range for the new job classification which shall ensure an increase in salary.

Section 5 **Salary Progression** — Employees shall progress automatically up the salary range for their job groupings in accordance with the required service on the job. However, if an employee is placed on a length of service step higher than the minimum required by his/her service, i.e. on being hired or by promotion, he/she shall receive increases thereafter as provided for in his/her job group salary range, e.g. an employee placed on the six (6) month step, shall not be required to wait twelve (12) months before proceeding to the twelve (12) month step, but shall be paid the twelve (12) month rate after six (6) months' service at the six (6) month step. Employees shall not be placed on salaries other than those shown in the schedule of salary ranges.

Section 6 An employee assigned to a higher job classification or temporarily replacing another employee in such higher classification, shall be paid the higher rate as determined by the foregoing Section 4, for the period so employed. This provision shall not apply for brief relief periods of three (3) days or less.

ARTICLE 12 — HIRING, PROMOTION, LAY-OFF AND RECALL

Section 1 **Job Vacancies** — The Employer shall fill job vacancies from within the bargaining unit before hiring new employees, providing employees are available with the necessary qualifications and ability to fill the vacant positions. Each vacancy shall be posted on the bulletin boards on the Employer's premises for at least three (3) working days, with a copy to the Union outlining job title, group classification and salary range.

Section 2 **Promotion** — Promotion shall be made on the basis of seniority and ability to do the job. In the event two (2) or more employees have similar abilities, the employee with the greatest seniority shall be selected.

Section 3 An employee promoted to a higher-rated position shall be on trial for the first sixty (60) days. If during the first sixty (60) days he/she is considered to be unsuitable, he/she shall be returned to his/her former position or one of equal rank and shall be paid his/her former salary plus any increments which he/she may have become entitled to had he/she not been promoted.

Section 4 **Lay-off** — If a reduction of office staff is necessary, the following procedure shall be adopted: the employee with the least amount of seniority in any classification will be the first laid-off from that job, but they may displace an employee in the same or lower classification with the least seniority in such classification, providing they have the qualifications to satisfactorily perform the job and have greater seniority.

Employees who are displaced from their jobs as a result of such bump-back procedure, may themselves move back and displace employees having less seniority in the same or lower classification, providing such employees have the necessary qualifications and seniority.

Section 5 All regular (i.e. permanent) employees shall be given two (2) weeks' notice of lay-off or two (2) weeks' salary in lieu of notice.

Section 6 Any regular full-time employee with six (6) months or more of service who is laid-off due to lack of work or redundancy, shall be placed on a recall list for a period of six (6) months.

Section 7 **Recall** — Employees on the recall list shall have the right to return to a vacancy in their former job classifications or to a similar classification for which they are qualified.

Section 8 Notice of recall to an employee who has been laid-off shall be made by registered mail to the last known address of the employee. The employee must respond to such notice within three

(3) days of receiving it or possibly lose rights of seniority and recall; however, an employee who is prevented from responding to a recall notice because of illness or other reason beyond the employee's control shall not lose rights thereby, but such employee may be bypassed for the position available. An employee bypassed as provided above, will remain on the recall list for the remaining recall period.

Section 9 Salary Policy on Recalls and Demotions

- (a) Employees recalled to their former position or to a position having the same salary range shall receive the current rate for the step in the salary range which they held at the time of lay-off.
- (b) Employees recalled to a position in a salary range which is lower than for their former position, shall be paid their former salary if it is not higher than the maximum rate for the position to which they are recalled. If the former salary is higher, they shall be paid the maximum rate for the lower position.
- (c) The foregoing salary policy shall also apply in the case of demotions due to lay-offs and other circumstances.

ARTICLE 13 – SENIORITY

Section 1 Seniority shall mean length of continuous service, with the Employer and its predecessors, as an employee in the bargaining unit, except that credit shall be given for all continuous service prior to certification of the bargaining unit.

Section 2 Except as otherwise provided in this Agreement, an employee who leaves the bargaining unit and subsequently returns, will be considered a new employee from the date of re-entering the unit for the purpose of determining seniority credit.

Section 3 An employee who leaves the bargaining unit to fill a position with the Employer excluded from the unit by agreement between the Union and the Employer or the Labour Relations Code, shall be credited with accumulative seniority (seniority held at date of leaving the bargaining unit plus accrued credit from the date of re-entry to the unit).

Section 4 An employee on approved leave of absence under Article 9, Sections 1 to 5, or Article 10 will accrue seniority for those periods.

Section 5 An employee laid-off and placed on the recall list under Article 12, Section 6, will retain seniority during the period of lay-off.

Section 6 No seniority shall accrue for short terms of temporary work except that temporary employees who attain regular status shall have seniority credited from last date of entry as an employee of the Employer, as provided in Article 5, Section 3.

Section 7 Seniority lists will be made available by the Employer at such times as may be required for the administration of this Agreement.

ARTICLE 14 – GENERAL

Section 1 Employees in the bargaining unit shall not be asked to make any written or verbal contract which may conflict with this Agreement.

Section 2 Wages and benefits at present in force which are not specifically mentioned in this Agreement and are not contrary to its intention, shall continue in full force and effect.

- Section 3** No work which is properly or customarily performed by employees within the bargaining unit covered by this Agreement shall be sub-contracted by the Employer to any agency or person outside the bargaining unit.
- Section 4** **Picket Lines** — It shall not be a violation of this Agreement or cause for discharge of any employee, in the performance of his/her duties, to refuse to cross a legal picket line recognized by the Union. The Union shall notify the Employer as soon as possible of the existence of such recognized picket lines.
- Section 5** **Bulletin Boards** — Will be made available to the Union for the purpose of posting notices relating to meetings, dues, entertainment, health and safety, and general Union activities. All notices shall be submitted to the Employer before being posted. Approval shall not be withheld unreasonably by the Employer.
- Section 6** The Company agrees that there will be no lock-out during the present collective Agreement. The Union agrees that during the term of this Agreement there will be no strikes, or other collective action which will restrict or limit production or services, or interfere with Company operations.
- Section 7** **Safety Shoes** — The Company will reimburse each employee to a maximum of one hundred forty-five dollars (\$145.00) for the purpose of safety boots or shoes, each twenty four (24) months. Proof of purchase must be presented in order to receive reimbursement.

ARTICLE 15 – DISCHARGE AND TERMINATION

- Section 1** It is hereby agreed that the Employer has the right to discharge for just cause and notice of pay in lieu of notice may be given in the event of such discharge, at the Employer's option.
- Section 2** If a regular employee is terminated, except as provided in Section 1 above, said employee shall receive two (2) weeks' notice immediately prior to the date of termination, or the equivalent in wages. If notice is given immediately prior to the vacation period of any employee, such employee shall receive two (2) weeks' wages, at the employee's current salary, in addition to vacation pay to which the employee is entitled, plus all other benefits.

ARTICLE 16 – TECHNOLOGICAL OR PROCEDURAL CHANGES AND SEVERANCE PAY

- Section 1** The Employer will provide the Union with as much notice as possible of intention to introduce automation, equipment or procedures which might result in displacement or reduction of personnel or in changes of job classification.
- Section 2** Wherever practical, employees becoming redundant due to new equipment or procedures, shall be eligible for retraining to equip them for the operation of such new equipment or procedure, or to qualify for new positions. Such retraining will be provided by the Employer without cost and without loss of pay to the affected employee(s).
- Section 3** In cases where the retraining of employees is not practical, or where other positions with the Employer are not available, the employee(s) shall elect for termination of employment or shall elect to be placed on the recall list. An employee on recall under this Section, shall receive all the benefits he/she had accrued during employment at the end of the recall period or at such earlier time as he/she may elect to terminate. Under this section the provisions of Article 12, Section 4 shall not apply.

Section 4 Severance pay as provided for in Section 5 following, shall be due and payable to a displaced employee, immediately upon termination.

Section 5 In the event that an employee is laid-off due to lack of work or other condition bringing about his/her redundancy, the Company will provide said employee with a severance payment established as follows:

<u>Seniority</u>	<u>Severance Pay</u>
Less than twelve (12) months	None
Twelve (12) months or more of continuous employment	Two (2) weeks at regular salary rate for the first fully completed year of employment and one (1) additional week of salary at regular rate for each additional fully completed year of employment, to a maximum of twenty-five (25) weeks.

N.B. This section shall not apply when an employee is terminated for cause, when he resigns, when he retires, or when he leaves the Company or is terminated by the Company for any other reason other than lack of work.

Section 6 Where a matter arises under Section 76 of the Labour Code of British Columbia Act, either Party may submit such matter to an arbitrator appointed pursuant to Article 19 of this Agreement. The arbitrator so appointed shall have the powers set out in Section 76.

ARTICLE 17 – GRIEVANCE PROCEDURE

Section 1 "Grievance" means any difference or dispute concerning the interpretation, application, administration or alleged violation of this collective Agreement, whether between the Employer and any employee or employees bound by this collective Agreement or between the Employer and the Union.

Section 2 Grievances or complaints shall be settled in the following manner:

- (a) If the employee has a complaint against the Employer, it shall be referred to as a grievance and the procedure for settlement shall commence with Step 1.
- (b) If the Employer or the Union has a complaint, it shall be referred to as a dispute, and the procedure for settlement shall commence with Step 3.

STEP 1: The employee involved shall first take up the grievance with the supervisor directly in charge of the work within ten (10) working days of the circumstances giving rise to the grievance. The employee shall be accompanied by an Office Steward or Representative of the Union.

STEP 2: If the grievance is not satisfactorily settled at Step 1, the employee and Chief Office Steward or Representative shall submit the grievance, in writing, to the Office Manager or the Personnel Manager as designated by the Employer within the next ten (10) working days.

STEP 3: If a satisfactory settlement is not reached at Step 2, the grievance shall be referred within the next ten (10) working days, to the Representative(s) of the Union and the Representative(s) of the Employer. Failing settlement within a further ten (10)

working days of receipt of notice, the dispute may be referred to arbitration, as set forth in Article 18 or 19.

Section 3 The time limits set forth in this Article may be extended by mutual agreement between the Union and the Employer.

ARTICLE 18 – ARBITRATION

Section 1 Where any difference arises between the Parties as to the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether the matter is arbitrable or not, the matter may be referred by either Party to an Arbitration Board of three (3) members composed as follows:

Section 2 The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party, in writing, of its appointment and the particulars of the grievance in dispute.

Section 3 The Party receiving the notice shall, within five (5) days, appoint a member to the Board and shall notify the other Party of its appointment.

Section 4 The two (2) arbitrators so appointed shall confer to select a third Party to be Chairperson and failing, for five (5) days from their appointment to agree upon a person willing to act, either of them may apply to the Collective Agreement Arbitration Bureau for the Province of British Columbia to appoint a Chairperson. Hearings shall commence within thirty (30) days of the appointment of the Chairperson.

Section 5 The Arbitration Board shall hear the Parties, settle the terms of question to be arbitrated, and make its award within fifteen (15) days of the completion of the hearings, except when the time is extended by the agreement of the Parties. The Board shall deliver its award, in writing, to each of the Parties and the award of the majority of the Board shall be final and binding on the Parties and shall be carried out forthwith.

Section 6 The Board of Arbitration shall not be vested with the power to change, modify or alter any of the terms of this Agreement.

Section 7 Each Party shall pay their own costs and expenses of the Arbitration, the remuneration and disbursements of their appointees and one-half (1/2) the expenses of the Chairperson.

ARTICLE 19 – SINGLE ARBITRATOR

As an alternative procedure to Article 18, the Parties to this Agreement may, if it is mutually agreed to do so, agree upon a Single Arbitrator as a means of settling disputes appropriate to such procedure as follows:

Section 1 The Party desiring Arbitration under this Article will notify the other Party, in writing, in accordance with the provisions of Article 17.

Section 2 The Parties to the dispute will thereupon meet within ten (10) working days to decide upon an Arbitrator. Failing agreement on this within ten (10) days of such notice, or in the event one of the Parties declines the procedure, notice of arbitration as provided in Article 18, may be given by either Party.

Section 3 Upon agreed appointment of an Arbitrator, the Arbitrator shall hear the Parties, settle the terms of question to be arbitrated and make his award within fifteen (15) days of the appointment or within such extended period as may be mutually agreed to by the Parties to the dispute. The Arbitrator shall deliver his award, in writing, to each of the Parties and this award shall be final and binding upon each of the Parties and shall be carried out forthwith. An Arbitration award under this Article shall not be subject to further procedure under Article 18 of this Agreement.

Section 4 The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of this Agreement.

Section 5 Each Party shall pay their own costs and expenses of the Arbitration and one-half (1/2) the remuneration and disbursements or expenses of the Arbitrator.

ARTICLE 20 – DURATION

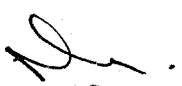
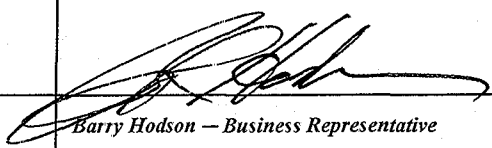
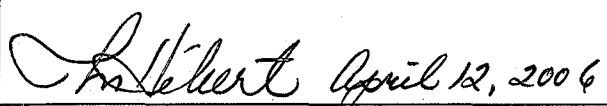

Section 1 This Agreement will be in full force and effect on and after the **1st** day of **May 2005**, to and including the **30th** day of **April 2008**, and shall automatically be renewed from year to year thereafter, unless either Party serves written notice of termination upon the other Party thereto at least sixty (60) days prior to the **30th** day of **April 2008**, or sixty (60) days prior to the 30th day of April in any year subsequent thereto.

Where such notice is given, the provisions of this Agreement shall continue in full force and effect until the right to strike or to lock-out has been achieved.

Dated at	this	day of	, 2006
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SIGNED on BEHALF of the EMPLOYER
Party of the First Part;

SIGNED on BEHALF of the UNION
Party of the Second Part;

 MARK BLADY APRIL 12/2006	 Barry Hodson – Business Representative
REGIONAL SALES MANAGER	
 April 12, 2006 H.R. Director	 Sheila Morrison – Secretary-Treasurer

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APPENDIX "A"

JOB CLASSIFICATIONS AND SALARY SCALES

Effective May 1, 2005

	Start	3 Mos.	12 Mos.	24 Mos.	36 Mos.
Mail & File Clerk	12.00	12.50	12.75	13.25	
General Clerk & Secretary	14.28	15.05	15.81	17.34	
Sales Desk	18.73	19.39	20.07	20.72	22.11
Technical Inside Sales	20.93	21.65	22.40	23.10	24.79

Effective May 1, 2006

	Start	3 Mos.	12 Mos.	24 Mos.	36 Mos.
Mail & File Clerk	12.00	12.50	12.75	13.25	
General Clerk & Secretary	14.28	15.05	15.81	17.34	
Sales Desk	18.73	19.39	20.07	20.72	22.11
Technical Inside Sales	21.35	22.08	22.85	23.56	25.28

Effective May 1, 2007

	Start	3 Mos.	12 Mos.	24 Mos.	36 Mos.
Mail & File Clerk	12.00	12.50	12.75	13.25	
General Clerk & Secretary	14.28	15.05	15.81	17.34	
Sales Desk	18.73	19.39	20.07	20.72	22.11
Technical Inside Sales	21.78	22.53	23.31	24.04	25.79

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LETTER OF UNDERSTANDING

BETWEEN: ITT FLYGT CANADA
Division of I.T.T. Industries of Canada Limited

AND: CANADIAN OFFICE and PROFESSIONAL EMPLOYEES UNION,
LOCAL 15

SUBJECT: BANKED OVERTIME

An employee may bank up to eighteen and three-quarters [18¾] hours of overtime at double time, equivalent to thirty-seven and one-half [37½] hours regular rate.


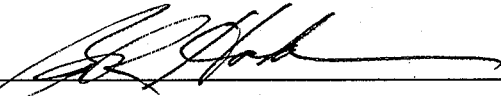


Minimum to be used as time off is seven and one-half [7½] hours regular rate.

Banked overtime can be taken at anytime that is acceptable to the company.

Dated at	this	day of	, 2006
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SIGNED on BEHALF of the EMPLOYER
Party of the First Part;

SIGNED on BEHALF of the UNION
Party of the Second Part;

 MARK BRAIM . 12 APRIL 2006	
REGIONAL SALES MANAGER.	Barry Hodson — Business Representative
 April 12, 2006	
HR Director	Sheila Morrison — Secretary-Treasurer

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LETTER OF UNDERSTANDING

BETWEEN: ITT FLYGT CANADA
Division of I.T.T. Industries of Canada Limited

AND: CANADIAN OFFICE and PROFESSIONAL EMPLOYEES UNION,
LOCAL 15

SUBJECT: FIRST AID ATTENDANT

The following Letter of Understanding is attached to and shall form part of the Collective Agreement. This Letter shall continue in full force and effect from year to year, until terminated or amended by agreement of the Parties.

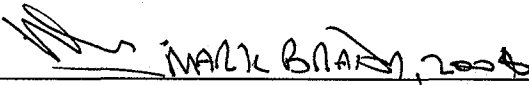
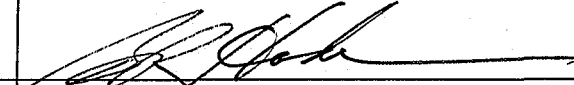

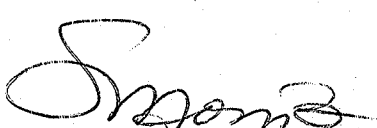
The Parties hereto agree as follows:

When an employee is designated as First Aid Attendant by the Employer, he/she shall receive fifty cents (50¢) per hour above the employee's classification rate of pay. The Employer will pay the maintenance cost of an appointed First Aid Attendant's Certificate.

Dated at	this	day of	, 2006
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SIGNED on BEHALF of the EMPLOYER
Party of the First Part;

SIGNED on BEHALF of the UNION
Party of the Second Part;

 MARK BRIAN, 2008 REGIONAL SALES MANAGER	 Barry Hodson – Business Representative
 April 12, 2006 HR Director	 Sheila Morrison – Secretary-Treasurer

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