

AGREEMENT BETWEEN:

THERMO KING OF BRITISH COLUMBIA INC.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

October 1, 2006 to September 30, 2009

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AGREEMENT BETWEEN:

THERMO KING OF BRITISH COLUMBIA INC.

(hereinafter called the "Company")

PARTY OF THE FIRST PART

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 115

(hereinafter called the "Union")

PARTY OF THE SECOND PART

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.
- 1.02 For the purposes of this Collective Agreement, the masculine shall be considered to include the feminine and the singular to include the plural.

ARTICLE 2: DURATION

- 2.01 This Agreement shall be in full force and effect from and including October 1, **2006** to and including September 30, **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 September 30, **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.
- 2.02 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 strike, or the Company shall lockout or the parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.
- 2.03 The operation of Section 50(2) and (3) of the Labour Relations Code of British Columbia is hereby excluded.

ARTICLE 3: DEFINITION OF EMPLOYEE

- 3.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Board of British Columbia.

ARTICLE 4: BARGAINING AGENCY

- 4.01 The Company recognizes the Union as the sole bargaining agent for those persons employed by the Company who are covered by the certificate of bargaining authority and without detracting from the foregoing for those employees working at the classified occupations listed in Schedule "A" attached hereto and for such other employees as may be assigned to new classifications coming within the bargaining unit.
- 4.02 (a) The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of Thermo King of British Columbia Inc. employed at the address(s) set out in the certificate of bargaining authority and at any other premises opened or taken over by the Company in British Columbia and this shall include premises opened or taken over under a different limited company.
- (b) 4.02 (a) shall only refer to premises and/or companies that are involved in any way with the Refrigeration Industry.
- 4.03 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and shall apply to all employees of the Company engaged in the classifications listed in Schedule "A" hereof and any classifications added thereto.
- 4.04 **UNION MEMBERSHIP:** - Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing.
- Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification from the Union, discharge such employee forthwith.
- 4.05 **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 checkoff; i.e., if the checkoff for that month has not been remitted to the Union, it shall be added to that checkoff; if the month's checkoff has been remitted, it shall be added to the following month's checkoff and shown as the previous month worked.
- 4.06 The right to hire employees of its choice is vested in the Company, but when the Company requires new employees, it shall so notify the Union and allow forty-eight (48) hours so that the Union may have the first opportunity to provide the Company with suitable applicants.

ARTICLE 5: HOURS OF WORK AND OVERTIME

5.01 DAY SHIFT:

- (a) The standard work day shall consist of eight (8) hours, 8:00 a.m. to 4:30 p.m. The standard work week shall consist of forty (40) hours, of five (5) consecutive work

days, Monday 8:00 a.m. to Friday 4:30 p.m. Hours of work in the shop may be changed by mutual agreement between the Company and the Union.

- (b) Tuesday to Saturday work week.
 - (i) The manning of the Tuesday to Saturday shift shall be on a voluntary basis for existing employees.
 - (ii) Employees with a seniority date of January 01, 1997 and thereafter, may be required to work the Tuesday to Saturday shift as part of their employment conditions.
 - (iii) Hours of work will be 8:00 a.m. to 4:30 p.m.

5.02 AFTERNOON SHIFT:

- (a) If a second shift is employed, the hours of work shall be seven (7) hours of work between the hours of 4:30 p.m. and 12:30 a.m., for which eight (8) hours will be paid and a shift premium of four percent (4%) per hour shall be added to the classified hourly rate.
- (b) With respect to 5.02 and 5.03, the following shall apply:
 - (i) There shall be a minimum of two (2) employees on the shift.
 - (ii) The Company shall ensure that there are communication devices available.
 - (iii) An employee shall not be compelled to work more than three (3) calendar months per year on these shifts.
 - (iv) An employee may volunteer to remain on these shifts.
 - (v) Shifts shall be rotated on an equitable basis.
 - (vi) As the Company grows, senior employees may not be required to work the afternoon shift.

5.03 NIGHT SHIFT: - If a third shift is employed, the hours of work shall be six and one-half (6-1/2) hours of work between the hours of 12:30 a.m. and 8:00 a.m., for which seven and one-half (7-1/2) hours shall be paid and a shift premium of six percent (6%) per hour shall be added to the classified hourly rate.

5.04 LUNCH PERIOD: - Each shift shall have a half hour lunch period at mid-shift.

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

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

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

5.08 SHIFT - REST BETWEEN: - It is intended that every employee should have ten (10) hours' rest between shifts. In the event that an employee is recalled to work before such ten (10) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until ten (10) full hours have elapsed.

5.09 (a) WORK BEFORE REGULAR SHIFT: - Employees called in before their regular starting time shall be paid at the double time rate for time worked prior to their regular starting time. **Employees who have mutually elected to vary their starting and stopping times and have established history confirming those hours of work will not be eligible for overtime premiums unless they work beyond their daily hours of work. The practice of working outside the regular scheduled starting and stopping times can be halted by either party with thirty (30) days written notice.**

(b) WORK CALL BACK: - Employees who have a company vehicle to go to and from work will receive a minimum of two (2) hours' pay at the prevailing overtime rate for a call back to work after their regular shift.

Employees who do not have a Company vehicle to go to and from work will receive a minimum of four (4) hours' pay at the prevailing overtime rate for a call back to work after their regular shift.

5.10 Time worked in excess of standard hours of work shall be considered as overtime and overtime rates of pay shall be paid as follows:

(a) OVERTIME:

| | | |
|---|--------------------------------|--------------------|
| Monday to Friday | 4:30 p.m. to 5:30 p.m.- | 1-1/2 times |
| | 5:30 p.m. to 8:00 a.m.- | 2 times |
| Saturday, Sunday and Statutory Holidays | - | 2 times |

Where a Tuesday/Saturday schedule is in place then:

| | | |
|---------------------------------------|--------------------------------|--------------------|
| Tuesday to Saturday | 4:30 p.m. to 5:30 p.m.- | 1-1/2 times |
| | 5:30 p.m. to 8:00 a.m.- | 2 times |
| Sunday, Monday and Statutory Holidays | - | 2 times |

Any other reference in the collective agreement will reflect overtime to be paid at 2 times the hourly wage rate.

(b) WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS: - Double time for all hours worked on a Saturday, Sunday or on any General Holiday listed in Article "10", or day observed as such under the terms of this Agreement. This double time is in addition to any General Holiday pay an employee may be entitled to under other provisions of this Agreement.

Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this Agreement, when an employee works overtime, his time worked shall be calculated on a thirty (30) minute unit basis. If an employee works any part of a thirty (30) minute unit he shall receive credit for time worked for that full thirty (30) minute unit.

- 5.11 (a) **WORK WEEK - GUARANTEED:** - An employee who works any part of his regular standard work week, shall receive as minimum pay for that week, the amount he would earn if he worked five (5) full regular shifts at his normal rate of pay. If any General Holiday is observed during such standard work week, then the five (5) shift pay base shall be reduced to the number received by subtracting the number of General Holidays observed from base five (5). If an employee, of his own volition, does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base five (5).

Subject to Section 16 of this Article and to the daily pay guarantee of this Agreement, any employee who is unable to start or to complete the work week because of sickness or accident, shall only receive pay for the days worked.

A recalled employee or new employee who reports for work during a work week shall receive as minimum pay for that week the amount he would earn if he worked the balance of his regular shifts in the week at his normal rate of pay.

CALL TIME:

- (b) An employee reporting for work on his regular shift shall receive a minimum of eight (8) hours' pay at his regular rate.
- (c) An employee called to work on a sixth (6th) day, a Sunday or on a General Holiday, (or days observed as General Holidays) shall receive a minimum of four (4) hours' pay at the prevailing overtime rate, and if he works more than four (4) hours on any of these days, he shall receive a minimum of eight (8) hours' pay at the prevailing overtime rate.
- (d) The provisions of this section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.
- 5.12 **BANKED OVERTIME** - Where it is mutually agreed that overtime may be banked, employees shall state in writing whether overtime is to be banked at the beginning of each fiscal quarter. An employee may bank overtime equivalent to one hundred and twenty (120) hours straight time maximum. All overtime worked thereafter shall be paid at the appropriate rate to said employee. Banked overtime may be cancelled by either party upon ninety (90) days written notice. Banked overtime is definitely not to be taken in May to September holiday period unless acceptable to the Company.

Banked time will be used to minimize lay-offs. Selection of employees to use banked time off shall first be on a voluntary basis, and secondly according to seniority.

Banked overtime pay may be withdrawn by an employee in whole or in part upon five (5) working days notice. In the event an employee also wishes time off, such time will be by

mutual agreement and subject to the operating needs and service requirements of the business.

Banked overtime may not be withdrawn during a month in which a disciplinary suspension occurs unless the banked time off had been arranged prior to the disciplinary suspension being levied.

Scheduled vacations shall take precedence over the use of banked time off.

All hourly contributions as set out herein shall be forwarded at the time when the hours are worked.

5.13 PREPARATION TIME: - The Company will allow and pay for up to two (2) hours' personal preparation time to employees being sent on out-of-town jobs for a period of overnight or longer at regular rates up to time and one-half.

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

5.15 OVERTIME NOT PART OF DAILY GUARANTEE: - Where an employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only and will not be included in the computation of his daily and weekly hourly guarantees as provided under this Agreement.

5.16 ACCIDENTS - PAY TO EMPLOYEE: - Employees involved in an accident while on the job shall receive eight (8) hours' pay 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.

5.17 OVERTIME - VOLUNTARY: -

(a) An employee has the right to refuse to work overtime at any time.

(b) On-call mechanic cannot refuse overtime callout. It is his responsibility to ensure all calls are handled. An employee may find an alternate mechanic, upon company approval, to be on standby.

The Company may require employees on standby to carry a pager or cell phone.

5.18 OVERTIME MEAL:

(a) Employees who work beyond ten (10) hours per day shall receive a maximum of one-half (1/2) hour's pay for time off to eat a meal, but may take up to forty-five (45) minutes for such purpose. The additional fifteen (15) minutes in such cases will be without pay. 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 without pay. The break shall occur at the regular meal hours.

- (b) The Company shall pay the cost of such meal subject to the following conditions. The meal allowance for the Greater Vancouver area will be a maximum of twelve dollars (\$12.00) for meals, and in the area outside Vancouver, the employees will buy a meal at the going rate of the area involved and be reimbursed for the cost.

In all cases receipts shall be obtained and turned in to the Company with the amounts being justified by the prices in the area involved.

5.19 STANDBY/ON CALL PREMIUM:

Where the employer requires an employee to be available on stand-by during off-duty hours, an employee shall be entitled to a stand-by payment of equivalent of one (1) hour at their regular rate of pay for each and every day he is on stand-by in addition to any premiums required by this article.

No stand-by payment shall be granted if an employee is unable to report to duty when required.

ARTICLE 6: MANAGEMENT RIGHTS

6.01 The Union recognizes and agrees that:

- (a) The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- (b) The Company has the right to hire employees and to discharge same for proper cause subject to 4.06.

6.02 An employee shall take orders from the Foreman or other designated official.

6.03 Employees shall observe the rules of the Company and shall perform a fair day's work (in the category in which the employee is assigned) and the work is to be to the standards of quality required by the Company, and the employee shall be subject to discipline by the management for failure to do so. The Company reserves the right to supplement and alter from time to time its rules and regulations to be observed by the employee.

6.04 **ABSENCE WITHOUT PERMISSION:** - Employees shall not absent themselves from work without advising and without permission from the management. Employees will not leave the plant during working hours without permission from the Foreman. Failure to obtain permission may be cause for dismissal.

6.05 The Company recognizes that the Union has recourse through the Grievance Procedure if it feels the Company has exercised any of the foregoing rights contrary to the terms of this Agreement, and notwithstanding the other provisions of this Agreement, wherever the Company alters or otherwise effects a change in the working conditions of any employee, which it is claimed is not provided for herein, such alteration or change shall become a matter for negotiations, or, failing agreement for Arbitration, under the terms provided elsewhere in this Agreement.

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:
- (a) The employee or the Union, together with such person or persons as he or the Union may wish, shall take the matter up with the Company within ten (10) calendar days.
 - (b) Should a solution not be reached by step (a) then a Members' Representative of the Union, accompanied by the employee if the employee or Members' Representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final.
 - (c) If the procedures set forth in (a) and (b) above do not result in a solution being reached within seven (7) calendar days of the first discussion between a Members' Representative of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:
 - (1) 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.
 - (2) The party receiving the notice shall within five (5) days appoint a member for the Board and notify the other party of its appointment.
 - (3) The two 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 Honourable Minister of Labour of British Columbia, to appoint such third member.
- 7.02 The Arbitration Board shall sit, hear the parties, settle the terms of the question to be arbitrated, and make its award, within ten (10) days from the date of the appointment of the chairman, provided the parties may extend the time by agreement in writing.
- 7.03 If the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time provided that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board, if circumstances are established before it, which in the opinion of the

Arbitration Board, makes it just and equitable to do so, shall have the authority to order the Company to pay less than the full amount of wages lost.

- 7.04 A decision of the majority of the Board shall be deemed to be the decision of the Board and shall be final and binding upon the parties.
- 7.05 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 7.06 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.
- 7.07 The expenses and remuneration of the chairman shall be paid by the parties in equal shares.
- 7.08 Without restricting the specific powers hereinbefore mentioned the Arbitration Board shall have all the general powers of an Arbitration Board.
- 7.09 *The parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel process. 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. 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, refer the matter back to the arbitration process as outlined above in this Article or, withdraw the grievance.***

ARTICLE 8: SENIORITY

- 8.01 SENIORITY LIST: - The Company shall at least once every six (6) months, post and keep posted in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.
- 8.02 PROBATIONARY PERIOD: - When a new employee is hired, it is agreed that he shall be on probation for sixty (60) working days and during this period seniority will not be applicable. When completed, seniority will commence from the date of hiring. The probation period may be extended for a further twenty (20) working days if it is mutually agreed between the parties.

In addition, during the initial probation period, the Company will meet with the employee on the 20th and 40th working day to review his performance to date.

The Employer will send a copy of the employee review to the Shop Steward.

- 8.03 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.

8.04 LAY-OFFS: - In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off, shall prevail.

If layoffs occur, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job. The Company shall give at least forty-eight (48) hours' notice on layoffs. The twenty-four (24) hour periods in Saturdays, Sundays or General Holidays shall not be used as counting hours with regard to such layoff notice.

A laid-off employee shall retain his seniority and recall rights with the Company for eight (8) months after the date of layoff.

8.05 RECALL: - When vacancies occur, the Company shall rehire laid-off employees according to their seniority and the principle of last man off, first man on shall prevail.

An employee shall be given ten (10) days' notice by registered mail to his last known address. In the event he fails to make himself available for work at the end of such ten (10) days, he shall lose all seniority rights under this Agreement.

The Company shall contact dispatch at the Union Hall when ten (10) days' notice is sent so the Union may also attempt to contact said employee.

8.06 SENIORITY RETENTION: - If a laid-off employee is called back to work with the Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such layoff.

8.07 PROMOTIONS: - When new jobs are available, wherever possible, the Company will promote employees to a better paying job, seniority, qualifications and ability to be considered.

ARTICLE 9: VACATIONS

9.01 The Company shall give each employee an annual vacation which will be allocated on the basis of seniority and based on the following entitlement:

| <u>YEARS OF CONTINUOUS SERVICE</u> | <u>VACATION PERIOD</u> | <u>VACATION PAY</u> |
|---|------------------------|---------------------|
| One (1) day for each major fraction of a month worked (maximum 10 working days) | | |
| 1 year but less than 2 years | 2 weeks | 4% or 80 hours* |
| 2 years but less than 7 years | 3 weeks | 6% or 120 hours* |
| 7 years but less than 12 years | 4 weeks | 8% or 160 hours* |
| 12 years but less than 17 years | 5 weeks | 10% or 200 hours* |
| 17 years and over | 6 weeks | 12% or 240 hours* |

*Pay at the employee's current classified rate or at the appropriate percentage rate, or whichever is greater at the time of vacation.

(a) Upon completion of one (1) year and up to two (2) years as an employee, employees shall receive two (2) consecutive weeks' vacation for each vacation period, with eighty (80) hours' pay at their then applicable rate, or four percent (4%) of their annual gross earnings for the service year for which he is receiving his vacations, whichever is the greater.

- (b) Upon completion of two (2) years and up to seven (7) years as an employee, an employee shall receive three (3) weeks' vacation. He shall receive as vacation pay for each vacation period, either one hundred and twenty (120) hours' pay at his then applicable rate, or six percent (6%) of his annual gross earnings for the service year for which he is receiving his vacation, whichever is the greater.
- (c) Upon completion of seven (7) years as an employee and up to twelve (12) years, an employee shall receive four (4) weeks' vacation. He shall receive as vacation pay for each vacation period, either one hundred and sixty (160) hours' pay at his then applicable rate, or eight percent (8%) of his annual gross earnings for the service year for which he is receiving his vacation, whichever is the greater.
- (d) An employee shall receive five (5) weeks' vacation upon completing a term of twelve (12) years' service and each year thereafter up to seventeen (17) years' service. He shall receive as vacation pay for each vacation period, either two hundred (200) hours' pay at his then applicable current rate or ten percent (10%) of his gross earnings for the work year immediately preceding the vacation period, whichever is the greater.
- (e) An employee shall receive six (6) weeks' vacation upon completing a term of seventeen (17) years' service and each year thereafter. He shall receive as vacation pay for each vacation period, either two hundred and forty (240) hours' pay at his then applicable current rate or twelve percent (12%) of his gross earnings for the work year immediately preceding the vacation period, whichever is the greater.
- (f) For the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay, the parties agree that when an employee has worked a minimum of fifteen hundred (1500) hours in an employee's calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

Employees who work less than fifteen hundred (1500) hours shall be paid as the case may be six percent (6%), eight percent (8%), ten percent (10%), or twelve percent (12%), of their gross earnings for the work year immediately preceding the vacation period.

- (g) In the event an employee leaves the employ of the Company after he had his vacation he earned for the previous service year, he shall receive four percent (4%), six percent (6%), eight percent (8%), ten percent (10%), or twelve percent (12%), as the case may be, of his gross earnings for the portion of the service year in which he ends his employment for which no vacation pay has been paid.
- (h) In the event an employee leaves the employ of the Company before he is entitled to two (2) weeks' vacation, he shall receive four percent (4%) of the gross earnings he received while in the employ of the Company.
- (i) The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government Legislation or any orders or regulations made thereunder.

9.02 VACATION PAY - STATEMENT OF: - Prior to an employee going on his vacation, the Company shall furnish the employee with a statement showing the period for which the

employee is receiving his vacation pay, the total of the employee's gross earnings for the year of service for which he is receiving his vacation and how the vacation pay was calculated; i.e. on a percentage or hourly basis. An employee shall be paid all vacation pay in one (1) payment at least one (1) day before the beginning of the annual vacation.

- 9.03 VACATION PERIOD: - The Company will provide at least two (2) weeks of the employee's vacation time in the summer months (June 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority only. Employees entitled to four (4) weeks shall be given three (3) weeks' vacation in this prime time if requested.

If an employee so requests, the Company will provide four (4) weeks' vacation during the summer months for those employees eligible for five (5) weeks or more vacation.

- 9.04 VACATIONS - SCHEDULE CHANGE: - An employee's scheduled vacation period shall not be changed by the Company within the one (1) month period immediately preceding the start of the vacation period without the consent of the employee concerned.

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

ARTICLE 10: GENERAL HOLIDAY PAY

- 10.01 The Company shall give to each employee a holiday with pay on each of the recognized 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 on an employee's weekly days off. The recognized General Holidays shall be:

| | | |
|------------------|-----------------|--------------------|
| New Year's Day | Good Friday | Labour Day |
| Empire Day | Dominion Day | Christmas Day |
| Thanksgiving Day | Remembrance Day | 3rd Monday in Feb. |
| Boxing Day | BC Day | |

and any such day as may be declared a public holiday by the Federal, Provincial or Local Municipal Government. When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off, then the next work day shall be observed as the holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

- 10.02 GENERAL HOLIDAY - FLOATER: - Each employee shall be entitled to a twelfth (12th) guaranteed General Holiday with pay at his current rate. This holiday can be a floating holiday at a time mutually agreed to between each employee and the Company.

- 10.03 GENERAL HOLIDAY PAY WILL BE PAID: - Without limiting the general application of sub-section (a) of this section but subject to the provisos contained herein, General Holiday pay provisions will prevail:

- (a) where an employee is off work due to any circumstances for which he is eligible to receive compensation under the Workers' Compensation Act, provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday.

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

10.04 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.

ARTICLE 11: WAGES

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

11.02 PAYMENT OF WAGES:

The Company shall at least every second Friday, pay to each employee all wages earned by the employee to a day not more than two (2) calendar 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. Afternoon shift shall be paid on the Thursday night shift.

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.

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.

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.

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

11.04 TIME SLIPS: - An employee shall be required to fill out time slips daily if the Company so requests.

- 11.05 EXCHANGE CHARGES: - Exchange charges within British Columbia will be added to an employee's pay cheque or otherwise provided for by the Company.
- 11.06 PREMIUM - OUTSIDE LOWER MAINLAND: - The Company will pay a premium of ten percent (10%) of the employee's hourly rate for all time spent on Company business while outside the Lower Mainland area. This premium will be added to the regular rate and overtime paid thereon.

ARTICLE 12: TRANSPORTATION AND EXPENSES

- 12.01 An employee required to report to a job outside the Lower Mainland area and who does not return daily, shall be paid all his transportation, accommodation and meal expenses.

Travel time and waiting time during the employee's regular shift hours, will be paid at straight time. Travel time authorized by the Company or the customer, outside the employee's regular shift hours will be paid for at appropriate overtime. All travel time and waiting time on Saturday, Sunday and any General Holiday will be paid for at double time.

The exception to this provision would be where first class sleeping accommodation is provided while travelling on a public conveyance, and in this instance, time would cease at 9:00 p.m. and commence at 8:00 a.m. the following morning.

- 12.02 WORK OUTSIDE CITY LIMITS: - In going to work outside the limits of the Lower Mainland and returning daily, an employee shall be at such city limits at the starting time, and allowed to return to such city limits by quitting time. He shall be paid all fares to and from the city limits to place of work, or alternatively, be supplied with transportation by the Company. It is understood that where an employee resides in the city where the work is being done, he shall report to and finish work at the regular starting and stopping time. All time spent driving or riding in a motor vehicle to and from such work shall be considered as time worked and the appropriate overtime rates as provided elsewhere in this Agreement shall apply.
- 12.03 JOBS AWAY FROM HOME: - When an employee is going on a job which will require his absence from home for one (1) or more nights, the Company shall inform such an employee, on or before the day of his departure, of the approximate length of time he will be out on the job. The Company shall, at the request of an employee who has been out of town fourteen (14) or more consecutive days, transport such an employee back to his home base, and during such transportation, such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement.
- 12.04 EMPLOYEE VEHICLES: - It shall not be a violation of this Agreement for an employee to refuse to use his motor vehicle on the Company's business.

ARTICLE 13: GENERAL PROVISIONS

- 13.01 INJURY REPORT: - An employee suffering injury while in the employ of the Company must report to the First Aid Department immediately, or as soon thereafter as practicable, and also report to that Department on returning to work.
- 13.02 WASHROOM FACILITIES: - Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will co-operate by observing the simple rules of cleanliness.

- 13.03 LOCKERS: - The Company shall provide a locker of adequate size for each employee.
- 13.04 WATERLESS HAND CLEANER: - Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement. Locations for the hand cleaner shall be mutually agreed to by the parties.
- 13.05 COVERALLS: - All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company. Employees are expected to take reasonable care of clothing supplied. There shall be at least three (3) changes available each week in an employee's proper size. The cost of the above shall be borne by the Company.
- 13.06 LUNCH ROOM: - The Company will supply suitably enclosed heated accommodation where employees may have their lunch.
- 13.07 REST PERIODS: - An employee shall be granted two (2) fifteen (15) minute breaks during the course of each shift - one in each half of the shift.
- 13.08 CLEAN-UP: - Employees shall be allowed a minimum of ten (10) minutes personal clean-up time each shift, such time to precede the end of the shift.

13.09 SHOP TEMPERATURE:

With the co-operation of employees, the Company will attempt to maintain shop temperatures above 16°C during cold weather.

The Company agrees not to require its employees to perform outside repair work in temperatures below -29°C, 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.

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

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

13.10 SHOP STEWARD:

- (a) The Union may select or appoint a Shop Steward to represent the employees and the Union shall notify the Company as to the name of such Shop Steward. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
- (b) When the Company for any reason finds it necessary to terminate a Shop Steward, the Members' Representative of the Union shall be notified prior to such termination.
- (c) Upon informing management, authorized agents of the Union shall have access to the Company's premises during working hours for the purposes of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.

13.11 PICKET LINE:

- (a) It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.
- (b) The Union reserves the right to render assistance to other labour organizations. It shall not be considered a violation of this Agreement for an employee to refuse to work with a non-Union workman (or workmen).
- (c) The Company will not ask any employee to perform work which he does not ordinarily perform in the event of a legal strike among the employees or any firm with whom the Company is doing business.

13.12 LAYOVER AND STANDBY TIME: - If an employee reports to a field job outside the Greater Vancouver area and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24). Standby time on Saturdays, Sundays and General Holidays shall be at straight time.

13.13 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK: - No supervisors or office personnel will be allowed to use hand tools or carry out work which would normally be done by employees in the bargaining unit, except in the instructing or training of employees.

Except in the instructing or training of employees, a foreman will not be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit if there are more than four (4) Journeymen working under his direction.

13.14 BENEFITS AND PENSION PLANS:

The Company will provide and maintain the following coverage for its employees at no cost to such employees:

| | |
|----------------------------------|---------------------------|
| BC Medical | Dental |
| Extended Health Benefits | Short Term Disability |
| Life Insurance | Eyeglass Coverage |
| Accidental Death & Dismemberment | Global Medical Assistance |

If an employee is laid off, his insurance may be continued for the following maximum period as allowed by Great West Life. The length of coverage will also be dependent on the years of service.

| | |
|-----------------------|-------------------|
| Life Insurance | 6 months maximum |
| Short Term Disability | 31 days maximum |
| Other coverage | 6 months maximum. |

Medical - BC Medical with extended health benefits.

Insurance - Sickness and Accident Insurance providing 66.67% of the employee's regular earnings per week payable on the first day of disability due to an accident and on the fourth

day due to sickness and continue for a maximum period of fifty-two (52) weeks. Maximum seven hundred and fifty dollars (\$750.00) per week.

Group Life - Accidental Death Insurance:

The Company will contract and maintain at its expense, the following minimum insurance to cover all employees:

- (i) \$100,000.00 - Group Life Insurance
- (ii) Accidental Death Insurance: The Company will contract and maintain insurance coverage to cover all employees at no cost to employees. This will be a part of the Benefits package.

\$100,000.00 - Accidental Death and Dismemberment Insurance, twenty-four (24) hour coverage.

Dental:

The Company will contract and maintain at its expense a dental plan providing dental coverage for its employees and their dependents. The coverage shall be one hundred percent (100%) on the following:

- (a) Basic Dentistry 100% Coverage – no Limit
- (b) Dentures) 50% coverage to a maximum of fifteen hundred
Crowns Bridges) dollars (\$1,500.00) per year
- (c) Orthodontia) 60% coverage to a maximum of \$2000.00 per listed
dependent per lifetime.

An employee will be eligible for all coverage outlined in (a) and (b) on the first (1st) day of the month following his commencement of employment. New employees shall be eligible for Dental Coverage (c) on the first day of the third month of employment.

The Company will provide and maintain coverage as set out in Great West Life Assurance Company Policy #102300 and the RBC Insurance Co. These benefits shall remain regardless of whether Thermo King of BC changes plan carriers.

The parties further agree that the employer will provide an employee-paid long term disability plan for those eligible. The provisions of coverage will be consistent with and set out in Great West Life Assurance Company Policy #102300 dated June 01, 2001. These benefits shall remain regardless of whether Thermo King of BC changes plan carriers.

Eyeglasses: Eyeglasses broken or damaged on the job shall be replaced by the Company at no cost to the employee.

The Company will provide insurance coverage allowing for one pair of eyeglasses or contact lenses up to two hundred dollars (\$200.00) in a twenty-four (24) month period. This coverage is for employee and family members.

Pension Plan: Effective October 1, 2006, the Company shall make contributions at the rate of two dollars and forty cents (\$2.40) per hour for which wages are payable hereunder to the Operating Engineers' Pension Plan and shall not attract overtime premiums.

Effective October 1, **2007**, the Company shall make contributions at the rate of **two dollars and forty-five cents (\$2.45)** per hour for which wages are payable hereunder to the Operating Engineers' Pension Plan and shall not attract overtime premiums.

Effective October 1, **2008**, the Company shall make contributions at the rate of **two dollars and fifty-five cents (\$2.55)** per hour for which wages are payable hereunder to the Operating Engineers' Pension Plan and shall not attract overtime premiums.

The Operating Engineers' Benefits and Pension Plans shall be controlled by a Board of Trustees composed of eight (8) representatives designated by the Union.

The Employer agrees to be bound by the terms of the Trust Agreement.

The Employer is required to report on the forms provided by the Benefits and Pension Plans.

Contributions must be forwarded by the Employer to the Operating Engineers' Benefits and Pension Plans by the fifteenth (15th) day of the month following that which contributions cover.

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

The Members' Representative of Local 115 may inspect during business hours an Employer's record of time worked by employees and contributions made to the Plan.

13.15 BONDING:

If, at any time, the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.

13.16 TOOL INSURANCE:

- (a) The Company shall provide tool insurance coverage to each eligible employee at no cost to the employee. Each employee will provide a brand name inventory of his tools on a form supplied by the Company. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, make for make. Maximum insurance coverage shall be **twenty-five thousand dollars (\$25,000.00)**. **Tools used by employees to perform duties unrelated to the employer's business will not be covered.**

Where the value of an employee's tools (as submitted on the tool list) exceeds **twenty-five thousand dollars (\$25,000.00)**; then subject to the Company's approval, the tools shall be fully insured in excess of **twenty-five thousand dollars (\$25,000.00)**.

(b) Tool Allowance:

On October 1, **2006**, each Journeyman Mechanic, Welder, or Trainee Mechanic shall receive **three hundred and sixty dollars (\$360.00)** as a tool allowance for the purpose of buying new tools, receipt of purchase required. Employees are required to submit tool inventory list prior to receiving tool allowance. Effective October 1, **2007**, this amount shall be increased to **three hundred and seventy dollars (\$370.00)**. Effective October 1, **2008**, this amount shall be increased to **three hundred and eighty dollars (\$380.00)**.

- (i) The qualifying period will be one (1) year's employment with the Company.
- (ii) If the term of employment for a new employee is less than one (1) year then the tool allowance shall be prorated to the number of months' employment with the Company.
- (iii) Employees must use the allowance by December 31st of each year or forfeit any unused amount.
- (iv) Upon termination of employment with the Company an employee shall in keeping with (iii) above be paid any unused tool allowance prorated on a monthly basis.

13.17 SUB-CONTRACTING:

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

13.18 LEAVE OF ABSENCE:

- (a) (i) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.
- (ii) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.
- (b) (i) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence, until such time as his doctor states he can return to work.
- (ii) When an 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.
- (c) 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.

13.19 UNION NOTICES:

- (a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
- (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
 - (i) Seniority List;
 - (ii) Copy of the Agreement;
 - (iii) Benefits Plan Provisions.

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

13.20 DISMISSED OR IMPROPER CHARGES: - Any discharged employee may, within seventy-two (72) hours of his discharge, in writing, require the Company to give him the reasons for his discharge and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request (exclusive of Saturdays, Sundays and General Holidays) and in the event of any dispute or difference as to whether or not there was proper cause for the discharge of such an employee, only the reasons so set forth in writing shall constitute cause.

13.21 TECHNOLOGICAL OR PROCEDURE CHANGES:

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

13.22 JOB POSTING, ETC.:

In the event that a new job is created, or a vacancy occurs, or new equipment is installed in the operation, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job. Employees desiring such job shall then apply, in writing, within thirty-six (36) hours of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job, subject to the Technological or Procedure Changes section of this Agreement, shall receive such job.

13.23 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 and father-in-

law. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided for under this section.

13.24 JURY DUTY: - All time lost by an employee due to necessary attendance on jury duty or any court proceedings arising out of his employment including subpoenaed as a witness, or in completing his driver's tests required by the employee for actual employment with the Company, or doctor's examinations in connection therewith, shall be paid for by the Company at the rate of pay applicable to said employee.

If an employee is employed on an afternoon or graveyard shift and attends upon jury duty, or if an employee is attending upon jury duty and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall not be required to work such shifts and shall receive pay for time loss pertaining to jury duty as provided in the sub-section.

All jury duty pay received by an employee for the days he received pay from the Company shall be paid over to the Company.

13.25 TRANSFER:

When an employee agrees to a transfer the Company shall:

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

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

13.26 ARTICLE HEADINGS:

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

13.27 TRUCK MAINTENANCE AND SAFETY:

It is to the mutual advantage of both the Company and the employees, that employees shall not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of Management and in respect thereto the Company agrees as follows:

- (a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety

equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.

- (b) All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
- (c) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers and defrosters installed.
- (d) It is mutually agreed that a form shall be supplied the driver on which he must report defects in equipment with sufficient copies so that the driver may retain a copy and so that the head office of the Company will have a copy of this report on file.
- (e) When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the out-going driver.
- (f) The Company shall not compel any driver to operate a vehicle which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers who of their own accord, operate with an overload may be subject to discipline and responsible for their own fines.
- (g) The Company shall supply a fire extinguisher and an adequate first aid kit for each service vehicle.
- (h) Service truck maintenance and condition to be kept to the minimum standards as outlined in the Commercial Vehicle Inspection Manual.

13.28 COMPANY SUPPLIED CLOTHING: - Where required, hard hats, rubber clothes, rubber boots and welders' gloves, shall be supplied by the Company at no cost to the employee.

13.29 SAFETY BOOT ALLOWANCE:

Each employee shall be reimbursed for the purchase of safety boots or shoes every twelve (12) months by the following schedule:

| | |
|------------------------|-----------------|
| October 1, 2006 | \$190.00 |
| October 1, 2007 | \$195.00 |
| October 1, 2008 | \$200.00 |

On a separate non-taxed cheque. Unused portions of the allowance shall be used within the same year.

13.30 SEVERANCE AND LAYOFF PAY:

- (a) If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this Agreement and that employee has a minimum of two (2) years' service with the Company, he shall be paid three (3) weeks' pay

based on one hundred and twenty (120) hours at his then applicable rate of pay. 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 his seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.

- (b) In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum of two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:

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

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

13.31 SICK TIME:

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

At the beginning of each service year with the Company, an employee will receive credit for **four (4) days' (thirty-two (32) hours)** sick leave to apply to the service year which is just commencing. Before reaching an anniversary date at which sick time will be received, an employee will receive during the interim period, sick leave credit based on **eight (8) hours** per month which will be accumulative to a maximum of **thirty-two (32) hours**. A new employee shall not receive sick leave credits until he has been in the employ of the Company for ninety (90) calendar days.

The Company shall, to the extent that sick leave credits are available, pay to an employee who reports sick on a regular work day the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work and reduce his sick leave credits by the number of hours that correspond with the number of hours that he would have normally 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. If an employee requires time off for dental or other appointments, he should make special arrangements with his foreman.
- (d) All absence due to illness of a duration of more than three (3) consecutive scheduled work days shall require a doctor's certificate to an employee's department manager.
- (e) It is the responsibility of an employee to immediately notify his department supervisor of absence due to illness. If there is no notification, absence may be considered absence without pay.
- (f) A committee of three (3) comprised of an employee's supervisor, department manager and a Members' Representative of the Union, shall rule on any contingencies not covered by these provisions.
- (g) 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.
- (h) No pay or allowance will be made in lieu of sick time.
- (i) When an employee reaches the end of the year and no sick time has been taken by the employee, the employee shall be entitled to a one (1) day Floating Holiday to be taken in the following year.

ARTICLE 14: SAVINGS CLAUSE

- 14.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule attached hereto or working fewer 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.
- 14.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 14.03 If the premium and/or contribution paid by the Company for any employee benefit is reduced or eliminated as a result of any legislative or other action, the amount of the saving shall be used to increase other benefits available to the employees, as may be mutually agreed between the parties, or shall be passed on to the employees in the form of increased wages or salary rates.
- 14.04 (a) If any Article or section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

(b) In the event that any Article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected

thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

Signed this _____ day of _____, 2007.

THERMO KING OF BRITISH COLUMBIA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

SCHEDULE "A": WAGES AND CLASSIFICATIONS

| | <u>Oct. 1/06</u> | <u>Oct. 1/07</u> | <u>Oct. 1/08</u> |
|---|------------------|------------------|------------------|
| Welders, Mechanics with Thermo King Cert. | \$31.19 | \$32.13 | \$33.09 |
| Mechanics without Thermo King Cert. | \$29.04 | \$29.91 | \$30.81 |
| Mechanic Helper: | | | |
| 1st year | \$20.87 | \$21.50 | \$22.14 |
| 2nd year | \$22.81 | \$23.49 | \$24.20 |

All present mechanics, as of February 10th, 1998, shall have a nine (9) month grace period in which to write the Thermo King Certification test. The test can only be written a maximum of three (3) times in that period. The costs of these tests shall be paid by the Company thirty-five dollars (\$35.00) U.S.

Following the nine (9) month grace period, a mechanic may write the test twice per year. The mechanic shall be responsible for the cost of the second test thirty-five dollars (\$35.00) U.S.

Mechanics hired with a valid Refrigeration Certificate or who have worked as a journeyman Refrigeration Mechanic shall be eligible to write the Thermo King Certification test upon completion of the probation period. Certification must be renewed no more than once every three (3) years.

TRANSPORT REFRIGERATION MECHANIC TRAINEE:

All new employees hired by the Company after May 1, 1986, shall be paid wages in accordance with the following schedule of progression; except those who hold a current valid Refrigeration Certification of Qualification, in which case the Mechanic without Thermo King Cert. rate of pay will apply until the Thermo King test has been passed.

| | |
|---------------------|--------------------------------|
| 0-6 months | 60% of Journeyman rate |
| 7-12 months | 65% of Journeyman rate |
| 13-18 months | 70% of Journeyman rate |
| 19-24 months | 75% of Journeyman rate |
| 25-30 months | 80% of Journeyman rate |
| 31-36 months | 85% of Journeyman rate |
| 37-42 months | 90% of Journeyman rate |
| 43-48 months | 95% of Journeyman rate |
| 49+ months | 100% of Journeyman rate |

The percentage rates as set out shall apply to the mechanics with Thermo King Certification rates.

A.01 NORTHERN ALLOWANCE:

Employees employed in branch offices in Prince George, or in branches north of the latitude passing through Prince George will receive an allowance of twenty-five cents (25¢) per hour.

A.02 FIRST AID MAN:

When an employee is designated as FIRST AID MAN by the Company, he shall receive seven percent (7%) per hour above his classification.

A.03 LEAD HAND:

When an employee is designated as LEAD HAND by the Company, he shall receive eight percent (8%) per hour above the highest classification under his supervision.

Lead Hands will be the last in the Chain of Command for hourly paid employees to received assistance with technical questions and production requirements. It is expected that Management will promote and provide technical direction to the workforce through a structured chain of command.

A.04 CHARGE HAND:

When an employee is designated as charge hand by the Company, he shall receive ten percent (10%) per hour above the highest classification under his supervision.

Charge Hands will be the first in the Chain of Command for hourly paid employees to received assistance with technical questions and production requirements. It is expected that Management will promote and provide technical direction to the workforce through a structured chain of command.

A.05 HIGHER WAGE CLASSIFICATION: - Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

A.06 NEW JOB CLASSIFICATION: - When a new job classification is introduced which is not included in the list of classifications in this Schedule, the Company and the Union shall promptly negotiate a wage rate for such classification.

Every effort will be made by the parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day notice, in writing, is given by either party to commence negotiations.

In the event the parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the parties. Failing such agreement, either party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

A.07 The Company shall be responsible for the pre-authorization/registration of benefits payable through Human Resources Development Commission.

LETTER OF UNDERSTANDING #1

BY AND BETWEEN:

THERMO KING OF BRITISH COLUMBIA INC.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 115

The above named parties agree to the following additions with respect to Article 13.22.

Notice of transfer within a classification shall contain the following:

- (a) duties and location of position
- (b) classification
- (c) qualifications
- (d) hours of work

The senior employee with the qualifications and ability, who applies shall be transferred to the open position. Where no suitable applicant applies, then the company may hire a new employee subject to Article 4.06.

This letter may be cancelled by either party with thirty (30) days written notice.

Signed this _____ day of _____, 2007.

THERMO KING OF BRITISH COLUMBIA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING #2

BY AND BETWEEN:

THERMO KING OF BRITISH COLUMBIA INC.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 115

Re: **Training**

The parties agree that Management and the Union shall form a Training Committee comprised of two (2) union members (one of which shall be the Shop Steward) and two (2) management employees. It shall meet within three (3) months of signing this Agreement and every six (6) months thereafter. The committee's mandate will be to examine overall training needs, evaluate training programs, propose mechanisms for ensuring equal access to training and submit plans for improving skills.

The Company shall post all training courses; the name and date of the course and where further information can be obtained. Training opportunities will normally be granted to the most senior employee who applies provided the senior employee hasn't taken the same course in the past.

To be eligible to be sent for factory training, an employee must have one (1) year seniority.

The Company agrees to reimburse the costs for books and courses to an employee where he is improving or upgrading himself in his line of work. The Company must be consulted prior to the employee incurring the obligation.

The Company shall pay all wages at an employee's current rate of pay while attending training sessions in Minneapolis.

All training put on by the Company at the Company premises during an employees regular shift shall be paid by the Company.

Training programs put on after hours shall be accompanied by beverages and food.

Attendance at these after hour sessions shall not be mandatory.

Signed this _____ day of _____, 2007.

THERMO KING OF BRITISH COLUMBIA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

