

COLLECTIVE AGREEMENT

Between

OLD COUNTRY RENTALS LTD.

and

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

March 1, 2006 to February 28, 2009

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

OLD COUNTRY RENTALS LTD.

(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(hereinafter referred to as the "Union")

WITNESSETH: that the parties hereto agree as follows:

ARTICLE 1: OBJECTS

1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees, to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement, and to establish conditions which will result in quality customer service and the success of the Company in the marketplace. For the purpose of this agreement the masculine shall be considered to include the feminine and the singular to include the plural.

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 2946 Bridge St, and 2200A Keating Crossroads, Victoria, and no other locations unless they are a result of a closure and subsequent move of one of the above locations.
- 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.

ARTICLE 3: UNION DUES

- 3.01 All full time permanent employees covered by this Agreement shall, as a condition of employment, become and remain a Union member in good standing for the duration of this agreement or for the duration of his employment, whichever shorter, and pay dues to the Union. These dues shall be paid monthly ***in an amount equal to the current monthly dues***. All new full time employees shall have ninety (90) days to make application and join the Union and tender the appropriate initiation fee. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee cease to be a member in good standing of the Union, the Company shall upon written notice from the Union, discharge the 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 shall be remitted to the Union no later than the fifteenth of the month following the month in which such check-off applies.
- 3.04 INITIATION FEE: - The employer shall give each new full time employee a Union Membership card and dues deduction card (supplied by the Union) upon completion of their probation period. The employee shall complete the Union's membership card and return to the employer. The employer shall submit the Union's membership card along with the **current initiation fee** to the Union. **Current Union dues and initiation fees are outlined in Letter of Understanding #1, attached.**

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the business and the direction of the working forces are vested exclusively in the Company, but when the Company requires new permanent "full time employees" it may notify the union so that the Union can have the opportunity to provide the Company with suitable applicants.
- 4.02 The Company has and shall retain the exclusive 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 All management, supervisors, lead hands or any employee at any level at the Company will be considered "working positions" which allows them to work at any job, duty, or labour required during the work day as needs may arise. This means that during the day, any management staff can work alongside any non-management staff performing the same duties and fulfilling the same job function.

ARTICLE 5: DEFINITION OF EMPLOYEE

5.01 PERMANENT FULL TIME STAFF

In this Agreement "full time 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. "Full time Employee" shall also mean a person employed in a job classification listed in Appendix "A" attached hereto.

5.02 STUDENT STAFF

Student staff are defined as any staff member who is attending a school, college, university, or training program on a full-time basis. Typically student staff may work weekends and during the school term vacation. The pay level will be 50% of the

Journeyman pay level in the area worked. Student staff are not subject to any employee benefit programs nor subject to union membership or dues and seniority will not accumulate or apply to Student Staff.

5.03 PERMANENT PART-TIME STAFF

Permanent Part-time staff are employees who typically work less than eighty hours in a two week pay period. Permanent part time staff are not to exceed 20% of the total employee work force in each division. The pay level will be 55% of the Journeyman rate in the area worked. Part-time staff are not subject to any employee benefit programs nor subject to union membership, and seniority will not accumulate or apply. Union dues will be assessed at ***an amount equal to the current monthly dues***. If the employee works ***more than 32 hours in a pay period, dues will be applicable***.

ARTICLE 6: HOURS OF WORK AND OVERTIME

6.01 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. Where a payroll is not met within the prescribed time and unless proper reasons for the delay are forthcoming, it shall not be considered a violation of this Agreement for the employees to cease work until the wages are paid or other arrangements are made.
- (c) In the event that an employee is laid off the Company shall pay such employee, not later than the next business day after he ceases to be an employee of the Company, all wages, salary and holiday pay earned by such employee, excluding authorized deductions.
- (d) Where an employee is not paid as provided above, such employee shall be deemed to be still on the payroll of the Company and shall receive his usual wages until there is compliance with the above provisions or other arrangements are made.

6.02 WORK SCHEDULES: - Each full time permanent employee will normally be scheduled five (5) days per week, eight (8) hours per day, forty (40) hours per week; except for a (1) hour or a one half (1/2) hour break for meals, the shift will be continuous. The normal work day will start no earlier than 7:00 a.m. and no later than 8:30 a.m. as scheduled for each employee by the Manager.

- (a) During the year the branches may open Sundays to meet customer needs. The usual Sunday shift is from 10:00 a.m. until 5:00 p.m. with a one half (1/2) hour lunch break. This shift will account for seven (7) hours regular time. If a permanent full time staff member is assigned the Sunday shift he will be paid as working a full 8 hour shift.

- (b) From time to time, the Company places exhibits at trade shows, fairs, and shopping malls. Hours of work, terms and conditions at these trade shows etc. will remain, consistent with work performed while at a regular branch although the shift may start at different hours.
 - (c) From time to time there may be offered trade shows, product information classes, or seminars that are beneficial to employees to attend. Attendance at these will be voluntary and considered an upgrading opportunity. The Company may offer an incentive to participate in these programs.
 - (d) FLEXIBLE WORK SCHEDULES: It is agreed, that should the need arise to modify the work schedule as outlined above; the following shall happen:
 - (i) The Employee and Company must agree in writing, and a copy sent to the Union.
 - (ii) All hours worked up to and including forty (40) hours per week shall be paid a straight time rates Monday through Sunday. All hours worked over 40 hours and up to a maximum of sixty-six (66) hours inclusive shall be paid at one and a half (1.5) times the regular rate of pay Monday through Sunday. All hours worked after sixty-six (66) and any hours worked on General Holidays to be paid at two (2) times the regular rate of pay Monday through Sunday.
- 6.03 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. All breaks shall be taken at the scheduling of the supervisor or manager without any loss of pay. Employees may leave the work place during rest periods except in rental branches where there are less than three (3) employees, then they may not leave the premises.
- 6.04 LUNCH PERIOD:- Each shift shall have a one (1) or one-half (1/2) hour lunch period at mid-shift. In branches having fewer than three (3) employees on shift the one (1) hour lunch break will be handled as follows on a usual basis. Lunch periods will be scheduled by the Manager or Supervisor. During busy seasons or weekend shifts as determined by the Manager. the lunch break will be one-half (1/2) hour. The balance of the lunch break. thirty (30) minutes, will be logged by the Manager and banked by the employee. Upon the banked amount reaching eight (8) hours, the employee can schedule at a mutually acceptable time, a full day off with pay or receive eight (8) hours' pay at the regular rate. If the employee needs from time to time a full one (1) hour break for personal reasons during the busy seasons or weekends, the Manager will make his best attempt to arrange it.
- 6.05 OVERTIME:- Employment Standards Act to prevail. The act states that over eight (8) hours and up to and including the eleventh (11) hour shall be one and one-half (1.5) times the hourly rate. Over twelve (12) hours shall be at two (2) times the hourly rate. All general holidays are to be at two (2) times the hourly rate. Unless as specified in clause 6.02 d) herein.

- 6.06 OVERTIME & CALCULATION:- Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere In this Agreement. when an employee works authorized overtime, his time worked shall be calculated on a ten (10) minute unit basis. If an employee works any part of ten (10) minute unit, he shall receive credit for time worked for that full ten (10) minute unit.
- 6.07 OVERTIME MEAL:- Employees who work beyond ten (10) hours per day shall receive a minimum of one-half (1/2) hour's unpaid time off to eat a meal. and for each four (4) hours thereafter. 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.
- 6.08 WORK AFTER REGULAR SHIFT:- Employees called back to work after their regular shift shall receive a minimum of two (2) hours' pay at the prevailing overtime rate. At the discretion of the employee, this time may be accumulated, and such time off paid at his current rate of pay by the employee at his discretion within the calendar year.
- 6.09 CALL TIME: A full time employee reporting for work on his regular shift shall receive a minimum of eight (8) hours pay at his regular rate. This provision does not apply if an employee voluntarily quits or is discharged for proper cause.

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 the person or persons as he/she or the Union may wish, shall take the matter up with the Company within 10 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 a 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 this grievance. Within ten (10) days of appointment, the selected party will make inquiries which it considers adequate and will submit in writing recommendations for the settlement of the differences. This recommendation is not binding upon the Union or Company; but if mutually accepted, the recommendation shall be binding and final. All expenses incurred by the selected party shall be paid equally by both parties.

- 7.02 GRIEVANCE - TIME LIMIT; - Any discharge 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, the reasons so set forth In writing, may constitute cause

- 7.03 SECTION 87: - Grievances pertaining to discharge and suspension will not be processed under Section 87 of the Labour Relations 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 or Step C 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 Union may 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 (10) days from the date of the appointment of the Chairman, provided the parties may extend the time by agreement in writing.
 - (e) ***Such Arbitrator must agree to the terms and conditions of the "Arbitrator's Agreement" contained in this Agreement as Letter of Understanding #2.***
- 8.02 If the Arbitration 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 the 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 subject to pre-approval of estimated cost.
- 8.06 *The Parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel as outlined in Letter of Understanding #3.***

ARTICLE 9: PROBATION - LAYOFF - RECALL

- 9.01 PROBATIONARY PERIOD:- When a new employee is hired, It is agreed that he shall be on probation for ninety (90) 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. The probationary term may be extended to a maximum of 120 days by mutual agreement between the Union Business Representative and Company Management.
- 9.02 EMPLOYEE - RE-EMPLOYMENT: An employee re-entering the employ of the Company after his right to recall has expired shall not be subject to another probation period.
- 9.03 LAY-OFFS:- In the event of layoffs, skills and ability, then seniority shall be recognized and weighed exclusively by a committee consisting of the Union Business Representative or his appointed Shop Steward and a Management member in determining first and subsequent men laid off. The Union and the Company will agree to a format for establishing a rating for both skill and ability. In the event of two employee's having equal rating, the employee with the least seniority will be the first laid off. The Company will give at least forty-eight (48) hours notice of lay-off.
- 9.04 SENIORITY LIST:- The Company shall forward to the Union, and post at least once every six (6) months in a conspicuous place on it's premises, an up to date list of all employees covered under this Agreement showing the total worked hours each has accumulated since date of hiring in a full time capacity.
- 9.05 SENIORITY RETENTION:- A laid-off employee shall retain his seniority with the Company for (6) six months after the date of any layoff.
- 9.06 RECALL:-, When vacancies occur the Company shall rehire laid-off employees according to their skills, ability, and seniority as determined exclusively by a committee comprising the Union Business Representative and/or Shop Steward and a member of Management.

ARTICLE 10: VACATIONS

- 10.01 Employees will receive vacation pay credits in accordance with the following Schedule:
Accumulated Hours:

| | |
|-------------------------------|-----------------------------------|
| 0 to 6240 hrs (36 mths) | 4% = 10 work days per full year |
| 6240 to 10400 hrs (60 mths) | 5% = 12.5 work days per full year |
| 10400 to 14560 hrs (84 mths) | 6% = 15 work days per full year |
| 14560 to 20800 hrs (120 mths) | 7% = 17.5 work days per full year |
| 20800 to 31200 hrs (180 mths) | 8% = 20 work days per full year |
| 31200 plus | 10%= 25 work days per full year |

10.02 VACATION PAY ON TERMINATION: - The employee will receive all vacation pay credits owing upon termination of his employment with the Company.

10.03 VACATION PAY - STATEMENT OF:

- (a) The amount of vacation pay credits earned will be shown on each pay cheque as "vacation pay owing \$000.00". Vacation pay credits will be calculated by the percentage shown on the gross amount earned including all overtime.
- (b) Vacation pay will not be advanced to any employee for any purpose other than vacation days taken unless prior approved by the Company.
- (c) Vacation days may be taken in any amount the employee wants subject to vacation schedule approval and the amount of time requested does not exceed the total vacation credits earned.

10.04 VACATION PERIOD: - If an employee so requests and vacation scheduling and approval are gained, the Company will provide a maximum of three (3) weeks of continuous vacation time during the summer months (May 15th to September 15th).

10.05 VACATION PAY CREDITS EARNED ANNIVERSARY DATE: - The anniversary date for calculation of vacation pay credits and percentage adjustments shall be the calendar date that the employee commenced with the Company.

10.06 VACATION - SCHEDULE CHANGE: An employee's scheduled vacation period shall not be changed by the Company within a one (1) month period immediately preceding the start of the vacation without the consent of the employee concerned. Vacation scheduling will be scheduled on a first request basis. If a conflict arises with vacation requests placed the same week that would result in a staff shortage, vacation periods will be allocated on a seniority basis.

10.07 VACATIONS REQUIRED TO TAKE:- Employees must use their allocated vacation time each year but can carry up to three (3) week's over until the following year subject to prior written approval by the General Manager.

10.08 VACATION ENTITLEMENT - RELATED TO STATUTES:- The entitlement 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.

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:

| | |
|----------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| BC Day | Boxing Day |

(a) The day Easter Monday, shall be allowed as a day off without pay or a vacation day at the request of the employee and approval of his Manager.

11.02 GENERAL HOLIDAY - SATURDAY AND SUNDAY:- When a General Holiday falls on a Saturday or Sunday or on an employee's weekly day off then the next work day shall normally be observed as the holiday, or a day as accepted by the majority of the community work force. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday respectively, or on an employee's weekly day off, then usually the next two (2) work days shall be observed as holidays.

11.03 GENERAL HOLIDAY 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 sickness, quarantine or an accident provided such an employee has earned wages from the Company during the seven (7) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability,

(b) 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.

ARTICLE 12: WAGES, ACCIDENTS AND SICK PAY

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 "B", attached hereto, and forming part of this Agreement.

12.02 PAY STATEMENT: - The Company will issue to each employee a separated 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 clock in and out at the start and completion of each shift. If an employee is unable to punch in or out; he is to advise his immediate Manager who will write it in on his time slip. An employee who tampers with any time card or fails to comply to this requirement will be subject to immediate dismissal. An employee may be required to submit detailed work orders or job reports daily if the Company so requests.
- 12.04 ACCIDENTS - PAY TO EMPLOYEES: - Employees involved In an accident while on the job shall receive eight (8) hour's 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 practical.
- 12.05 SICK TIME - The Company shall grant sick leave credits to each full-time employee. Sick leave credits are granted at the rate of one-half (1/2) day for every month worked. During the first twelve (12) months of employment, sick leave available will only equal the amount of sick leave credits earned (i.e. after two (2) months of full-time employment, the employee is entitled to one (1) full days of sick time). In the second and subsequent years of employment, sick time credits in the amount of (2) days if required, will be paid in advance.

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 the wages he would have earned to 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:

- a) Sick leave shall be granted for an employee's personal use only.
- b) 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.
- c) Sick time is not to be used for any purpose other than legitimate illness and does not include scheduled dental or medical appointments.
- d) All absence due to illness of a duration of more than two (2) consecutive scheduled work days shall require a doctor's certificate or a waiver from his department manager.
- e) It is the responsibility of an employee to immediately notify his department supervisor of absence due to illness. If there is not notification, absence may be considered absence without pay.
- f) 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.
- g) Unused sick leave time credits from previous years can be accumulated and carried forward to a maximum of six (6) days,

- h) No pay or allowance will be made in lieu of sick time.
- i) 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.

ARTICLE 13: TRAVEL TIME - TRANSPORTATION - EXPENSES

13.01 TRAVEL TIME: - Travel time during the employee's regular shift hours will be paid for at straight time. Travel time is not applicable if employee is scheduled to report to work to another location (other than his regular work location) within the Greater Victoria Regional District.

13.02 WORK OUTSIDE AREA: - Employees required to report for work outside the Greater Victoria Regional District and who cannot return home daily, shall be paid all their transportation, accommodation and meal expenses, and other reasonable receipted items.

13.03 WORK OUTSIDE CITY LIMITS

a) In going to work outside the limits of the Greater Victoria Regional District and returning daily, the employee shall be at the city limits at their 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 the 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 STANDBY TIME: If an employee reports to a field job outside of the Greater Victoria 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 standby at the job, he shall be paid for a regular shift of (8) eight hours.

13.05 LAYOVER TIME: Where an employee is required to remain in the field on Saturday, Sunday, or a General Holiday, he shall be paid (8) hours for each such day at straight time.

13.06 EMPLOYEE VEHICLES: It is agreed that the Company will reimburse employees for pre-approved use of their personal vehicles while on Company business, the sum of **thirty-six cents (\$0.36)** per kilometer.

ARTICLE 14: LEAVE OF ABSENCE

14.01 LEAVE OF ABSENCE DUE TO INJURY:

(a) When an employee suffers an injury, whether on the job or not, or suffers an 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.

14.02 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.

14.03 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED; - In any instance 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 and to the payroll department as soon as possible, or as soon thereafter as practical, and also report to the payroll 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 as reasonably required by employees in the proper performance of their duties:

- Rubber clothes, Rubber boots, Goggles/ Face masks, Welder's gloves Welder's apron
- 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.

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

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

15.06 (a) COVERALLS:- All mechanics employed in the service shop will be provided clean coveralls or smocks (at their preference) on a regular basis. Coverall cleaning and exchange will be the responsibility of the Company.

(b) COMPANY CLOTHING:- All employees represented by the Union other than mechanics employed in the service shop will arrive at work each day in neat and clean clothing suitable for their specific job and climate. Old Country Rentals will encourage but not insist upon the wearing of Company "T" shirts, sweatshirts, jackets, and vests by making the cost of these items to employees at a very favorable price.

- 15.07 LUNCH ROOM:- The Company will supply heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.
- 15.08 CLEAN UP:- Employees shall be allowed five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.
- 15.09 SHOP TEMPERATURE:- With the co-operation 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 require a Shop Steward to represent the employees. This Shop Steward shall be elected by nomination and secret ballot by the employees he/she is representing. The Union will notify the Company as to the name of such Shop Steward. There shall be at the discretion of the Union, a maximum of one (1) Shop Steward elected to represent each permanent location the Company operates from. The company agrees that the Shop Steward shall suffer no discrimination by reason of holding such office.
 - (b) When the Company for any reason finds it necessary to lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
 - (c) Upon informing Management, an authorized agent of the Union shall have access to the Company's premises during working hours to arbitrate disputes accompanied by a Company representative selected by Management or for other reasons subject to pre-approval and prior notification of the Company.
 - (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties providing that he does not interfere with fulfilling his job responsibilities. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.
 - (e) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussion with the Company, or serving as a union delegate to any conference or function, provide all requests for time off are reasonable and do not interfere with the proper operation of the business.
- 15.11 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. Any action by any employee In this matter will be decided on a personal voluntary basis, neither encouraged or discouraged by the Union or the Company, nor subject to any penalty to the employee from either the Union or the Company regardless of honoring or dishonoring any legal first party dispute.

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. Failure to be bonded may be considered just cause for termination.

15.13 TOOL INSURANCE:- The Company shall provide at its expense, Insurance coverage to each mechanic employed in the service shop, This Insurance shall cover the replacement cost, tool for tool including the tool box providing the following conditions are met:

- (a) Each mechanic employed in the Service Shop is to provide a brand name tool inventory of his tools. This Inventory must be updated yearly and subject to confirmation by the Manager.
- (b) The loss of tools is a result of fire, theft, etc. of the tools on the Company premises provided that the mechanic has stored them in the secure designated area.
- (c) The loss of tools is as a result of fire, theft etc. of the tools from a Company vehicle where the vehicle and tools have been made secure, and in the case of theft where a break-in is required to cause loss.

15.14 TOOL ALLOWANCE:- A tool allowance of three hundred dollars (\$300.00 per annum will be extended to each Rental or Field Mechanic with twelve (12) months previous service. The allowance will be for replacement of existing required tools or for aid in purchasing new types of tools that the mechanic didn't previously have. Payment to be made upon submission of receipt signed by the Manager.

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

15.16 NOTICE BOARD:

- (a) Space on 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 for the removal of material offensive to the Company.
- (b) The following information shall be kept readily accessible to all Employees covered under this collective agreement:
 - 1. Seniority List;
 - 2. Copy of the Agreement;
 - 3. Welfare Plan Provisions.

Any employee requiring such information shall contact his manager, shop steward, or the Office Administrator 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 he should be paid as per the then current Employment Standards. Such an employee may elect to accept layoff 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 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 twelve (12) 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 Sub-Section (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 arising out of his employment, 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) All jury duty pay received by an employee for the days he received pay from the Company shall be paid over to the Company. An employee on jury duty shall, subject to this Section, make himself available for work before or after being required for such duty whenever practical 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 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 himself, he shall consult the General Manager of the Company to determine which legal firm should be used.

- 15.21 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.
- 15.22 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.
- 15.23 SAFETY BOOTS:- All employees whose job duties demand, subject to the current safety requirements of the Workers' compensation Board and/or a reasonable safety practice, are required to provide for themselves and wear safety toed boots. The Company will offer a once a year boot allowance of up to **one hundred ten dollars (\$110.00)** including GST, for all employees with a prior twelve (12) months service upon presentation of a receipt for boot purchase or repair. Additionally a payroll deduction plan will be extended for the purchase of safety toed boots to any employee with six (6) months previous full-time service, subject to pre-approval by the payroll department. Should the employee leave the employ of the Company for any reason prior to satisfying the payroll deduction program the balance will be deducted from the final pay cheque.
- 15.24 REMOVAL OF RENTAL OR RESALE EQUIPMENT:- Any employee removing rental or resale equipment that is not listed on a current contract or invoice made out to that employee from the rental yard or building of any branch of the Company will be subject to immediate dismissal.
- 15.25 UNION PROMOTION OF TRADE:- The union agrees to actively promote trade with the Company to other union businesses and Contractors within the trading area.
- 15.26 CONFIDENTIALITY: Because the Company's continued livelihood depends upon competitive marketing of products, services, and exclusive leads. confidentiality regarding this information must be held in high regard.
- 15.27 COMPANY LISTS, CATALOGS, ETC.: During the course of carrying out the normal day to day tasks an employee may have cause to obtain, use, and possess Company price lists, catalogs, staff lists, etc. Should the employee leave the employ of the Company for any reason all lists, catalogs, price books, etc. must be returned to the Company. Failure by an employee to return any of the above items will be noted on any letter of reference supplied by the Company to the employee.
- 15.28 KEYS TO COMPANY PREMISES AND SECURITY CODES: Employees" may be provided with keys to Company premises along with private security entry codes. Upon termination of employment for any reason the employee must turn in all keys prior to receiving his final pay settlement. Failure to turn in all keys will result In the cost of the required lock changes

being removed from the final pay cheque. At no time may any employee make copies of Company keys.

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 necessary requirements for the work as determined_ by the Company. 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: JOB POSTING

17.01 PROMOTION: When new jobs are available, whenever possible, the Company will promote employees to a better paying job, seniority, qualifications and ability to be considered. All opportunities will be posted.

17.02 NEW JOB CLASSIFICATION:

- (a) When anew job classification is introduced which is not included in the list of current classifications, the Company and the Union Representative shall promptly negotiate a wage rate. This wage rate will be negotiated within (5) working days after notification to the Union Representative. The job will not be posted or filled until the classification has been agreed upon.
- (b) If after (5) working days the wage rate has not been agreed upon, the union agent and a Shop Steward of his selection, the Department Manager and the General Manager will meet to resolve the issue. This meeting will take place within five (5) working days following the initial five (5) day period.

ARTICLE 18: TRUCK MAINTENANCE

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. Employees must report any conditions above.

- b) It is mutually agreed that the driver of a vehicle must report defects in equipment to the service department and list said defects upon a work-order.
- c) When a driver reports a defect in equipment, he must tag or mark the vehicle Involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply tags or other marking devices. This tag to be removed by Mechanic when the work has been completed and the Dispatcher is to be immediately advised.
- d) 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 will be responsible for their own fines.
- e) The Company shall supply a fire extinguisher and an adequate first aid kit for each service vehicle.
- f) Bulkheads will be installed on van-type trucks.

18.02 DRIVER ABSTRACTS: - Any Employee working for the Company may be required to operate Company vehicle's, and therefore must have a valid B.C. Vehicle Operator's license, and provide annual on request, a copy of his/hers drivers abstract.

ARTICLE 19: MEDICAL - INSURANCE - DENTAL - PENSION

19.01 COVERAGE & COST: As per attached Appendix "D"

- a) The employees will pay the cost through payroll deduction, the following:
 - i) LONG TERM DISABILITY INSURANCE(Note: Benefits received are non –taxable)
- b) The Company will pay the cost to provide and maintain the following coverage for its employee and their immediate families (wife, husband, children)
 - i) MEDICAL:- Medical coverage equivalent to that supplied by the Medical Services Plan of British Columbia. (100%)
 - ii) LIFE and AD& D INSURANCE COVERAGE.- (100%)
 - iii) EXTENDED HEALTH CARE.- (100%)
 - iv) BASIC DENTAL PLAN. (80%)

19.02 PENSION PLAN: - The Company will contribute an amount as detailed in Appendix B (Wage Schedule) for each accumulated hour worked by the Employee to their individual

Pension Plan. Each Employee will have the right to choose where they would like the Company to apply their Pension contributions. The Employee to advise the payroll department in writing if they wish to change their plan.

- a) **EMPLOYEE OWNED PENSION PLAN:** - This individually owner RRSP plan is administered through the Company payroll department by an independent financial advisor.

Individual statements of contribution and value are available on a regular basis from the Fund Administrator. The employee may request additional payroll deductions to maximize their allowable RRSP contribution,

OR

- b) **UNION PENSION PLAN:**

This Pension Plan is administered by the International Union of Operating Engineers , Local 115 . The employee must be a member of the Union to participate in this 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 fifteenth (15th) day of the month following that which contributions cover.

The Pension Plan's Auditor may inspect, during regular business hours by prior arrangement, the Company's record of time worked by Union members contributions made to the plan.

19.03 **ELIGIBILITY:-** An employee will be eligible for all coverage outlined above on the first (1st) day of the month following completion of his probationary period.

19.04 **INSURED BENEFIT COVERAGE - ON LAY-OFF:-** An employee who is laid off will be eligible for continued Health & Welfare Benefit coverage (i.e. Medical, E.H.B. & Dental) for thirty (30) days. Coverage will continue for the period stated so long as the Employee is unemployed and not receiving income from another company.

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 Appendix "B" 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 effected 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 or the Company, 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 March 1st, **2006**, to and including February 28th, **2009**, 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 February 28th, **2009**. 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 provision of Section 50 (4) of the Labor Relations Code of B.C. are specifically excluded.

Signed at _____ BC, this _____ day of _____, 2003.

OLD COUNTRY RENTALS LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A" - JOB DESCRIPTIONS

Experience Level: Employee raises to applicable percentage of journeyman rate after accumulating the following hours:

| <u>Accum. Time:</u> | <u>Accum. Hours:</u> | <u>Percentage:</u> |
|----------------------|----------------------|--------------------|
| Start (0 - 6 months) | 0 - 1040 | 60% |
| 6 to 12 months | 1040 -2080 | 65% |
| 12 to 18 months | 2080 - 3100 | 70% |
| 18 to 24 months | 3100 - 4160 | 75% |
| 24 to 36 months | 4160 - 6240 | 85% |
| 36 to 48 months | 6240 -8320 | 90% |
| Over 48 months | 8320 -over | 100% |

Accumulated hours to be calculated_ quarter annually on Dec. 31 , Mar 31, June 30 and Sept. 30 of each year, with wage level adjusted as of those dates.

Employee Positions:

Rental Rep: A Rental Representative will have responsibility to operate the rental counter dealing directly with customers and over the phone. Must be familiar with all equipment types and applications, the Company's computer system and **handle** cash and inventory control systems. Must have knowledge of all resale equipment **and handle sales of various products and equipment carried by the Company.** Ability to access, clean and do general servicing of all rental inventory. Able to handle equipment used for moving , loading or unloading equipment in yard, and in transporting that equipment to and from job sites, and ability to show customer correct operation of the equipment.

Rental Mechanic: **Handle the** repair to all rental company equipment as well as all resale inventory equipment, **and customer repairs.** Primarily a shop function with not more than 40% of time **spent** in the field.

Field Mechanic: Licensed H.D. Mechanic, who will operate outside the shop environment, usually from his truck, and spend more than 70% of his time in the field.

APPENDIX "B" - WAGE SCHEDULE

Base Hourly Rate: (Applies to Employee with over 48 months (8320 hrs) of total job experience , and referred to as the Journeyman Rate)

| <u>Position:</u> | <u>Mar. 1/06</u> | <u>Mar. 1/07</u> | <u>Mar. 1/08</u> |
|-------------------------------|------------------|------------------|------------------|
| 3 Year Contract Term (Hourly) | | | |
| Rental Representative | | | |
| Base Salary | 18.05 | 18.55 | 19.10 |
| Pension | <u>1.10</u> | <u>1.10</u> | <u>1.10</u> |
| Total | 19.15 | 19.65 | 20.20 |
| Rental Mechanic | | | |
| Base Salary | 19.50 | 20.00 | 20.50 |
| Pension | <u>1.10</u> | <u>1.10</u> | <u>1.10</u> |
| Total | 20.60 | 21.10 | 21.60 |
| Field Mechanic | | | |
| Base Salary | 20.50 | 21.00 | 21.50 |
| Pension | <u>1.10</u> | <u>1.10</u> | <u>1.10</u> |
| Total | 21.60 | 22.10 | 22.60 |

LETTER OF UNDERSTANDING #1

BETWEEN:

OLD COUNTRY RENTALS LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Current Union Dues and Fees as of March 7, 2006

Current Monthly Dues are calculated at two and one half times (2.5x) the employee's hourly rate plus fifty cents (\$0.50).

Current Strike & Defence Fund Assessment on July 1 each year of forty dollars (\$40.00).

Current Initiation Fee into Local 115C is one hundred and twenty-five dollars (\$125.00).

As per the Agreement detailed on each Union membership dues deduction card, dues and fees are set by the Union.

Signed this _____ day of _____, 2006.

OLD COUNTRY RENTALS LTD.

**INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115**

LETTER OF UNDERSTANDING #2

BETWEEN:

OLD COUNTRY RENTALS LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Arbitrator's Agreement

I, _____, agree that in Consideration of the acceptance by the International Union of Operating Engineers Local 115 and Old Country Rentals Ltd., of myself as an Arbitrator, i will render a decision in writing within thirty (30) days of the completion of any hearing in which I participate. I further agree that my fee for such arbitration will be reduced by a factor of ten percent (10%) for each seven (7) days which lapse beyond the thirty (30) days from the completion of any hearing in which I participate and in which a decision is not published. I further agree that the account which I render will indicate the amount of my fee on an unadjusted and adjusted basis. I further agree not to bill for any fee in regard to cancellation, except where cancellation is within seven (7) calendar days of the appointed hearing date.

Signed this _____ day of _____, 2006.

OLD COUNTRY RENTALS LTD.

**INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115**

LETTER OF UNDERSTANDING #3

BETWEEN:

OLD COUNTRY RENTALS LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Canadian Joint Grievance Panel

The Parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel process as outlined in Appendix "B" that is attached to and forms part of this Agreement. The Panel decision shall be final and binding on the Parties. The Panel shall not have the authority to change this Agreement or to alter, modify or amend any of its provisions. However, the Panel shall have the authority to dispense of a grievance by any arrangement that is deemed just and equitable. The decisions rendered are final and binding, but not precedent setting. Each grievance is heard and a decision reached on its own merit. It is further agreed that in the event the Panel is unable to render a majority decision that the grieving party may refer the matter to a Schedule II Hearing under the Panel process, or refer the matter back to the arbitration process as outlined above in this Article or, withdraw the grievances

Signed this _____ day of _____, 2006.

OLD COUNTRY RENTALS LTD.

**INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115**
