

COLLECTIVE AGREEMENT

Between

**APEX MICRO MANUFACTURING LTD.
(Delta Facility)**

AND

**NATIONAL AUTOMOBILE, AEROSPACE
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
LOCAL 114**



SEPTEMBER 1, 2006 – AUGUST 31, 2009

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ARTICLE 1- INTRODUCTION

1.01 Purpose

- (a) The purpose of this Agreement is to set forth and establish the terms and conditions of employment for those employees who come within the scope of this Agreement, so that stable and harmonious relationships may be established and maintained between the Company, the Union and the employees, to the mutual benefit of the Parties to this Agreement.
- (b) Further, the purpose of this Agreement is to facilitate the peaceful adjustment of all disputes and grievances through the use of the grievance and arbitration procedures contained herein, and to provide for the most efficient and effective operations of the Company's business and to enhance the living standards of the employees.

1.02 Performance of Bargaining Unit Work

Persons, except Supervisors, whose regular jobs are not in the bargaining unit shall not work on any jobs which are included in the bargaining unit except for the purposes of training and instruction, the testing of new products or processes, or emergencies of short duration provided no bargaining unit employee is displaced from their regular job by reason of the use of non-bargaining unit personnel.

1.03 Impact of Legislation

- (a) In the event that existing federal or provincial legislation makes invalid any provision of this Agreement, the remaining provisions shall remain in effect for the term of the Agreement. The Company and the Union shall confer to settle upon a mutually agreeable provision to be substituted for the provision(s) so altered or invalidated.
- (b) In the event that any term, condition or provision, or part thereof, which is incorporated into this Agreement, whether be advertence, error or misunderstanding, is in fact or in law contrary to such federal or provincial legislation or regulation, then such term, condition or provision or part thereof, is void and of no effect.
- (c) If the Parties are unable to reach agreement, the dispute will be settled through the Arbitration procedures of this Agreement.

1.04 No Other Agreement

No employee shall be required or permitted to make a written or oral agreement with the Company which may conflict with the terms of this Agreement.

1.05 Bridging Clause

The Company agrees that no provisions of this Agreement shall be used to reduce wages and conditions presently in effect at the ratification of this Agreement.

1.06 Contracting Out

Where the Company intends to contract out work which is currently being done by bargaining unit employees, and such contracting out will result in the layoff or reduction of hours of bargaining unit employees, the Company will provide the Union with thirty (30) days written notice in advance of the contracting out.

ARTICLE 2 - MANAGEMENT RIGHTS

2.01 Company Recognition

The Union recognizes the right of the Company to operate and manage its business in all respects, consistent with the provisions of this Agreement.

2.02 Company Rules and Regulations

The Company also reserves the right to supplement and alter from time to time reasonable rules and regulations to be observed by the employees, said regulations and rules not being inconsistent with the provisions of this Agreement.

2.03 Copy of New Rules to be Posted

The Company agrees to post a copy of new rules and fax a copy to the Union Office.

ARTICLE 3 - RECOGNITION OF THE UNION AND UNION SECURITY

3.01 Bargaining Agent

The Company recognizes the Union as the sole and exclusive bargaining agent for the employees in the bargaining unit as certified by the Labour Relations Board of British Columbia.

3.02 Union Membership

All employees who, at the date of signing of this Agreement, are members in good standing of the Union, or who later become members of the Union, shall as a condition of continued employment, maintain membership in good standing in the Union for the duration of this Agreement or any continuation or renewal

thereof. All employees employed after this Agreement becomes effective shall become members of the Union upon completion of their first week of employment.

3.03 Union Dues - Deduction

(a) The Company agrees to deduct monthly from the earnings of each employee, Union dues and Initiation Fees from time-to-time fixed by the Union. In addition, assessments levied in accordance with the Constitution and By-laws of the Union will be deducted from the employees upon proper written notification from the Local Executive of the Union.

(b) Reporting of Dues Deducted

The Company agrees to show on each employee's annual T4 slip the amount of Union dues deducted.

3.04 Union Dues - Remitting

The total amount so deducted shall be remitted with the itemized statement to the Secretary-Treasurer of the Local Union within ten (10) days following the month for which the Union dues were deducted.

3.05 Shop Steward Recognition

The Company agrees to recognize five (5) Shop Stewards as designated by the Union. The Company shall accord a hearing to the Shop Stewards for settlement of disputes and grievances.

A Shop Steward required to attend a grievance meeting with management shall not have such time deducted from their regularly scheduled shift.

3.06 Union Access to the Unit

An authorized representative of the Union shall be permitted to enter the unit at any reasonable time in the interest of the employees covered by this Agreement, provided that the General Manager or Human Resources Manager is first contacted, and that there will be no disruption of employee's duties.

3.07 Notice Board

The Company agrees to provide the Union with a Notice Board in the lunchroom upon which the Union President or a delegate may post bulletins pertaining to Union business, election of officers, social and recreational events.

3.08 Union Leave - Long Term

Upon sufficient notice to the Company's representative, the Company shall grant leave of absence without pay for a maximum period of three (3) years to no more than one (1) employee who is selected to a full time union position. An employee who obtains such leave of absence must return to the employ of the Company at the end of the selected term to retain employee status.

At the expiry of this three (3) years period the Union may request and the Company shall grant an additional three (3) years extension period to the leave to no more than one (1) employee. It is understood that the maximum continuous period of leave shall be six (6) years.

3.09 Union Leave - Short Term

(a) The Company may grant a Leave of Absence without pay and without loss of benefits for up to two (2) employees who are selected to attend Union Conventions and for other Union business. Such leaves will not exceed ten (10) working days.

(b) The Company shall grant a Leave of Absence for three (3) employees who are selected to attend collective bargaining.

3.10 Union Leave - Notice

(a) The Union shall take into consideration the Employer's staffing concerns when electing or appointing members who require short term union leave.

(b) Except for collective bargaining leaves, in order for the Company to replace the employee with a competent substitute, it is agreed that before the employee receives this Leave of Absence, as set forth in Clause 3.09 above, the Company shall be advised in writing ten (10) days prior to the day on which the Leave of Absence is to commence.

(c) The Union shall take into consideration the Employer's staffing concerns when electing or appointing members who require short term union leave.

3.11 Notification to the Union: Prior to Certain Changes

The Company agrees to notify the Shop Steward, prior to discharging, laying off, transferring, promoting or demoting any employee.

3.12 New Employees Orientation

Each newly hired employee will be introduced to the Shop Steward at the first opportunity when doing so will not cause an undue interruption with the performance of the Steward's job duties. In any event, such introduction will take

place within one (1) week of the date of hiring. The Shop Steward will provide the employee with a copy of the Collective Agreement and will be allowed up to fifteen (15) minutes without loss of pay, to familiarize the new employee(s) with the terms and conditions of the Collective Agreement.

3.13 Update on Employee Address

The Company agrees to provide the National Union, on a quarterly basis, with the names and addresses of all employees in the bargaining unit. These shall be mailed or faxed to the National Union office in New Westminster.

3.14 Stewards Meeting

The Company agrees to provide forty-five (45) minutes of meeting time on Company time once every month for the Stewards to discuss amongst themselves matters pertaining to the administration of the Collective Agreement. Such meetings will be coordinated in advance with the Company.

ARTICLE 4 - DISCIPLINE

4.01 Just Cause

The Company agrees that an employee bound by this Agreement may only be disciplined for just and reasonable cause.

4.02 Reasons for Discipline Written

- (a) The Company shall set out its written reasons for any discipline resulting in the discipline, suspension, or discharge of an employee.
- (b) When discipline is in the form of a verbal warning, written reasons are not required but the employee may dispute such discipline through the grievance procedure.

4.03 Employee and Union Advised of Complaint

No formal complaint shall be recorded against an employee nor may be used against him/her at any time unless said employee and the Union are advised accordingly in writing within ten (10) days of the Company's knowledge of the incident or occurrence, giving rise to the complaint.

4.04 Limitation on Holding Discipline Against Employee

Any written or verbal warning shall be automatically cancelled after twelve (12) months so long as the employee has no subsequent discipline over the same twelve (12) months.

4.05 Access to Personnel File

The Company agrees that an employee shall have access to view his/her personnel file not more frequently than at six (6) month intervals or for the purposes of processing a grievance or arbitration. A management representative may be present when the employee reviews the file.

4.06 Signing not Agreement

Whenever an employee signs a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

4.07 Union Support not Subject to Discipline

An employee covered by this Agreement shall have the right to refuse to cross a legal picket line in connection with a labour dispute. Failure to cross a picket line shall not be considered grounds for disciplinary action or otherwise to be a violation of this Agreement.

ARTICLE 5 - GRIEVANCE PROCEDURE

5.01 Co-operate to Adjust Grievances

It is agreed that grievances and disputes relative to the interpretation, application, operation or alleged violation of the clauses of this Agreement which may arise during the life of this Agreement, shall be promptly discussed and the parties hereto will diligently cooperate in an effort to adjust such grievances at the earliest possible time. In order to facilitate the foregoing the parties agree to abide by the following:

- (a) Disclosure** - The Union agrees that grievance forms shall contain details sufficient for the Company to respond. The Company agrees to provide a written response which contains sufficient details to enable the Union to respond.
- (b) Right to a Shop Steward** - The Shop Steward shall be present at all times when the Company is administering discipline to an employee when the discipline being administered is to form part of that employee's written work record.
- (c) No Discussion With Griever** - The Company agrees that after a written grievance has been initiated by the Union, the Company's representatives will not enter into any discussion or negotiation with respect to the grievance, either directly or indirectly with a grieved employee without the consent of the Union representative.

- (d) **Representation** - The Company and the Union agree that no employee or group of employees shall undertake to represent the Union at meetings with the Company without the proper authorization of the Union.
- (e) **Time to Process Grievance** - Time spent meeting with management to resolve grievances during working hours shall be considered time worked.
- (f) **Time to Grieve** - An employee(s), or in the case of a Union grievance, the Union, will have a period of ten (10) working days from the date of the alleged violation of the provision of this Agreement or ten (10) working days when an employee(s), or the Union, would have knowledge of the incident or occurrence giving rise to the complaint in which to submit a grievance as provided for in this Agreement.

5.02 Grievance Procedure Steps

- (a) **Informal Step** - As an informal step, the employee is encouraged to make an earnest effort to resolve the grievance directly with the management person to whom he/she reports. At his/her option the employee may be accompanied by the Shop Steward for the area in which the employee works.
- (b) **Step One** - At this step notice in writing of the grievance must be filed with a person designated by the Company and a copy directed to the Plant Manager's office within seven (7) days after the Informal Step.

Any meeting between the Parties at this step must involve the employee, his/her Shop Steward and the management person to whom the employee reports.

The Company shall respond in writing within seven (7) days of this meeting.

- (c) **Step Two** - In the event that a resolution of the grievance, satisfactory to the Union and the Company, does not result at Step One, an attempt to resolve the grievance shall be made between the employee, the Shop Steward and/or a Union representative and a person or persons, other than the Company's representative in Step One above, designated by the Company. This does not mean the Company representative from Step 1 would be excluded from any meetings under this Step.
- (d) **Step Three** - In the event that a resolution of the grievance, satisfactory to the Union and the Company, does not result at Step Two, whichever party issued the grievance may advance the grievance to arbitration, in accordance with Article 6 within thirty (30) days of the conclusion of Step Two.

5.03 Persons Authorized to Deal with Grievances

- (a)** The Union agrees to provide the Company with a written list of names of any persons other than Shop Stewards, who are authorized to deal with the adjustment or resolution of grievances on behalf of the Union, and to provide further written advice of changes made in the list as such changes occur.
- (b)** The Company agrees to provide the Union with a written list of the positions within which the persons are authorized to deal with the adjustment or resolution of grievances on behalf of the Company and to provide further written advice of changes made in the list as such changes occur.

5.04 Technical Errors or Omissions

No technical errors or omission will render a grievance inarbitrable.

5.05 Griever's Right to be Present

The grievor may elect to be present at any stage of the Grievance Procedure.

5.06 Group, Union, Policy, Discharge, Suspension or Company Grievances

Group, Union, Policy, Discharge, Suspension, or Company grievances shall be submitted at Step 2 of the Grievance Procedure.

5.07 Optional Grievance Resolution Procedures

Where the Parties do not reach a satisfactory resolution to the grievance at Step Two they may, by mutual agreement, participate in any of the alternate dispute resolution processes offered by the Labour Relations Board or Labour Relations Act. Except where the Act specifically requires that the process be binding, the Parties may mutually agree whether or not the alternative process will provide a binding decision.

ARTICLE 6 - ARBITRATION

6.01 Single Arbitrator

Except as set out in Article 6.02, grievances not resolved under Article 5 may be referred in writing by either Party to the other, within ten (10) days of the final stage in Article 5, to a single arbitrator for final and binding resolution. The Parties will confer within five (5) days of the referral to select an arbitrator. If

there is no agreement the Labour Relations Board shall be asked to appoint an arbitrator.

6.02 Arbitration Panel

When a grievance involves the interpretation of a provision(s) of the Agreement, either Party may elect to expand an arbitration to a three person panel appointed as follows:

- (a)** Either with the notification of referral to arbitration or within five days of receipt of the notification, the Party desiring a three person panel shall notify the other Party in writing of the name and address of their nominee to the panel.
- (b)** The Party receiving the notice shall, within five days, appoint a member for the Panel and notify the other Party of its appointment.
- (c)** The two arbitrators so appointed shall confer and select a third person to be Chairperson, and failing for three (3) days from the appointment of the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Labour Relations Board to appoint the third member.

6.03 Arbitration Hearing

- (a)** As soon as an arbitrator has been appointed, the arbitrator will be encouraged to commence the hearing within five (5) days and further encouraged to render a decision within fourteen (14) days.
- (b)** In order to expedite the arbitration process, the Parties agree that they will meet to discuss their understanding of the issue or issues to be placed before the arbitrator, and to prepare a statement of all facts which are not in dispute. The identification of the issue or issues and the statement of agreed facts will be prepared in written form and placed before the Arbitrator by agreement of the Parties.

6.04 Authority of the Arbitrator

The authority of the Arbitrator is set out in Section 89 of the Labour Relations Code of British Columbia.

6.05 Expenses

Each Party shall be responsible for their own expenses and the expenses of their nominee to an arbitration panel. The expenses and remuneration of the arbitrator or chairperson shall be paid by the Parties in equal shares.

ARTICLE 7 - HEALTH AND SAFETY

7.01 Company Responsibility

The Company agrees that it is the responsibility of the Company to make reasonable provisions for the Health and Safety of all employees during the hours of their employment and to provide proper training and instruction on safe work practices.

7.02 Joint Health and Safety Liaison Committee

A Joint Health and Safety Liaison Committee shall be established consisting of not more than three (3) employees selected by the Union and not more than three (3) non-bargaining unit representatives. The Committee shall meet monthly and minutes of the meetings kept and posted on the Union Bulletin Board with a copy being sent to the Union. The purposes of the Committee shall be to assist in creating a safe place to work, recommend actions which will improve the effectiveness of the health and safety program and to promote compliance with appropriate government regulations. Environmental issues affecting the Company may also be discussed by the Health & Safety Committee.

The date for the next Health and Safety Committee meeting shall be set as an order of business during the previous meeting. The Chair/Secretary shall rotate between the Company and the Union.

7.03 Disclosure Information

- (a)** In order to maintain a cooperative interest in safety, employees will inform management as soon as practical of all injuries resulting from accidents occurring in the work place.
- (b)** The Union and the employees agree that employees share responsibility for their safety and health and agree to cooperate fully with the Company on all matters of health and safety.
- (c)** The Company agrees where possible to provide written information as requested by the Union regarding new chemicals prior to their introduction.

7.04 Right To Accompany Inspector

Providing the Inspector agrees, a union selected Health and Safety Committee representative or, if none are available, a Shop Steward may accompany an inspector of the Workers Compensation Board on an inspection tour.

7.05 Pay for Attending Monthly Meetings

The Company agrees that an employee carrying out his/her responsibilities as provided in Article 7.02 will be paid their regular hourly rate for such time.

7.06 Smocks

The Company agrees to make available up to two (2) Lab Smocks to each employee, however, when smocks are supplied, employees must wear them.

7.07 Protective Clothing and Equipment

Employees whose work requires them to wear protective devices shall be provided with all necessary tools, equipment and protective clothing required, including, but not limited to:

- (a) fresh air replacement ventilation equipment and/or filtered respirators;
- (b) safety glasses;
- (c) specialized protective clothing required by the Company for a specific operation.

7.08 First Aid Premium

- (a) Any employee classified in this Agreement who is also employed in the capacity of a First Aid Person and holding an unexpired Level 2 or 3 First Aid Certificate, shall receive one dollar (\$1.00) per hour worked, in addition to his/her occupational rate effective the date of ratification.
- (b) Should the Company require an employee to take a first aid course, the Company shall pay the costs of the course as well as for the time required to take it.

7.09 Access to Reports & Records

Union Health & Safety Committee members shall have access to reports and records relative to occupational health and safety which are in the possession of the Company.

7.10 National Day of Mourning

Each year on April 28th at 11:00 a.m. work will stop and one minute of silence will be observed in memory of workers killed or injured on the job.

7.11 Lockers

The Company will continue to provide lockers for employee's personal belongings.

7.12 Lunch Space

The Company agrees to provide lunch space(s) of a sufficient size to accommodate the staff.

7.13 Plant Conditions

The Plant will be heated, lighted and ventilated in compliance with WCB regulations.

7.14 Notification to Authorities of Hazardous Substances

No employee may be disciplined for notifying the appropriate authorities of a release of hazardous substances to the air, earth or water. However, the Company must be notified before any such report is made.

ARTICLE 8 - HUMAN RIGHTS AND HARASSMENT

8.01 Discrimination/Harassment Prohibited

The Company and the Union agree that discrimination and/or harassment of any employee because of colour, national origin, religion, age, marital status, sexual orientation, or disability is absolutely prohibited. Every employee has the right to work in an environment of mutual respect, free from discrimination and harassment including sexual harassment. Action contravening this policy will constitute grounds for discipline.

8.02 Harassment Defined

Sexual harassment means any unwelcome words or actions made by a person who knows or ought to know they are unwelcome and include but are not limited to the following:

- (a)** Unnecessary touching or patting
- (b)** Suggestive remarks or other verbal abuse
- (c)** Leering at a person's body
- (d)** Compromising invitations
- (e)** Demands for sexual favours
- (f)** Physical assault

8.03 Complaint Procedure

A complainant may either initiate a grievance as per the grievance procedure of the Collective Agreement or file a written complaint with the Chief Operating Officer or his/her designate and the President of the Local Union and deliver a copy to the alleged harasser.

8.04 Investigation

The Parties agree that a complaint of sexual harassment will be investigated thoroughly by both parties in confidence.

8.05 Right of Arbitrator

An Arbitrator or Arbitration Board hearing a complaint or grievance under this Article shall have the authority to:

- (a) Dismiss the grievance or complaint
- (b) Determine the appropriate discipline up to and including dismissal
- (c) Decide that the alleged harasser be transferred, demoted, or decide to impose other terms or conditions necessary to provide final conclusive settlement of the grievance.

8.06 Transfer of Harasser

Where sexual harassment is proven and results in the transfer of an employee, it shall be the offender who is transferred. The complainant shall only be transferred with the complainant's consent.

8.07 Resolution

It is recognized that the strict prohibitions referred to in Article 8.01 are to be interpreted and applied in accordance with the notion of a reasonable duty to accommodate.

8.08 Diversity Training

The Company agrees to provide eight (8) paid hours of diversity training for all new employees during the life of this Agreement. Such training to be provided in accordance with past practice.

ARTICLE 9 - HOURS OF WORK

9.01 Normal Work Day and Normal Work Week Defined

The normal work day shall consist of eight (8) consecutive hours of work exclusive of a half-hour lunch period and the normal work week shall consist of forty (40) hours over five (5) consecutive days.

9.02 Standard Starting and Stopping Times

The standard shift start and stop times shall be:

Day Shift starts between	5:30 am to 7:00 am
Afternoon Shift starts between	1:30 pm to 3:00 pm
Night Shift starts between	9:30 pm to 11:00 pm

Stockroom and Shipping/Receiving Departments may have one (1) person per department scheduled on an 8:00 – 4:30 PM shift; otherwise, the above start times shall apply.

The standard start and stop times may be varied by mutual agreement between the Employer and the Union. As well, individual employees may, by mutual agreement with the Employer, vary their start and stop times to meet personal needs.

All changes to start and finish times within a department shall be offered on the basis of seniority amongst those employees within the department qualified to do the available work. If no senior employee volunteers, then, upon fourteen (14) calendar days notice the Employer can assign the new start and finish time to the most junior employee.

It is agreed that in the application of this clause, start and finish times will not ordinarily be changed except when done on a permanent basis (“permanent” being defined as a start and finish time with no foreseeable end). If a start or finish time change is required which is not on a permanent basis, mutual agreement with the Union is then required before the change can be implemented. The Union agrees that it will not unreasonably deny such requests.

9.03 Night Shift Begins 24 Hour Day

The starting time of 10:00 p.m. Sunday night shift shall be recognized as the beginning of the work week with day shift and afternoon shift following.

9.04 Present Starting & Stopping Times Maintained for Lunch & Rest Periods

The parties to this Agreement agree that the present starting and stopping times for rest periods and lunch periods shall be maintained unless changed by mutual agreement. The present practice of having an employee designated to receive trucks during lunch periods or rest periods will continue. In such cases the designated employee shall receive his/her break immediately before or after the rest period or lunch period.

9.05 Daily Guarantee

Every employee who arrives on time for his/her shift shall be guaranteed eight (8) hours' pay, except in the case of an emergency such as fire, flood, earthquake, power outage, or other condition beyond the control of the Company. Under emergency conditions, employees shall be guaranteed four (4) hours' pay or payment for time actually worked, whichever is greater.

9.06 Minimum Shift Break

Every employee shall have a minimum ten (10) hour break between shifts. In the event that an employee is recalled to work before such shift break has elapsed, he/she shall be considered as still working on his/her previous shift and shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work of his/her own accord until a full shift break has occurred and no employee shall lose time from his/her next shift to make up the break.

9.07 No Shift Rotation

Shifts shall be fixed and shall not rotate. Vacancies on various shifts shall be filled by posting in accordance with Article 17.03 or, if required after the posting, by hiring new employees.

9.08 Report To Work Outside Company Premises

Employees required to report for work outside the Company's premises shall be paid for all travelling time up to a maximum of eight (8) hours in each twenty-four hours required to travel to and from the job, plus all transportation, hotel and meal expenses.

9.09 No Employee Vehicle

No employee vehicles shall be used on Company business.

9.10 Clean-up Time

The Company agrees to continue the past practice of providing adequate clean up time.

9.11 Notice of Shift Change

The Company will give employees five (5) days notice of shift change. In the event five (5) days notice is not given the employee shall receive four (4) hours pay at his/her classified rate.

9.12 Shift Premiums

Afternoon Shift Premium	\$.50 per hour
Night Shift Premium	\$.75 per hour

9.13 Scheduled Rest Periods

(a) Day Shifts

After two (2) hours work or more - one (1) fifteen (15) minute break
After four (4) hours work or more - two (2) fifteen (15) minute breaks
After six (6) hours work or more - one half (½) hour unpaid meal break

(b) Afternoon and Graveyard Shifts

After two (2) hours work or more - one (1) fifteen (15) minute break
After four (4) hours work or more - one half (½) hour unpaid meal break
After six (6) hours work or more - 2nd fifteen (15) minute break

(c) If an employee is required to work through a rest period he/she shall be permitted to take that break later in the day.

(d) If an employee is required to work through his/her scheduled half hour (½) hour meal break, due to an emergency or other unforeseen circumstances, that employee will be paid straight time for the work performed if no other meal break is given that day. If no meal break is taken, overtime will commence after eight (8) hours.

ARTICLE 10 - OVERTIME

10.01 Overtime Premiums

All overtime shall be calculated in accordance with the Employment Standards Act in effect January 1, 2004.

10.02 Overtime Offered on Seniority Basis

Providing the employee agrees, overtime at the completion of a regular shift shall be performed by the employee doing the job. All other overtime shall be offered on the basis of seniority amongst employees qualified to do the available overtime work. If no senior employee volunteers then the Company can assign the overtime work to the most junior employee. In order to ensure the most junior employee is not always assigned the overtime the next most junior qualified employee shall be designated as the most junior qualified employee if the most junior qualified employee has been required to work overtime under this Article in the previous four (4) weeks.

An employee shall not be required to work in excess of six (6) consecutive days or more than one occasion in any calendar month.

10.03 Overtime Meal

For employees working four (4) hours or more after their scheduled shift the Company shall either provide a meal or pay a reasonable amount for a meal to a maximum of ten dollars (\$10.00).

10.04 Overtime Banking

The Parties agree that an employee may notify the Company that he/she wishes to "bank" any overtime hours worked to be taken as paid personal time off or paid out at a future date or a combination thereof. The overtime hours banked shall be the hours the employee would otherwise be paid at the applicable overtime rate had he/she taken pay (eg. Overtime worked at double time (2X) will be two (2) hours banked time at regular pay. Overtime worked at time and one-half (1 ½ X) will be one and a half hours banked time at regular pay or a combination thereof.)

When banked time is taken as personal time off, the rate of pay for such hours shall be the rate the employee was earning at the time overtime was worked. When an employee takes paid time off as herein provided, it shall be without loss of benefits.

When a layoff becomes necessary the Company may confer and mutually agree with the Union upon a plan for employees to take banked personal time off in order to avoid a layoff.

An employee will be entitled to take banked personal time off on short notice provided the Company and the employee mutually agree.

10.05 Call Out During Periods of Rest From Work

An employee called out to work on his/her day off or after his/her arrival at home, shall be guaranteed four (4) hours pay at the applicable overtime rate.

10.06 Overtime Opportunity Notice

- a) The Company will give at least four (4) hours notice of an overtime opportunity following an employee's normal shift. If the four (4) hours notice is not given the employee may refuse the overtime and clause 10.02 will apply.
- b) Where possible, the Company will provide notice by the end of the Thursday shift of a weekend overtime opportunity.

ARTICLE 11 - VACATIONS

11.01 Vacation Time and Vacation Pay

An employee's vacation time and vacation pay shall be calculated on an anniversary date-to-anniversary date basis in accordance with the following schedule:

Years of Service	Vacation Time	Vacation Pay
1 year but less than 2 years	2 weeks	4%*
2 years but less than 7 years	3 weeks	6%*
7 years but less than 15 years	4 weeks	8%*
15 years and over	5 weeks	10%

* of the employee's gross earnings from his/her previous anniversary date.

11.02 Vacation Pay Upon Termination

Employee's who leave the employ of the company will be paid any outstanding vacation pay from their previous vacation year plus any accumulated vacation pay from their previous anniversary calculated in accordance with the schedule set out in Article 11.01.

11.03 Statutory Holiday During Vacation

Should a Statutory Holiday occur while an employee is on annual vacation, he/she shall receive an additional day off with full pay at his/her regular rate or he/she may elect to receive a day's pay in lieu of an additional day. The selection to be made at the time the employee schedules his/her holidays. If the employee selects an additional day off with pay it shall be taken within that

calendar year at a time mutually agreed between the employee and the employer.

11.04 Vacation Scheduling

- (a) The Company will supply a vacation planner by February 1st of each year to be completed by the employees by March 1st. Vacations will be scheduled on a seniority basis per department and will run from May 1st to April 30th each year. When completed, the Shop Steward will be given a copy which will be kept current by the Employer.
- (b) The Company will post the holiday schedule and confirm to each employee his/her vacation allotment by March 15th. Once allotted, vacations will be changed only by mutual consent between the employee and the Employer.
- (c) Minimum Away Per Department - The minimum number of employees per department entitled to be on vacation at any one time shall be:

Department Size		Employees Away
1	- 8 employees	1
9	- 5 employees	2
16	- 25 employees	3
	Over 26 employees	4

These minimums are in effect outside of the Company's year end May 1st to May 31st.

- (d) Employees shall have the right to take up to one-half (1/2) of their vacation pay and time after one month of layoff.

11.05 Vacation Carry Over

Employees will be allowed to bank up to five (5) vacation days per year to a maximum of twenty (20) vacation days for the purpose of scheduling an extended vacation in a later year.

11.06 Extended Family Vacation Leave

The Company agrees every third year to grant an employee, who requests it in writing at the time the vacation schedule is posted, an extended unpaid vacation entitlement of up to three (3) weeks. Such vacation must be taken outside the prime time periods of June 1st - Labour Day and December 15 - January 7th.

ARTICLE 12 - DESIGNATED HOLIDAYS

12.01 Designated Holidays

All employees who have completed thirty (30) calendar days of employment shall receive ten (10) designated holidays at their regular straight time rate. The designated holidays shall be:

New Year's Day	B.C. Day
Christmas Day	Good Friday
Labour Day	Boxing Day
Victoria Day	Thanksgiving Day
Canada Day	Remembrance Day

or any other Holiday proclaimed by the Provincial or Federal Governments.

12.02 Holiday On A Non-Work Day

In the event a designated holiday should fall on an employee's non-working day, the work day as established by business practice shall be observed as the holiday.

12.03 Compensation for Time Worked

Overtime rates will be paid for all hours worked on a designated holiday in addition to payment for the designated holiday.

12.04 Eligibility

To be eligible for the above statutory holiday pay, an employee must have performed some work for the Company within the fourteen (14) day period prior to the holiday and work his/her recognized work day immediately before and immediately after the holiday unless he/she is on authorized leave or has a bone fide sickness or accident. (The Employer is entitled to require a doctor's certificate as proof of such sickness or accident, and any abuse of this provision by an employee maybe cause for discipline.)

ARTICLE 13 - INSURANCE AND FRINGE BENEFITS

13.01 Benefits

Effective from the first of the month following date of ratification of this agreement, the employer will provide to employees a benefit plan which shall include the following coverage.

1) Medical Services Plan

2) Life Insurance \$40,000

3) AD & D \$40,000

4) Weekly Indemnity 1-1-4-52 to 60% of wages

5) Extended Health \$25 deductible
100% after deductible
Vision Care \$200 every two years

6) Dental Plan "A" - 100%
Plan "B" - 50% - (2,000 ann. limit)
Plan "C" - 50%

7) Long Term 40% of earning to \$900 max
Eligibility 365 days
2 yrs. own occupation,
total disability after 2 years to age 65

13.02 Eligibility

Employees will be eligible for coverage on the first of the month following three months of employment. Laid-off employees shall retain coverage until the end of the first month following the month of lay-off and shall be reinstated on the first day of the month in which he/she is recalled.

13.03 Continuation of Coverage

The employer shall continue coverage for all benefits, except weekly indemnity, for a period of twenty-four months when the employee is absent from work due to work related injury or illness or for twelve (12) months when the employee is absent due to non-work related injury or illness.

13.04 Premiums

The employer shall pay 100% of the premiums for the above coverage.

13.05 EI Rebate

The employer shall be entitled to retain the entire Employment Insurance rebate.

13.06 Plan Details

Details of the Insurance and Fringe Benefits Plan are attached to this Agreement as Appendix "D".

13.07 Group RRSP

Effective June 1, 2002, the Company will match employee contributions to a group RRSP up to a maximum of two (2%) of their annual earnings. Terms of the plan to be negotiated after these negotiations but, as a minimum, to participate in the plan the employee will have had to complete his/her probationary period and contributions must be locked into the plan for at least the duration of the employee's employment with the Company.

ARTICLE 14 - PAID CARE DAYS

14.01 Care Days

Effective January 1, 2000, employees are entitled to up to seven (7) paid Care Days per year. These days are to be used only for personal illness or for elder/child/other immediate family health care and are subject to the following condition that they do not accumulate from year to year.

ARTICLE 15 - LEAVES OF ABSENCE

15.01 Family Leave

- (a) Bereavement Leave** - In the event of a death in the immediate family of an employee, the Company shall grant up to three (3) days leave of absence with pay. The term "immediate family" shall mean spouse, parents, children, brothers, sisters, mother-in-law, father-in-law and grandparents.
- (b) Emergency Family Leave** - An employee shall be granted up to three (3) months unpaid leave to attend family affairs caused by the death or serious illness of a family member. Family member is as defined as per Article 15.01 (a).

15.02 Jury Duty

Employees who have completed their probationary period, who are summonsed or subpoenaed for jury selection or jury duty or as a crown witness in a criminal proceeding shall be paid the difference between their regular pay and the pay received for any of the above, for each working day lost while so serving. The employees must show satisfactory proof of receiving the summons or subpoena,

and must provide the Company with a statement of the pay received when claiming the pay difference. Employees, released before four (4) hours who would have been otherwise working on the day of such duty, are expected to report for work for the balance of the day.

15.03 Maternity Leave/Parental Leave

Maternity/Parental leaves shall be granted in accordance with the Employment Standards Act of B.C. An employee may request extensions for a further six (6) months of parental leave.

15.04 Unpaid Personal Leave

The Company will grant leave of absence to any employee if:

- (a) the employee requests it in writing;
- (b) the leave does not interfere with its operation;
- (c) the leave is for reasonable cause.

The employee taking work elsewhere during a leave granted herein shall be considered as having quit unless written permission was first obtained from the Company and the Union.

ARTICLE 16 - SENIORITY

16.01 Seniority

(a) Seniority Principle

The term "seniority" as used herein, shall have reference to an employee's right to a job based upon his/her length of service with the Company, providing he/she has the ability to fulfil the job requirements.

(b) Scope of Seniority Principle

The filling of job vacancies, lay offs and recall after lay offs within the bargaining unit, will be handled in accordance with the principles set forth in 16.01 (a).

(c) Probationary Period

- (i) Seniority of each employee covered by this Agreement will be established after a probationary period of forty-five (45) days worked and shall be back dated to the employee's date of hire.

- (ii) The Employer shall provide the appropriate orientation and training to all probationary employees.

16.02 Seniority Will be Maintained and Accumulated During:

- (a) absence due to disability;
- (b) all authorized leaves of absence;
- (c) absence of up to twelve (12) months due to lay off;
- (d) all periods of up to twelve (12) months spent outside the bargaining unit.

16.03 Seniority Standing Will be Cancelled if an Employee:

- (a) voluntarily resigns from the Company;
- (b) overstays an authorized leave of absence unless detained for legitimate cause;
- (c) is discharged for just and reasonable cause and not reinstated under the terms of this Agreement;
- (d) is recalled to work and does not report within five (5) working days of receiving notice by registered mail or courier, at the last known address;
- (e) is still on layoff and the seniority retention period has elapsed as described in 16.02 (c);
- (f) is outside the bargaining unit for more than twelve (12) months as described in 16.02 (d).

16.04 Recall

(a) Recall Procedure

Laid off employees with seniority will be given the first opportunity to be recalled to their departments provided they have the ability to fulfil the job requirements. Employees will be notified of recall by telephone, telegraph or other type of message which will be confirmed by registered mail or courier. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall, as described above, but no longer than five (5) working days after receipt of the registered or couriered notice at the last known address. It is the responsibility of laid off employees to keep the Company informed of their current address and

telephone number. A copy of the recall notice will be given to the Shop Steward.

- (b) Return to Former Job Before Recall Employee(s) on a bump shall be returned to their former job(s) prior to a recall, provided the said employee has more seniority than the laid off employee who has the ability to fulfil the job requirements.
- (c) Refusal of Recall - Less than Fifteen (15) Working Days
An employee who has been given notice of recall may refuse to exercise such right without prejudicing his/her right to recall in the future, providing the available work is fifteen (15) working days or less in duration.

16.05 Lay off Procedure

- (a) The Company may lay off employees by department, as defined herein, commencing with probationary employees and in accordance with Company seniority providing the employees retained can perform the available work.
- (b) As an alternative, the Company may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work. An employee who is subject to lay off in his/her department may bump an employee with less Company seniority in another department provided he/she has the ability to fulfil the job requirements. An employee on a bump shall retain his/her present classified rate and shall be recalled to his/her previous classification in order of Company seniority.
- (c) Employees who have been bumped out of their position pursuant to the forgoing procedure shall in turn be able to bump junior employees.

Departments referred to herein shall be:

AUTOMATION	PRE-WAVE
PROGRAMMING	SECOND OPERATIONS
FINAL ASSEMBLY	SHIPPING
QA AUDIT	STOCKROOM
MAINTENANCE	TEST
CUSTODIAN	WAVE
PREP	

16.06 Notice of Lay Off

The Company will provide a minimum of forty-eight (48) hour's notice (excluding Saturday, Sunday and designated holidays) as per Article 12.01 or pay in lieu thereof. A lay off will normally take effect at the end of an employee(s) work week.

16.07 Seniority Lists

The Company will prepare seniority lists of all employees in the bargaining unit and make the list available to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his/her status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downwards to the most junior employee, and contain the following information:

1. employee's name
2. employee's starting date
3. employee's regular classification and regular rate of pay
4. probationary employees will also be shown on the list.

16.08 Seniority Lists - Additional

Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once every six (6) months.

16.09 Notice of Closure

The Company shall provide three (3) months notice of closure of a department or the Company or pay in lieu.

16.10 Severance Pay

Employees shall be entitled to severance pay as a result of a permanent lay-off (ninety days or more) from their classification or closure of part or all of the Plant. The severance pay shall be calculated as one week's pay for employees with one year of service, and two weeks' pay for employees with two years or more of service. In no case will an employee be entitled to a total of more than two weeks of severance pay.

16.11 Lay off of Ninety Days or More

(a) In the event a lay off exceeds ninety (90) calendar days, a laid off employee has the right to choose:

- (i) to be paid the amount the employee is entitled to receive as per the severance pay provisions of the collective agreement, or
- (ii) to maintain the right to recall as per article 16.04,

(b) If the employee chooses to be paid the amount referred to in subsection a) (i), the employer must pay that amount within forty-eight (48) hours.

(c) An employee's choice under part a) will be final.

ARTICLE 17 - JOB POSTING AND JOB AWARDS

17.01 Posting Provisions

All job vacancies within the bargaining unit of more than thirty (30) days will be posted on all Company bulletin boards for three (3) working days. Copies of all job postings shall be sent by facsimile to the Union office.

17.02 Preference

When awarding job vacancies preference will be given to applications from the most senior employees in accordance with the principles established in Clause 16.01 (a) of this Agreement.

17.03 Shift Vacancies

Shift vacancies will be posted and senior employees will be granted preference of shifts when more than one shift is employed providing plant continuity and productivity can be maintained.

17.04 Employee Absence

If an employee is not at work for the following reasons, when a job is posted, he/she may apply for the job if he/she does so within three (3) working days of his/her return to work, providing the absence from work is for a period not exceeding fifteen (15) days.

1. vacation
2. authorized leave of absence
3. absence resulting from accident or illness
4. absence on Workers' Compensation

17.05 Job Posting Awards

- (a) Successful applicants for internal job postings within a classification will be notified within ten (10) working days from the closing date of the posting and shall be moved to their new position as soon as possible. The Company retains the right to cancel any job posting.
- (b) Employees awarded jobs in accordance with this Article are subject to a forty-five (45) working day trial-training period. If after a minimum of twenty (20) days worked, the Employer deems their performance unsatisfactory, the employee will be returned to his/her previous position

with no loss of seniority or pay. If the employee decides he/she no longer wants to remain in the position, the employee will notify the Employer no later than twenty (20) days worked in the new position and will then be returned to his/her previous position with no loss of seniority or pay.

17.06 Job Postings for Cross Training

The Employer shall post all cross training positions that become available. Such cross training shall be awarded to the senior applicants who apply for such cross training. Such training shall be paid at the employee's regular rate of pay.

Such training should take place during times when the Company is slow and can be used to off-set slow periods as an alternative to lay off.

ARTICLE 18 - ADJUSTMENT PLAN

18.01 Adjustment Plan

If the Company introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions or security of employment of a significant number of employees, the provisions of Section 54 of the Labour Relations Code of B.C. shall apply.

18.02 Liaison Committee

The parties agree to meet as per section 53 of the B.C. Labour Relations Code every three (3) months. Minutes of the meetings will be kept and approved by both parties prior to being posted on the bulletin board.

ARTICLE 19 - WAGES

19.01 Wage Schedule

- (a) The job classifications, effective dates and rates of pay listed in the attached Wage Schedule is agreed upon by both Parties and is set out as Appendix "A" of this Collective Agreement.
- (b) The rates for the classifications set forth in this agreement, and for any mutually agreed upon additions thereto, are the agreed upon rates for those classifications and therefore no employee, except for those referenced under Article 19.03 and those employees "red circled" by the agreement of the Parties, may perform work within the classifications, for a rate other than the rate set forth in the Agreement.

19.02 New or Change Job Classification

- (a) If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.
- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Arbitration procedures of this Agreement.

19.03 Work in Higher Classifications

Any employee performing work classified at a higher rate of pay shall receive such higher rate for hours worked beyond three (3) hours in the higher classification. The employee's regular rate shall apply when working in a lower rated classification.

19.04 Pay Days

Wages shall be paid every second Friday on Company time, with a maximum of five (5) working days' pay held back. Employees will be given a proper statement of all hours, indicating overtime hours, earnings and deductions, covering each pay period. Employees will have the option of receiving their pay by Electronic Transfer or by ordinary pay cheque.

ARTICLE 20 - GENERAL

20.01 Moonlighting

Outside employment is not encouraged by the Company, however, should employment outside the Company be engaged in, such work may not jeopardize the performance of the employee's duties at the Company, not may outside work be undertaken with a direct competitor in electronic contract manufacturing.

20.02 Control of Absenteeism

Where patterns of absenteeism are determined or attendance becomes unsatisfactory, the Employer may require an employee to provide a medical certificate as evidence of the employee's illness or injury as a cause for the employee's absence from work.

In any case where it is reasonably necessary to obtain medical evidence of an employee's ability to return to work or to continue to work, the employee may be required to supply such documentation prior to returning to work.

In any case where the Employer decides to communicate in writing to an employee its concern about the employee's unacceptable pattern of absenteeism, its communication shall be delivered to the employee at the meeting at which the employee shall be entitled to have a Shop Steward present or if a Shop Steward is not available, a Union representative.

Every employee who is unable to report to work due to illness or injury shall make every reasonable effort to notify the Employer, or to have someone else notify the Employer on his behalf, prior to the employee's normal reporting time, or as soon after that time as is possible in the circumstances.

Ordinarily, a medical certificate(s) need only state whether the employee is fit or unfit, the nature of the limitations (e.g. no heavy lifting, no stair climbing, etc) and the expected duration of the condition. In cases where the Employer can reasonably demonstrate a work related requirement necessitating more specific medical information, the employee will provide such information.

Any cost associated with an Employer's requirement for medical information shall be borne 100% by the Employer.

The choice of physician or specialist is up to the employee.

The Company agrees to make every reasonable effort to provide suitable modified, light duty or alternate employment to employees who are temporarily or permanently unable to return to their regular duties, as a consequence of an occupational or non-occupational disability.

ARTICLE 21 - DURATION OF AGREEMENT

21.01 Duration of Agreement

This Agreement will be effective from September 1, 2006 up to and including August 31, 2009 subject to the right of either party to this Collective Agreement, within four (4) months immediately preceding the date of expiry or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, to require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of this Collective Agreement or a new Collective Agreement.

21.02 Continuation During Bargaining

(a) During the period when negotiations are being conducted between the parties for the renewal of this Agreement, the present Agreement shall continue in full force and effect until:

(i) the Union commences a legal strike; or

- (ii) the Company commences a legal lockout; or
 - (iii) the Parties enter into a new or further Agreement.
- (b) During the continuation period provided in (a) above, neither party shall attempt to take any action or make any changes in the terms and conditions of employment, which would be inconsistent with the express terms of this Agreement.

21.03 Duration as Agreed Only

By Agreement of the Parties hereto, the provisions of subsection (2) and (3) of Section 50 of the Labour Code of British Columbia are specifically excluded.

21.04 No Strike - No Lockout

During the term of this Agreement, or during the continuation period provided in 20.02 (a) above, there shall be no strike by the Union, or lockout of employees by the Company.

Dated at _____, BC this _____ day of _____, 2007.

On behalf of Apex-Micro
Manufacturing Ltd.

On behalf of Canadian Auto Workers,
Local 114

Cindy Watson
Executive Vice President

Denise Kellahan
National Representative, CAW Canada

Steve de Jaray
President

Cynthia Anderson
Service Representative, CAW Local 114

Neil Manimtim
Bargaining Committee, CAW Local 114

Jose Aguinaldo
Bargaining Committee, CAW Local 114

APPENDIX "A" - WAGE SCHEDULE

<u>Classification</u>	<u>Date of Ratification</u>	<u>Sept. 1/07</u>	<u>Sept. 1/08</u>
Test 3 QA Audit Mait. 2 Prog*	\$18.92	\$19.42	\$19.92
Auto 2 QA Audit Mait 1* Wave* Test 2*	\$17.09 \$16.53	\$17.59 \$17.03	\$18.09 \$17.53
Auto 1*	\$15.30	\$15.80	\$16.30
Test 1* QA Audit*	\$14.73	\$15.23	\$15.73
Second 3	\$17.12	\$17.62	\$18.12
Second 2	\$14.73	\$15.23	\$15.73
Second 1*	\$12.36	\$12.86	\$13.36
Prep 3 Stock 3 PWave3 Final 3 Cust* Shipper 2*	\$15.64	\$16.14	\$16.64
Prep 2 Stock 2 PWave 2 Final 2 Shipper 1*	\$13.24	\$13.74	\$14.24
Prep 1* Stock 1* PWave 1* Final 1*	\$11.16	\$11.66	\$12.16

* Hiring for these classifications is done by job posting

0 - 3 Months In Classification: Less \$1.00

Leads: Plus \$1.75

Red Circled employees receive their current rate until the scale rate for the classification meets or exceeds the current rate.

Level 1 probations start from date of hire.

After one (1) year in Prep 1, Stock 1, Pwave 1, or Final 1, employees will automatically progress to a wage rate equivalent to Level 2 (0-3 months) providing the employee has adequately demonstrated his/her ability to fulfill the job requirement of Level 1. The provisions of Appendix "C" (d) & (e) shall apply.

The Company shall pay 50% of the lost time for the Bargaining Committee for the time spent in scheduled meetings including mediation.

The Company shall pay for printing of the Collective Agreement Union shop maximum \$500.00.

APPENDIX "B" - GROUP LEADER

DEFINITION

A "Group Leader" is an employee in the bargaining unit so designated by the Company in accordance with Section 17.01, whose job it is to assist the Manager in:

- (a) training employees;
- (b) providing motivation to employees in the work group in attaining the Company's objectives of safety, quality and quantity of output;
- (c) transmitting work instructions and specifications to employees in the work group;
- (d) solving work problems in the groups;
- (e) performing such other tasks as directed by the Manager.

OTHER DUTIES

Group Leaders shall, in addition to the above, perform the same or similar duties as the employees in the work group.

AUTHORITY LIMITATIONS

Group Leaders shall have no vested authority to reprimand or effectively recommend promotions, demotions, lay-off, discharges or reprimands or to take any other disciplinary action against any other employee in the group.

GROUP LEADER REQUIREMENT

The requirement for Group Leaders may vary according to production volume and the number and placement of Group Leaders shall be at the sole discretion of the Company subject to the Seniority Provisions of this Agreement. The names of employees newly designated as Group Leaders and the departments in which the positions are located shall be posted weekly on all bulletin boards.

GROUP LEADER POSTING

Group Leader positions shall be posted. Applications will be received from employees who feel they are qualified and want to be considered for such postings.

APPENDIX "C" - WAGE PROGRESSION

- a) Employees will follow the natural lines of progression between classifications in their departments (ie: Prep I to Prep II to Prep III).
- b) Progression will be based upon the Employer's need for employees in the higher classification, the employee's seniority, the employee's demonstrated ability to perform the job functions of their current classification and the employee's successful participation in training for the higher classification.
- c) Providing the conditions in b) above are met, employees will advance to higher classifications in accordance with their seniority in the lower classification.
- d) Standards for progression shall be fairly administered without discrimination, and, if a senior employee is not advanced the employer will provide the employee with written reasons as to why the advancement did not occur.
- e) Whenever practical the employer will advise employees in advance that their chances for moving to the next classification are in jeopardy as well as provide the employee with a list of expectations so that the employee has an opportunity to correct any deficiencies.
- f) Training opportunities to advance into higher classifications shall be offered to employees in order of their seniority within the classification. Where advancement to the next classification requires an academic background lacked by the employee it shall be the employee's responsibility to obtain the required credentials.
- g) Employees receiving training to prepare them for advancement into a higher classification shall not be considered as working in the higher classification.
- h) In the event of a dispute between an employee and the employer over the withholding of an advancement and the matter cannot be resolved between the parties, a special Mediator-Arbitrator shall be appointed to meet with the Parties and issue a binding decision. The special Mediator-Arbitrator shall be Grant McArthur unless unavailable, in which case the parties will mutually agree upon a replacement.
- i) In the event a decision not to advance the employee is upheld, the employee shall be reassessed when the next opening in the higher classification occurs.
- j) Employees who advance to a higher classification shall be on a three month trial period. If, during the three months the employee is not performing efficiently or if the employee so desires he/she shall revert to his immediately previous job.

- k)** Except where the employee reverts to his/her previous job as set out in j) above, is displaced as a result of another employee reverting under j) above, or the employee changes classifications as a result of posting for a new job, once an employee has attained a classification, his/her classification shall not be reduced.
- l)** Nothing in this article restricts employees being paid a higher rate than what their seniority and classification would otherwise dictate.
- m)** Standards for advancement into a classification shall be fairly related to the work requirements of the classification. Any disputes relating to the standards for admission or the method of assessment when applying those standards will be subject to the same dispute resolution processes set out in h) above.
- n)** Those jobs denoted with an asterisk on the Wage Schedule attached to this Agreement shall be subject to job posting under Article 17 rather than this Job Progression.

LETTER OF UNDERSTANDING NO. 1

BETWEEN

APEX MICRO MANUFACTURING LTD.

AND

CAW LOCAL 114

The Union recognizes that customer employees, project coordinators, manufacturing and test engineers may do bargaining unit work on their own special projects.

The Company has agreed that the performance of such work will not displace employees from their regular jobs.

Dated at _____, BC this _____ day of _____, 2007.

On behalf of Apex-Micro
Manufacturing Ltd.

On behalf of Canadian Auto Workers,
Local 114

Cindy Watson
Executive Vice President

Denise Kellahan
National Representative, CAW Canada

Steve de Jaray
President

Cynthia Anderson
Service Representative, CAW Local 114

Neil Manimtim
Bargaining Committee, CAW Local 114

Jose Aguinaldo
Bargaining Committee, CAW Local 114

LETTER OF UNDERSTANDING NO. 2

BETWEEN

APEX MICRO MANUFACTURING LTD.

AND

CAW LOCAL 114

RE: TRANSITION MERGER

1. Window of Opportunity

- a) During the three months following the transfer of an employee from Vancouver to Delta the employee and the employer shall be provided a three months window of opportunity during which each of them can decide if they are comfortable with the classification and level to which the employee has been assigned. If either of them are not satisfied the employee, in consultation with the Union, will be assigned to a different classification.
- b) If between three months and six months after transferring to Delta, Vancouver employees are not comfortable with the change they may, upon giving the employer two weeks notice, terminate their employment and receive severance pay of one week for every completed year of service to a maximum of eight weeks.

2. Red Circle

Vancouver employees transferring to Delta who receive higher wages shall be red circled until such time as the negotiated rate for their classification and level exceeds that which they are receiving.

3. Hearing Impaired

The parties recognize that Tin Van Ma, Quyen Le and Phuc Van Le are hearing impaired and will be bypassed in any future lay-off other than plant closure. The principles of reasonable accommodation shall apply if there is no work available that these employees are trained to do.

3. Years of Service

Vancouver employees transferring to Delta shall receive their full seniority up to a maximum of three (3) years plus fifty percent (50%) of their seniority over three years. However, their entire service with Pachena and/or Apex-Micro Manufacturing Ltd. shall be recognized for the purpose of vacation entitlement under the Collective Agreement. The seniority formula will be applied effective July 6, 1999.

Dated at _____, BC this _____ day of _____, 2007.

On behalf of Apex-Micro
Manufacturing Ltd.

On behalf of Canadian Auto Workers,
Local 114

Cindy Watson
Executive Vice President

Denise Kellahan
National Representative, CAW Canada

Steve de Jaray
President

Cynthia Anderson
Service Representative, CAW Local 114

Neil Manimtim
Bargaining Committee, CAW Local 114

Jose Aguinaldo
Bargaining Committee, CAW Local 114

LETTER OF UNDERSTANDING NO. 3

BETWEEN

APEX MICRO MANUFACTURING LTD.

AND

CAW LOCAL 114

By their signatures below the above referenced Parties agree that Article 9.01 of the Collective Agreement between the Parties will apply to new hires or those employees who apply through job postings for shifts incorporating Saturdays and/or Sundays.

Dated at _____, BC this _____ day of _____, 2007.

On behalf of Apex-Micro
Manufacturing Ltd.

On behalf of Canadian Auto Workers,
Local 114

Cindy Watson
Executive Vice President

Denise Kellahan
National Representative, CAW Canada

Steve de Jaray
President

Cynthia Anderson
Service Representative, CAW Local 114

Neil Manimtim
Bargaining Committee, CAW Local 114

Jose Aguinaldo
Bargaining Committee, CAW Local 114

LETTER OF UNDERSTANDING NO. 4

BETWEEN

APEX MICRO MANUFACTURING LTD.

AND

CAW LOCAL 114

RE: FILING CABINET

Within thirty (30) days of signing this Agreement the Company agrees to supply the Union with a filing cabinet in a secure location.

Dated at _____, BC this _____ day of _____, 2007.

On behalf of Apex-Micro
Manufacturing Ltd.

On behalf of Canadian Auto Workers,
Local 114

Cindy Watson
Executive Vice President

Denise Kellahan
National Representative, CAW Canada

Steve de Jaray
President

Cynthia Anderson
Service Representative, CAW Local 114

Neil Manimtim
Bargaining Committee, CAW Local 114

Jose Aguinaldo
Bargaining Committee, CAW Local 114

COMMUNICATING IN A DIVERSE WORKPLACE

The Company and the Union welcome and celebrate the diversity of cultures and languages found amongst Apex-Micro Manufacturing employees.

It is important to use a common language that everyone understands when discussing work-related activities. It is also recognized, however, that there are times when a language other than English may be appropriate between individuals, such as to clarify instructions or to resolve misunderstandings. In such circumstances, an explanation of the situation should also be provided in English to any other individuals involved so that they also can benefit from the information, ensuring that all employees are able to participate in communications which may affect their work.

All employees should feel free to speak any language on breaks or when engaged in non work-related activities, keeping in mind that when others can not understand the language spoken around them they may feel isolated, excluded or may think that you are talking about them. Be courteous by including your co-workers in conversations whenever possible to make them feel welcome and an integral part of the Apex-Micro Manufacturing Ltd. team.

We value diversity and strive to maintain a workplace where all employees feel welcome and can achieve their full potential.