LOCAL 115
CRAFTSMANSHIP • RESPONSIBILITY
SAFETY • TRAINING

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL UNION No. 115-115A-115B-115C • AFFILIATED WITH A.F.L.-C.I.O.-C.L.C.

4333 LEDGER AVENUE, BURNABY, BRITISH COLUMBIA V5G 3T3
TELEPHONE (604) 291-8831 • FACSIMILE (604) 473-5235
Gary W. Kroeker Business Manager Brad MacKenzie President

LETTER OF UNDERSTANDING

The undersigned parties hereby agree that this letter shall constitute a collective agreement and further agree that its terms shall be the terms and conditions of the current collective agreements standard in the construction and related industries (hereinafter the Reference Agreement) made between employers or their associations and the International Union of Operating Engineers, Local 115 (hereinafter Local 115) and, further, the undersigned parties agree to be bound by all the terms and conditions of those agreements as they apply. A copy of a current Reference Agreement appropriate to the majority of the Company's current work (appropriate Reference Agreement) is hereto annexed.

It is agreed that the geographic jurisdiction of this agreement includes British Columbia, the Yukon Territory and water related work in the Northwest Territories.

In the event that a Reference Agreement is renewed or revised or amended, or in the event that any other collective agreement is made between employers in the construction or related industries and Local 115, the undersigned parties agree to be bound by the terms and conditions of such renewed, revised or amended collective agreement or such other collective agreement as is made between such employers and Local 115 from time to time.

In the event that any collective agreement made between any such employer and Local 115, is terminated by strike, lockout or otherwise, the undersigned parties agree that they nevertheless shall continue to be bound by the terms and conditions thereof until a further collective agreement is made by and between such affected employers and Local 115.

The Company shall indemnify and save and hold harmless any employee who is a member of the Union in its employ from and against any and all claims, demands, losses, costs, damages, actions, suits, proceedings, and judgments provided such claims are attributable to or caused by any negligent or wrongful actions or omissions by any employee or anyone for whose acts he may be liable, while working within the scope of his employment and, further, the Employer agrees to pay any and all legal costs and disbursements from and against any claims, demands, costs, damages, actions, suits, proceedings, and judgments against any employee who is a member of the Union.

This collective agreement is in full force and effect from the date of signing, and continues in full force and effect until September 30th of any year in which the Reference Agreement expires. The term or duration of this agreement shall be October 1st through to September 30th of any year in which the appropriate Referenced Agreement is open to negotiation. This agreement shall continue in full force and effect from year to year notwithstanding that there may be periods of time in excess of two years during which no members of Local 115 are directly or indirectly employed under its terms, and subject further, to the right of either party to serve written notice to commence collective bargaining during the month of August of any year in which the appropriate Reference Agreement is open to renegotiation. Should either party give such written notice, this agreement shall continue in full force and effect until members of Local 115 employed by the employer actually cease work as a result of a strike or a lockout. It is agreed that the strike/lockout must take place within two months following notice to commence collective bargaining. Should a strike/lockout not take place within two months following notice to commence collective bargaining, the parties agree that the terms and conditions of this collective agreement shall be the terms and conditions of the renewed Reference Agreement.

G. CHAHAL EXCAVATING & TRUCKING LTD.
COMPANY NAME

6131 - 129A St., Surrey, BC V3X 1S2
COMPANY ADDRESS

Gurmukh Chahal
EMPLOYER SIGNATURE Gurmukh Chahal

Frank Lam
INTERNATIONAL UNION OF OPERATING ENGINEERS - LOCAL 115

MARCH 6/2007
DATE

WITNESS

Current Appropriate Reference Agreement **ROAD BUILDING INDUSTRY STANDARD AGREEMENT (PAVING)**

Jul. 2003
opeiu15 Roadbuilding-Standard-LOU_PAVING_form.doc