

COLLECTIVE AGREEMENT

BY AND BETWEEN:

INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES,
DIVISIONS OF INLAND KENWORTH LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

JULY 1, **2007** TO JUNE 30, **2010**

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(hereinafter referred to as the "Union")

DATE AND REFERENCE

The Agreement shall be dated for reference July 1st, **2007**, and named for reference the "INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES, DIVISIONS OF INLAND KENWORTH LTD. OPERATING ENGINEERS AGREEMENT".

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.

ARTICLE 2: BARGAINING AGENCY

2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company employed at the place set out in the certificate of bargaining authority at and from 26770 Gloucester Way, Langley, B.C., V4W 3V6.

2.02 This Agreement shall be binding on the Company and the Union.

2.03 SUPERVISORS, OFFICE PERSONNEL: - No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit, except in the instruction or training of employees or in emergency cases.

ARTICLE 3: UNION SECURITY

3.01 UNION SECURITY: - 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 in writing from the Union, discharge such employee forthwith and the Union agrees to indemnify the Company and hold it harmless against any claims which may arise in complying with the provisions of this Article.

- 3.02 CHECK-OFF: - The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of five (5) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.03 AMOUNTS DEDUCTED: - Union dues deducted under this provision or other check-off provisions shall be remitted to the Union not later than the fifteenth of the month following the month in which such check-off applies.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.
- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants.

ARTICLE 5: DEFINITION OF EMPLOYEE

- 5.01 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. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" attached hereto, at and from 26770 Gloucester Way, Langley, B.C. V3W 3V6.

ARTICLE 6: HOURS OF WORK AND OVERTIME

- 6.01 DAY SHIFT: - The standard work day shall consist of eight (8) hours, **6:30am to 3:00pm for the Inland Truck Shop, 7:00am to 3:30pm for the Inland Body Shop, and 7:00am to 3:30pm for the Parker Pacific Equipment Shop.** The standard work week shall consist of forty (40) hours, Monday to Friday. Graveyard shift shall lead off at 12:01 a.m. Monday.

Hours of work in the Shop may be changed by mutual agreement between the Company and the Union.

6.02 AFTERNOON SHIFT: - If a second shift is employed, the hours of work shall be seven and one-half (7-1/2) hours of work between the hours of **3:00pm to 11:00pm for the Inland Truck Shop and 3:30pm to 11:30pm for the Parker Pacific Equipment Shop** for which eight (8) hours will be paid and a shift premium of ninety cents (90¢) shall be added on to the classified hourly rate and does not attract overtime.

6.03 NIGHT SHIFT: - If a third shift is employed, the hours of work shall be seven (7) hours of work between the hours of 12:30 a.m. and 8:00 a.m. for which eight (8) hours shall be paid and a shift premium of fifty cents (50¢) shall be added on to the classified hourly rate.

6.04 WEDNESDAY TO SATURDAY SHIFT

(a) 10 hour day:

- (i) Hours of work to be 7:00 am to 5:30 pm Wednesday to Friday; 7:00 am to 4:30 pm Saturday.**
- (ii) Thirty-nine (39) hours work for forty (40) hours pay.**
- (iii) Shift premium shall be one dollar and twenty cents (\$1.20) per hour.**
- (iv) The employee shall receive ten (10) hours of pay for statutory holidays.**
- (v) If a statutory holiday falls on a scheduled day off, the provisions of Article 11.02 shall apply.**
- (vi) Bumping shall be allowed on this shift for reasons of layoff only.**
- (vii) This shift shall have three (3) fifteen minute breaks during the course of each shift - one (1) in the first half and two (2) in the second half of the shift.**

(b) 11 hour day:

- (i) Hours of work to be 6:30am to 6:00pm Wednesday to Saturday one week, and Thursday to Saturday the other week.**
- (ii) Seventy-seven (77) hours work to eighty (80) hours pay. This will be prorated daily such that 11.43 hours will be paid for each 11 hours worked.**
- (iii) Shift premium shall be one dollar and twenty cents (\$1.20) per hour.**
- (iv) The employee shall receive 11.43 hours of pay for statutory holidays.**
- (v) If a statutory holiday falls on a scheduled day off, the provisions of Article 11.02 shall apply.**

- (vi) **Bumping shall be allowed on this shift for reasons of layoff only.**
- (vii) **This shift rotates with the afternoon shift as described in Article 6.02 every two weeks as per current practices.**
- (viii) **This shift shall have four (4) fifteen minute breaks during the course of each shift - two (2) in each half of the shift.**

6.05 SUNDAY TO WEDNESDAY SHIFT:

(a) 10 hour day:

- (i) **Hours of work to be 7:00 am to 5:30 pm Monday to Wednesday; 7:00 am to 4:30 pm Sunday.**
- (ii) **Thirty-nine (39) hours work for forty (40) hours pay.**
- (iii) **Shift premium shall be one dollar and twenty cents (\$1.20) per hour.**
- (iv) **The employee shall receive ten (10) hours of pay for statutory holidays.**
- (v) **If a statutory holiday falls on a Thursday or a Friday the provisions of Article 11.02 shall apply. However, if mutual agreement cannot be reached, the employee will take the Wednesday preceding the statutory holiday off.**

If a statutory holiday falls on a scheduled day off other than a Thursday or Friday, the provisions of Article 11.02 shall apply.
- (vi) **Bumping shall be allowed on this shift for reasons of layoff only.**
- (vii) **Only volunteers and / or employees hired after July 1, 2001 shall be required to work this shift.**
- (viii) **This shift shall have three (3) fifteen minute breaks during the course of each shift - one (1) in the first half and two (2) in the second half of the shift.**

(b) 11 hour day:

- (i) **Hours of work to be 6:30am to 6:00pm Sunday to Wednesday one week, and Sunday to Tuesday the other week.**
- (ii) **Seventy-seven (77) hours work to eighty (80) hours pay. This will be prorated daily such that 11.43 hours will be paid for each 11 hours worked.**
- (iii) **Shift premium shall be one dollar and twenty cents (\$1.20) per hour.**
- (iv) **The employee shall receive eleven 11.43 hours of pay for statutory holidays.**

(v) ***If a statutory holiday falls on a Thursday or a Friday the provisions of Article 11.02 shall apply. However, if mutual agreement cannot be reached, the employee will take the last work day preceding the statutory holiday off.***

If a statutory holiday falls on a scheduled day off other than a Thursday or Friday, the provisions of Article 11.02 shall apply.

(vi) ***Bumping shall be allowed on this shift for reasons of layoff only.***

(vii) ***Only volunteers and / or employees hired after July 1, 2001 shall be required to work this shift.***

(viii) ***This shift shall have four (4) fifteen minute breaks during the course of each shift - two (2) in each half of the shift.***

6.06 LUNCH PERIOD:

(a) Each shift shall have a one-half (1/2) hour lunch period at mid-shift.

(b) Employees who work through their regular lunch period shall receive one half hours pay at straight time. To be eligible, employees must work at least six consecutive hours of work from the beginning of their shift and must use a time clock to punch in and out of the time taken to eat their lunch.

6.07 SHIFT CHANGE: - The Company shall give the employee forty-eight (48) hours' notice prior to changing of shifts. ***Effective July 01, 2008, this period shall change to five (5) working days' notice.***

6.08 SHIFT - TRANSFER OF EMPLOYEE: - When it is necessary for an employee to be transferred from one shift to another 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.

6.09 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, multiplied by the actual hours worked.

6.10 In cases where hours of work must be varied in customers' camps to comply with Provincial Fire Regulations such work as is carried out under these conditions shall be at straight time rates for the first eight (8) hours.

6.11 SHIFT ROTATION:

(a) When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts and this rotation to be made by mutual agreement between the Company and the Union.

- (b) The eight (8) senior employees in the Truck Shop, the four (4) senior employees from the Equipment Shop, the four (4) senior employees in the Body Shop, and the senior employee from the Paint Department shall be exempt from rotating shifts at their discretion. As they retire or leave, the next senior employee would move into that position. They would also have first choice to pick the shift they prefer (subject to availability).

6.12 OVERTIME:

- (a) All hours worked outside of the standard work hours, outside the established shift hours and outside the standard work week shall be considered overtime and paid at double time, unless otherwise specified.
- (b) It is agreed that for the purposes of calculating overtime, vacations, percentages or premiums, the hourly wage rate plus the pension contribution shall be combined.

6.13 OVERTIME DISTRIBUTION: - Overtime shall be distributed by seniority. That meaning that the most senior employee shall be requested first.

The exception to the above is where an employee is working on a specific job that requires overtime to complete, that employee shall be asked first.

Employees should not be called in to perform work outside their job classification except when there are no employees in that job classification available to do the work.

The Parties are agreed that all overtime will be voluntary subject to the following clarification:

- (a) employee seniority
- (b) employee qualifications
- (c) employee capability to perform job efficiently
- (d) job classifications.

6.14 OVERTIME MEAL:

Employees requested to work more than two (2) hours overtime after the completion of their regular shift, **and each four (4) hours thereafter**, will be given one-half (1/2) hour on Company time to eat their lunch at straight time rate of pay, **and the employees shall receive fifteen dollars (\$15.00) for an overtime meal (or meals) for which receipts will not be required.**

- 6.15 (a) REST BETWEEN SHIFTS: - It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) 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 eight (8) full hours have elapsed.

CLARIFICATION:

Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

- (b) REST PERIODS: - An employee shall be granted two (2) fifteen (15) minute breaks during the course of each shift - one (1) in each half of the shift. An employee shall be granted a fifteen (15) minute break after each two (2) hours of overtime he works in any day. If an employee is working off the Company's premises, that employee shall be granted the same fifteen (15) minute breaks.

CLARIFICATION: - i.e. eight (8) hour day

8:00 a.m.	start
10:00 a.m	coffee break
12:00 noon	lunch break
2:30 p.m.	coffee break
4:25 p.m.	coffee break at the bell
6:30 p.m.	lunch break
9:00 p.m.	coffee break
11:00 p.m.	lunch break

- 6.16 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. Breakfast meal time not included. This does not include travel, standby or layover as they are dealt with specifically.
- 6.17 WORK AFTER REGULAR SHIFT: - Employees called back to work after he has punched out shall receive a minimum of four (4) hours' pay at the prevailing **double time** rate.
- 6.18 **SCHEDULED DAYS OFF AND GENERAL HOLIDAYS:** - Double time for all hours worked on **scheduled days off and general holidays** listed in Article 11, 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.
- 6.19 WORK DAY - GUARANTEED: - Subject to the exceptions set forth in this section, any employee reporting for work, shall be guaranteed eight (8) hours' work at his regular job, or pay equivalent thereto, provided that, if there are insufficient hours of work available at the employee's regular job, the employee shall perform such other work as may be assigned to him to qualify for such pay. This provision will apply only once each day and it will only apply to an employee's regular shift.

The provisions of this section shall not apply in case of shutdown necessitated by emergencies completely beyond the control of the Company, or if the employee:

- (a) was absent on his immediate preceding regular shift,
- (b) voluntarily quits, or
- (c) was previously instructed not to report to work.

6.20 CALL TIME:

- (a) An employee called to work on a **Scheduled Day Off** or on a General Holiday, (or days observed as General Holidays) shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.
- (b) The provisions of this Section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.

6.21 PREPARATION TIME: - Personal preparation will be done on Company time based on personal need. i.e. Distance from shop to home would vary for different people, within reason. (For field service only.)

6.22 REGULAR SHIFT: - This reference shall mean an employee's established shift that he normally works.

6.23 REGULAR RATE: - This reference shall mean an employee's classified rate of pay.

6.24 BANKED OVERTIME: Employees may bank up to one hundred and twenty (120) hours at the prevailing overtime rate. For example, sixty (60) hours of earned overtime at double time = one hundred and twenty (120) hours of banked time.

- (a) Only forty (40) hours to be used for vacation purposes. Balance to be paid out.
- (b) Eight (8) hours minimum to be paid out per time.
- (c) **Banked Time may be taken outside of prime time with one month's notice and subject to the provisions of Article 10.10**
- (d) Banked time may be used for sick time allowance.

ARTICLE 7: GRIEVANCE PROCEDURE

7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation, or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

STEP A - The aggrieved employee shall notify his Shop Steward who shall immediately request time off from his Foreman in order to take up the matter if, in the opinion of the Shop Steward, the case is urgent. The Shop Steward, with or without the aggrieved person, shall then take up the matter with the Foreman. Failing a satisfactory settlement, the grievance shall be put in writing on the grievance form supplied by the Union, and shall be signed by the aggrieved, after which the second step shall be invoked. The aggrieved employee has ten (10) working days from the time of the incident to file a grievance. The Foreman shall give his decision, in writing, within twenty-four (24) hours.

STEP B - The Grievance Report shall be submitted to the General Superintendent by the Shop Steward, who shall submit his decision in writing and return same to the Shop Steward within forty-eight (48) hours.

STEP C - The Shop Steward, along with a representative or representatives of the Union, and representatives of the Company shall attempt to reach a satisfactory settlement. Failing to do so within three (3) days, Step D may be invoked.

STEP D - The grievance shall be submitted to Arbitration or by mutual agreement between the parties the grievance may go before the Joint Canadian Grievance Panel.

7.02 DISCIPLINARY ACTION:

(a) Before taking disciplinary action, Management shall first warn an employee, unless the circumstances justify immediate discipline or discharge. Such warnings must be confirmed in writing in the presence of the Shop Steward and a copy given to the Shop Steward.

(b) In the event of a claim that an employee has been improperly or unreasonably reprimanded, disciplined, suspended or discharged, and a grievance is lodged, it shall be filed in Step 2 of the Grievance Procedure, within five (5) working days of the day on which the disciplinary action was invoked.

(c) Clearing the Employee File

If an employee who has been the recipient of disciplinary action does not receive further discipline or warnings for a period of twelve (12) months, the record of the disciplinary action will be expunged from said employee's file.

(d) *The Company agrees that an employee shall have access to his/her personnel file and have access to the grievance and arbitration provisions of this Agreement to dispute any entries on his/her file. The Company further agrees to provide the employee or Union, if authorized by the employee, copies of any documentation on an employee's file.*

ARTICLE 8: ARBITRATION

8.01 If the procedures set forth in Section 7.01, Step A, Step B, Step C and Step D do not result in a solution being reached within seven (7) days of the first discussion between a Business Representative of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:

(a) The Party desiring Arbitration shall appoint a member for the Board and shall notify the other party in writing of the name and address of the person so appointed and particulars of the matter in dispute.

(b) The Party receiving the notice shall within five (5) days appoint a member for the Board and notify the other party of its appointment.

(c) The two (2) Arbitrators so appointed shall confer to select a third person to be Chairman and failing for three (3) days from the appointment of the second of

them to agree upon a person willing to act, either of them may apply to the Minister of Labour of British Columbia to appoint such third member.

- (d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award, within ten (10) days from the date of the appointment of the Chairman, provided the parties may extend the time by agreement in writing.
 - (e): The Parties may mutually agree that a sole arbitrator be appointed in place of a three (3) person board. The decision of the sole arbitrator shall be deemed to be the decision of the Board and shall be final and binding. All expenses incurred by the sole arbitrator shall be paid equally by the Parties. Each Party shall pay its own costs.
- 8.02 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.
- 8.03 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.04 If the Award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.05 The expenses and remuneration of the Chairman shall be paid by the parties in equal shares.
- 8.06 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9: SENIORITY

- 9.01 SENIORITY LISTS: - The Company shall at least once every **three (3)** months, post in a conspicuous place on its premises up-to-date lists of all employees covered by this Agreement (including a separate list for the Truck Shop and for the Equipment Shop) 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.

- 9.02 PROBATIONARY PERIOD: - When a new employee is hired, it is agreed that he shall be on probation for ninety (90) **days worked** and during this period seniority will not be applicable. **During the probationary period, written reviews will be completed at thirty (30), sixty (60), and ninety (90) days worked, and a copy given to the employee and shop steward.** When the probationary period is completed, seniority will commence from the date of hiring.
- 9.03 EMPLOYEE - RE-EMPLOYMENT: - An employee re-entering the employ of the Company after his right to recall has expired shall only be subject to a thirty (30) working days probation period.
- 9.04 LAY-OFFS: - In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification. The Company shall give at least **forty-eight (48)** hours' notice on layoffs, exclusive of Saturdays, Sundays and General Holidays, or one (1) day's pay in lieu of notice. Laid off employees from the Truck Shop can not bump into the Heavy Equipment Shop and vice versa.

CLARIFICATION:

Layoff, recall and promotions will be handled according to the following criteria, in this order:

- (a) employee seniority
 - (b) employee qualifications
 - (c) employee capability to perform job efficiently
 - (d) employee's ability to efficiently fulfil the job requirements
 - (e) employee's job classification
- 9.05 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.

The Company shall contact laid-off employees either personally, or by registered mail or through the Union dispatcher at the address or at the telephone numbers supplied by the employee. It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid off. The employee has five (5) working days to respond to the registered letter. See clarification 9.04.

- 9.06 NEW JOB CLASSIFICATION: - When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- 9.07 SENIORITY RETENTION:

Seniority shall be maintained and accumulated during:

- (a) Absence due to layoff for the following periods:

- (i) Less than six (6) months seniority - one (1) month.
 - (ii) With more than six (6) months' seniority but less than twelve (12) months' seniority - three (3) months.
 - (iii) Over twelve (12) months and less than sixty (60) months' seniority - twelve (12) months.
 - (iv) Over sixty (60) months' seniority - twenty-four (24) months.
- (b) Occupational accident.
- (c) *Temporary illness or non-occupational accident causing absence not exceeding thirty-six (36) weeks.***

Seniority shall be maintained ***but not accumulated*** during:

- (a) Temporary illness or non-occupational accident causing absence ***beyond thirty-six (36) weeks.***
- (b) Authorized leave of absence not exceeding six (6) months.
- (c) When a member of the bargaining unit (excluding a probationary employee) agrees to a transfer within the Company to a position outside the bargaining unit, he shall maintain but not accumulate seniority for a period equal to his right to recall entitlement to a maximum of one (1) year. The Union shall be notified of such transfer.

During the one-year period a former bargaining unit employee may bump back into his former position where he was employed in the bargaining unit.

9.08 JOB POSTING

- (a) In the event that a new job is created (***including Lead Hand positions***) 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.
- (b) Employees desiring such job shall then apply, in writing, within three (3) working days 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 in which case the posting may be filled temporarily,. The senior employee applying who has the ability to do the job, subject to the technological or procedure changes article of this Agreement, shall receive such job subject to the following clarification:
 - (i) employee seniority
 - (ii) employee qualifications
 - (iii) employee capability to perform job efficiently

- (iv) employee's skill and ability to efficiently fulfil the job requirements
 - (v) job classifications.
- (c) There shall be a thirty (30) calendar day trial period wherein the employee could return to his former classification, if he didn't wish to stay in the new posting or if the Company felt he wasn't suitable for the job.

ARTICLE 10: VACATIONS

10.01 Employees will receive vacations and be paid for the vacation in accordance with the following Schedule:

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4 %
1 year but less than 3 years	2 weeks	4 %*
3 years but less than 8 years	3 weeks	6 %*
8 years but less than 12 years	4 weeks	8 %*
12 years but less than 15 years	4 weeks plus one (1) day	8.4%*
15 years but less than 16 years	4 weeks plus two (2) days	8.8%*
16 years but less than 17 years	4 weeks plus three (3) days	9.2%*
17 years but less than 18 years	4 weeks plus four (4) days	9.6%*
18 years but less than 20 years	5 weeks	10%*
20 years but less than 21 years	5 weeks plus one (1) day	10.4%*
21 years but less than 25 years	5 weeks plus two (2) days	10.8%*
25 years but less than 27 years	5 weeks plus three (3) days	11.2%*
27 years or more	5 weeks plus four (4) days	11.6%*

* Pay at percentage of previous twelve (12) months' pay or time they qualify for, whichever is greater.

10.02 Employees with less than one (1) year's service with the Company shall be granted vacations with pay in accordance with the "Annual Holidays Act" of the Province of British Columbia. Employees with less than ten (10) months' service in any vacation year shall be entitled to one (1) working day's vacation for each month of service up to a total of ten (10) working days.

10.03 Employees with one (1) year's service but less than three (3) years' service with the Company, shall be granted two (2) weeks' vacation with pay at four percent (4%) of their previous twelve (12) months' earnings, or two (2) weeks' pay whichever is greater.

10.04 Employees with three (3) years' service but less than eight (8) years' service with the Company, shall be granted three (3) weeks' vacation with pay at six percent (6%) of their previous twelve (12) months' earnings, or three (3) weeks' pay whichever is greater.

10.05 Employees with eight (8) years' service but less than **twelve (12)** years' service with the Company, shall be granted four (4) weeks' vacation with pay at eight percent (8%) of their previous twelve (12) months' earnings, or four (4) weeks' pay whichever is greater.

- 10.06 Employees with **twelve (12)** years' service but less than **fifteen (15)** years' service with the Company, shall be granted **four (4) weeks plus one (1) day's vacation with pay** at **eight point four percent (8.4%)** of their previous twelve (12) months' earnings, or **four (4) weeks plus one (1) day's pay**, whichever is greater.
- 10.07 **Employees with fifteen (15) years' service but less than sixteen (16) years' service with the Company, shall be granted four (4) weeks plus two (2) days' vacation with pay at eight point eight percent (8.8%) of their previous twelve (12) months' earnings, or four (4) weeks' plus two (2) days' pay, whichever is greater.**
- 10.08 **Employees with sixteen (16) years' service but less than seventeen (17) years' service with the Company, shall be granted four (4) weeks plus three (3) days' vacation with pay at nine point two percent (9.2%) of their previous twelve (12) months' earnings, or four (4) weeks' plus three (3) days' pay, whichever is greater.**
- 10.09 **Employees with seventeen (17) years' service but less than eighteen (18) years' service with the Company, shall be granted four (4) weeks plus four (4) days' vacation with pay at nine point six percent (9.6%) of their previous twelve (12) months' earnings, or four (4) weeks plus four days' pay, whichever is greater.**
- 10.10 **Employees with eighteen (18) years' service but less than twenty (20) years' service with the Company, shall be granted five (5) weeks vacation with pay at ten percent (10%) of their previous twelve (12) months earnings, or five (5) weeks' pay, whichever is greater.**
- 10.11 Employees with twenty (20) years' service but less than twenty-one (21) years' service with the Company, shall be granted five (5) weeks plus one (1) day's vacation with pay at ten point four percent (10.4%) of their previous twelve (12) months earnings, or five (5) weeks plus one day's pay, whichever is greater.
- 10.12 Employees with twenty-one (21) years' service but less than twenty-five (25) years' service with the Company, shall be granted five (5) weeks plus two (2) days' vacation with pay at ten point eight percent (10.8%) of their previous twelve (12) months earnings, or five (5) weeks plus two (2) days' pay, whichever is greater.
- 10.13 Employees with twenty-five (25) years' service but less than twenty-seven (27) years' service with the Company, shall be granted five (5) weeks plus three (3) days' vacation with pay at eleven point two percent (11.2%) of their previous twelve (12) months earnings, or five (5) weeks plus three (3) days' pay, whichever is greater.
- 10.14 Employees with twenty-seven (27) or more years' service with the Company shall be granted five (5) weeks plus four (4) days' vacation with pay at eleven point six percent (11.6%) of their previous twelve (12) months earnings, or five (5) weeks plus four (4) days' pay, whichever is greater.
- 10.15 (a) Employees with one (1) or more year's service with the Company shall receive at least two (2) weeks' vacation with pay as contained in 10.02 **through 10.14** of this Agreement, scheduled some time between the vacation period of June 1st to September 30th of that year. Employees will have preference of vacation

periods in accordance with their seniority within departments and/or job groupings.

A third week may be taken if available, and by seniority, after everyone eligible who applied to take their two (2) weeks in prime time has made their choice. All of the above with Company approval due to concern of scheduling problems.

A fourth week may be taken if available, and by seniority, after every one eligible who applied to take their third week in prime time has made their choice. All of the above, with Company approval, due to concern of scheduling problems.

- (b) If any employee takes his vacation outside of prime time, June 1 to September 30, then that employee may take his total vacation entitlement consecutively.
- (c) Vacations are to be scheduled by February 1. Approval is to be given by February 15. A copy of the approval list is to be given to the Shop Stewards at that time.
- (d) The Company reserves the right to shutdown a part or all of an operation, for a part or all of a scheduled vacation during the period of July and August of any year. The Company agrees to give sixty (60) days' notice of such plant closure.
- (e) An employee shall receive one (1) additional day vacation per year upon completing a term of **twenty (20)** years' service and each year thereafter up to **twenty seven (27)** years' service. He shall receive as vacation pay for each vacation period eight (8) additional hours per year over the one hundred and sixty (160) hours pay at his then applicable current rate of .4% of his gross earnings over the eight (8%) immediately preceding the vacation period, whichever is the greater.
- (f) Each employee will be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

10.16 VACATION ALLOTMENT, SICKNESS, INJURY, LAYOFF

Authorized leave of absence for sickness or accident or other causes acceptable to the Company, excluding layoff beyond two (2) months, shall not affect the employee's right in respect of vacations with pay.

10.17 VACATION PAY - ON TERMINATION

On termination, employees who leave the employ of the Company will be paid vacation pay at the time of severance on the following percentage basis on the earnings of the employee for which vacation pay has not been previously paid.

- | | |
|---|---------------------------|
| - Less than 3 years' employment | 4% |
| - 3 years but less than 8 years' employment | 6% |
| - 8 years but less than 15 years | 8% |
| - 15 years up to 19 years | 1 additional day per year |
| - 19 years and over | 10% |

Employees laid off in excess of two (2) months in any vacation year will earn vacation pay in that year in accordance with the above schedule.

10.18 The maximum number of employees away at one time for vacation per department shall be as follows:

1-6	one away
7-12	two away
13-20	three away
20+	four away

10.19 VACATION PAY STATEMENT

- (a) A vacation pay statement shall be issued on each employee's anniversary date showing gross earnings for his last year, anniversary date to anniversary date, plus percentage and time-earned, times classified rate of pay - whichever is greater.
- (b) Employees must give at least two (2) weeks notice when requesting to have their Vacation Pay paid out prior to taking vacations, or vacation pay shall be paid out in full on an employee's anniversary date.

ARTICLE 11: GENERAL HOLIDAYS

11.01 The Company shall give to each employee a holiday with pay on each of the designated General Holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay (**base hourly rate plus shift premium and lead hand premium**) for his normal hours of work. An employee shall receive such holiday pay even if the holiday falls on a Saturday, Sunday or an employee's weekly day off. The designated General Holidays shall be:

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

and any other holiday declared or proclaimed by the Federal and/or Provincial Government will be paid for.

11.02 **GENERAL HOLIDAY FALLS ON SCHEDULED DAY OFF: - In the event a General Holiday should fall on an employees scheduled day off, the employee shall observe the General Holiday either on his next scheduled work day following the General Holiday, or on the last scheduled work day prior to the General Holiday by mutual agreement. Choice of days off will be offered by seniority. Where there is no mutual agreement, the General Holiday shall be observed on the employee's next scheduled work day.**

11.03 STATUTORY HOLIDAY - QUALIFY: -

- (a) Should any of the Statutory Holidays occur during the employee's vacation period, he shall be given an extra day's vacation with pay for each holiday.
- (b) In order to qualify for **his shift** hours' pay for the Statutory Holidays, the employee must have completed thirty (30) calendar days of employment.
- (c) Employees not actively employed because of:
 - lay-off
 - unpaid leave of absence
 - illness) and not eligible for W.C.B. payments for the
 - injury) involved Statutory Holiday(s)

and who worked some time within the fourteen (14) calendar days prior to the Statutory Holiday and/or the day before and the day after shall be paid **his shift** hours pay.

- (d) Disciplinary action may be taken in instances where employees fail to work the day before and the day after Statutory Holidays except where permission was previously obtained or the employee had a justifiable reason for being absent.

11.04 GENERAL HOLIDAY - DURING VACATION: - When a General Holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

11.05 ALTERNATE DAY: - An alternate day may be taken for those employees required to work the day before Christmas Day or Easter Monday, by mutual agreement.

ARTICLE 12: WAGES

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

12.02 PAY STATEMENT: - In the event that an employee is laid off, the Company shall pay such employee not later than forty-eight (48) hours after he ceased to be an employee of the Company, all wages, salary, and holiday pay earned by such employee, excluding authorized deductions.

12.03 TIME SLIPS: - An employee shall be required, on Company time, to fill out time slips (as accurately as possible to job numbers), service reports and job or work reports daily if the Company so requests.

12.04 Any changes to time cards will be discussed before processing.

12.05 ACCIDENTS - PAY TO EMPLOYEES: - Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. If an employee is required to take time off while on the job to consult a doctor with regard

to a compensable injury he has received on the job, he shall be paid for such time off provided a doctor's letter or note is supplied and he returns to complete the day's work, if practicable.

- 12.06 Unless there is mutual agreement with the employee, an employee may refuse to work outside of his classification.

ARTICLE 13: TRAVEL TIME - TRANSPORTATION - EXPENSES

- 13.01 Employees who are required to travel beyond their normal mileage to and from work shall be paid for the time taken to travel such extra mileage at the regular rate. If employees are instructed to call for material or equipment at the Company shop, this travelling time shall be done on the Company's time. Rates of pay and hours of work for all outside work shall include the established field rate of premium.
- 13.02 Time worked in excess of regular hours of work as herein specified shall be considered as overtime and paid for at double the employee's straight time hourly rate except as provided below:
- (a) All travel time to be paid at the regular rate of pay, it being understood that if an employee leaves from work at the Company's request and his total hours of work and travel exceed eight (8) hours, he will be paid time and one-half for the travel time involved beyond eight (8) hours.
 - (b) Travel time occurring when requested by the Company to take place on **Scheduled Day Off or General Holidays** shall be paid for at the rate of time and one-half, based on appropriate field rate of pay.
 - (c) Employees who leave the plant and return within the same day shall be paid their regular rate plus the field rate for the hours worked in the field.
- 13.03 FIELD PREMIUM: - Service personnel shall receive a field premium rate of **two dollars and fifty cents (\$2.50)** per hour when working off Company premises.
- 13.04 Employees required to stay overnight on service calls and only able to work **their shift** hours will be paid a premium of twenty dollars (\$20.00) in lieu of being able to work overtime. If overtime is worked the employee would not receive the twenty dollars (\$20.00).
- 13.05 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 **his** regular shift hours in each twenty-four (24) at straight time. Standby time and layover time will be in addition to any Statutory Holiday time that the employee may be entitled to.
- 13.06 LAYOVER TIME: - Where an employee is required to remain in the field on **Scheduled Day Off or General Holidays**, he shall be paid **his shift** hours for each such day at straight time rates plus any Statutory Holiday Pay he may be entitled to.

13.07 It is understood that travel time will be calculated on the appropriate field rate and does not attract the overtime premium.

13.08 Twenty-four (24) hours' notice shall be given prior to assignment where possible.

13.09 EMPLOYEE VEHICLES: - Employee vehicles shall not be used on Company business.

ARTICLE 14: LEAVE OF ABSENCE

14.01 UNION SERVICE:

(a) 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. This shall not pertain to political functions or rallies.

(b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY:

(a) When an employee suffers an injury, whether on the job or not, or suffers any verifiable 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. If requested by the Company, a letter of verification will be paid for by the Company.

(b) When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

14.03 LEAVE OF ABSENCE - APPLICATION FOR: - If an employee desires a leave of absence for a period of thirty (30) days for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED: - In any instance where an employee accepts other employment on product lines sold or serviced by Inland Kenworth or Parker Pacific, without the consent of management, his employment may be terminated subject to proper proof of same. Those employees on lay-off are exempted from this clause.

14.05 PARENTAL LEAVE: - An employee shall be granted an unpaid leave of absence as per the Employment Standards Act of British Columbia.

ARTICLE 15: GENERAL PROVISIONS

15.01 (a) 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.

- (b) If an employee is injured on the job, the Company will maintain his normal earnings for the day of injury, providing, if requested by the Company, the employee's medical practitioner verifies the time off required by the employee for the treatment of his injury, and provided the employee does not receive Workmen's Compensation for the day of injury.

15.02 WASHROOM FACILITIES: - Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

15.03 PROTECTIVE CLOTHING: - The Company will provide the following:

- rubber clothes
- rubber boots
- welders' gloves
- welders' aprons and leathers
- burning glasses
- hard hats for job use where required
- survival suit

15.04 SAFETY CLOTHING:

The Company agrees to supply ear-plugs and clear or coloured glasses at no cost to employees provided the broken or damaged glasses are returned to the Company in exchange for new glasses, and other required safety equipment to be supplied at no cost to the employees.

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

15.06 COVERALLS: - Coverall service shall be retained at no cost to the employee. All Mechanics will receive ten (10) pairs of coveralls and remaining employees will receive five (5) pair of coveralls.

15.07 LUNCH ROOM: - The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.

15.08 CLEANLINESS: - All employees as well as the Company shall observe the simple rules of good housekeeping and sanitation, as well as tidiness and cleanliness of working apparel.

15.09 CLEAN-UP: - An employee may be allowed a clean up period of at least five (5) minutes before the completion of his shift for the clean up and stowage of Company equipment and employee's personal tools. The Company shall announce the start of the five (5) minute period by blowing a horn.

15.10 SHOP TEMPERATURE: - With the co-operation of employees, the Company will attempt to maintain shop temperature.

Tarpaulins, windbreaks etc., where required, will be supplied by the Company.

15.11 SHOP STEWARD:

- (a) The Union may elect or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name or names of such Shop Steward or Shop Stewards. 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 lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
- (c) Upon informing Management and obtaining clearance, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
- (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.

15.12 PICKET LINE: - It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.

15.13 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.

15.14 TOOL INSURANCE: - The Company shall provide, at its expense, tool insurance coverage to each eligible Journeyman and Apprentice. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, at no cost to the employee. Each employee will provide a brand name inventory of his tools on a form supplied by the Company to be eligible for tool insurance for fire or provable theft.

Such tool insurance shall include coverage on an employee's tool box. It is the responsibility of the employee to keep his tools listed and to permit periodical inspections of these tools. This list of tools to be filed with management.

15.15 TOOL ALLOWANCE:

- (a) ***Tool allowance will be paid to all classifications listed in Appendix "A" and apprentices with the exception of Lubeman and Prepman who will receive 65% of the tool allowance. Plant Labourers and Students are not eligible for tool allowance.***
- (b) ***A tool allowance of four hundred dollars (\$400.00) will be paid on the first day of each contract year; increasing to four hundred twenty-five dollars (\$425.00) effective July 01, 2008; and four hundred fifty dollars (\$450.00) effective July 01, 2009. Receipts are required.***

- (c) **Employees entitled to tool allowance with less than 12 months' service prior to July 1st of each calendar year shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company.**
- (d) **Company will replace all broken tools not covered by warranty and legitimately broken at work, and will repair or replace all worn out or broken air tools, brand for brand, that are legitimately broken or worn out at work. Receipts are required.**
- (e) Receipts in excess of the annual tool allowance may be carried forward to apply against the following year's tool allowance.
- (f) Unused tool allowance or portion thereof may be carried over and added to the following year's tool allowance only on a one (1) year basis.

15.16 SUB-CONTRACTING: - Where the Company's facilities, space and trained personnel are available, the Company will endeavour to continue to have all work which can be efficiently performed by its employees, performed by members of the bargaining unit. Shop Stewards to be notified in advance, when possible, when any job that has traditionally been done in-house, is to be contracted out.

15.17 NOTICE BOARD:

- (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:
 - 1 - Seniority List;
 - 2 - Copy of the Agreement;
 - 3 - Medical, Insurance, Dental Plan Provisions.

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

15.18 SEVERANCE 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 two (2) weeks pay based on eighty (80) hours at his then applicable rate of pay. Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company. Employees with fifteen (15) years of service or longer shall be

entitled to four (4) weeks pay based on one hundred and sixty (160) hours at his then applicable pay.

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

One (1) week's pay for each year of service with the Company to a maximum of fifteen (15) weeks.

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

15.19 BEREAVEMENT PAY:

If an employee suffers the death of his spouse or child, he shall be granted compassionate leave of absence with full pay for forty (40) hours. If an employee suffers the death of his mother, father, brother, sister, mother-in-law, father-in-law, grandparent, grandchild, **brother-in-law or sister-in-law**, he shall be granted compassionate leave of absence with full pay for three (3) days. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided under this Section.

15.20 JURY DUTY:

- (a) All time lost by an employee due to necessary attendance on jury duty, or acting as a witness or any court proceedings arising out of his employment, shall be paid for by the Company at the rate or pay applicable to said employee.
- (b) When an employee returns from serving on jury duty or from participating as a witness, he will be returned to the job held prior to serving.
- (c) 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 or acting as a witness 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 or acting as a witness as provided in this 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. Any employee so involved shall, subject to this Section, make himself available for work before or after being required for such duty whenever practicable during his regular shift.

CLARIFICATION: - This only applies when more than four (4) hours are required at Court.

15.21 DISMISSED OR IMPROPER CHARGES - When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend himself, he shall consult the General Manager of the Company to determine which legal firm should be used.

15.22 ARTICLE HEADINGS: - The Article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.23 EDUCATION FOR UPGRADING:

(a) Employees who are assigned to attend training courses in the Vancouver Area will be compensated as follows:

(i) Straight time wages will be paid for the time spent at the training course based on the employee's regularly scheduled shift. If the employee is attending all or part of the training on his days off, alternate days off will be scheduled immediately before and / or after the training days. Such days off could be scheduled at another time, by mutual agreement. If an employee wishes to work his regular shift instead of taking the alternate days off, the regular shift hours would be paid at straight time rates.

(ii) If the training course is at Langley, and the duration is scheduled to be five (5) hours or less, the employee will start or complete the day performing his regular duties.

(iii) Travel time to and from the course will not be paid.

(iv) A fifteen dollar (\$15) meal allowance will be paid if the course does not include a meal during the meal break.

(v) The employee may submit an expense claim with receipts for vehicle parking and any pre-approved supplies required to attend the course.

(vi) The employee is expected to use their own vehicle for transportation to these courses, and they will be compensated at a rate of forty-four (\$0.44) per km based on the distance from the Langley shop to the training course site, and return, per course day.

(b) Employees who are assigned to attend training courses outside the Vancouver Area will be compensated as follows:

- (i) ***Straight time wages will be paid for the time spent at the training course based on the employee's regularly scheduled shift hours. If the employee is attending all or part of the training on his days off, alternate days off will be scheduled immediately before and / or after the training days. Such days off could be scheduled at another time, by mutual agreement. If an employee wishes to work his regular shift instead of taking the alternate days off, the regular shift hours would be paid at straight time rates.***
- (ii) ***Travel time to and from the course will be paid for the time spent traveling based on the number of hours in the employee's regularly scheduled shift. If the total travel time in one day exceeds the amount of regular shift hours, the employee will be paid for the additional hours at his regular hourly rate of pay.***
- (iii) ***A sixty-five dollar (\$65) per diem will be paid for all course days plus travel days to cover meals and other incidental expenses.***
- (iv) ***Employees will be provided with a travel itinerary with the Company's choice of commercial transportation to and from the course. Commercial transportation is defined as airplane, bus, train, rented automobile, rapid / public transit, ferry, taxi or limousine, etc. Where possible, employees will be scheduled to travel together on commercial transportation to conserve costs.***
- (v) ***The employee will submit an expense claim with receipts for airport parking, ground transportation not included in the course, hotel accommodation, and any other pre-approved expenses promptly upon return to work after completing the course.***
- (c) ***Employees who receive web based or CD / DVD based training will be compensated as follows:***
 - (i) ***Upon successful completion of the course material, the employee will receive a payment of his hourly rate of pay multiplied by the amount of hours the course provider recommends in order to successfully complete the course.***
 - (ii) ***The employee will take these courses on their own time and will not be compensated for hours spent other than in (i) above.***
- (d) ***Employees who wish to take personal development courses that are not suggested or required by the Company may apply, in advance, to their supervisor for reimbursement. Once approved, the employee's expense for tuition only will be reimbursed upon proof of successful completion.***

15.24 BOOT ALLOWANCE:

Any employee with twelve (12) months or more tenure with the Company, and each contract year thereafter, shall receive ***one hundred and forty dollars (\$140.00) in the first contract year; one hundred and fifty dollars (\$150.00) in the second contract***

year; and one hundred sixty dollars (\$160.00) in the third contract year towards the purchase of Workers' Compensation Board approved safety boots. Receipts are required. This allowance may be used for boot repairs , for which receipts are required. Any unused amounts will be carried over to the following contract year.

15.25 INJURED WORKERS' FUND:

The Company on behalf of the employees shall deduct from wages the sum of five cents (5¢) per hour for each hour for which wages are payable hereunder for each employee covered by this agreement, and remit to the Operating Engineers' Injured Workers' Fund.

15.26 DRIVER'S ABSTRACT:

All employees agree to provide a letter of permission to the Company to obtain a copy of their drivers abstract once per year.

15.27 MOONLIGHTING:

No employee shall undertake any work outside the Company premises which is in direct competition with the Company.

It is understood that an employee on layoff may practice his trade.

The term "moonlighting" shall refer to an employee who works for two or more employers or is self-employed and is competing against the Company in the Company's traditional line of work.

ARTICLE 16: TECHNOLOGICAL OR PROCEDURE CHANGES

16.01 In the event the Company proposes the introduction of equipment in its operations, requiring specialized training, the Company agrees to give the first opportunity to employees then on the payroll through the job posting procedures of this Agreement, to operate this equipment and/or train to operate the equipment, provided the applicant qualifies with the requirements of an aptitude test, cost of such test to be borne by the Company.

The Employer agrees to work with the Union and with Canada Manpower in order to arrange for training of employees whose jobs no longer exist as a result of automation or a substantial change in job content, but whose seniority entitles them to continued employment. Such employees shall have the choice of taking the training provided or of accepting a lay-off.

ARTICLE 17: TRUCK MAINTENANCE AND SAFETY

17.01 TRUCK MAINTENANCE: - It is to the mutual advantage of both the Company and the employees, that employees should not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of the employee and 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 log book shall be supplied the driver on which he must report defects in equipment to his supervisor.
- (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.

17.02 JOINT SAFETY COMMITTEE

It is mutually agreed that so long as the Company has more than twenty (20) employees, a Safety Committee consisting of three (3) employees selected by the Union shall meet with a management representative or representatives not less frequently than once a month in accordance with the Workmen's Compensation Board regulations. Minutes of such meetings shall be posted on the Notice Board. When less than twenty (20) employees are employed, meetings to be held from time to time as agreed by the parties hereto.

It is recognized that the safety of the employees is the mutual responsibility of employee and employer and the Safety Committee should devise plans for the furtherance of safety measures including recommendations and, if necessary, recommendations of a disciplinary nature for the enforcement of safety measures. It will be joint responsibility to give written notice to employees who continually ignore safety measures. This notice would be considered the same as written warning by Management.

There shall be the same number of union employee representatives on the committee as company representatives.

ARTICLE 18: MEDICAL - INSURANCE – DENTAL - PENSION

18.01 The Company shall provide and maintain the following coverage for their employees at no cost to such employees. ***Permanent, full-time employees will become eligible for coverage – on the first day of the month following their date of hire if employment commences from the 1st to the 15th day of the month; - on the first day of the second month following their date of hire if employment commences from the 16th to the 31st day of the month.***

- (a) The benefits provided under this Article will be firstly subject to the terms of the Collective Agreement and secondly to the terms of the insurance contracts between the Company and the Insurance Carrier.
- (b) The Parties recognize that the Plan may contain restrictions, exceptions, qualifications, and other terms affecting entitlement to benefits. Questions of entitlement and eligibility will be determined by Clause (a) firstly and then by the terms of the insurance plan and the insurer's contract.
- (c) B.C. Medical Plan or equivalent.
- (d) Extended Health Benefits. The annual deductible shall be \$50.00.
- (e) Life Insurance - thirty-five thousand dollars (\$35,000.00)
- (f) AD&D - \$100,000 coverage 365 days per year - 24 hours per day.
- (g) Weekly Indemnity - \$500.00 per week or Employment Insurance whichever is greater (1-3-36)
- (h) Long Term Disability - \$2,500.00 per month; until age 65 only. Effective July 1, 2001 the Company agrees to add the monthly premium to the employees pay. The employees shall have the premium deducted and remitted on their behalf. This \$2,500 employee benefit shall be non-taxable.
- (i) Employees who are required to travel outside of the Greater Vancouver area shall be covered by an AD & D policy in the amount of \$150,000.00 at not cost to the employee.
- (j) Participation in the Plan will be a condition of employment.
- (k) Eye Glasses: Two hundred dollars (\$200.00) every two (2) years, fifty dollar (\$50.00) deductible, 80/20 pay. Employee and family. No carry over.

18.02 DENTAL PLAN: - The Dental Plan shall provide one hundred percent (100%) coverage on basic dentistry and fifty percent (50%) coverage on crowns, bridges and dentures.

ORTHODONTIA COVERAGE: - The Company will pay seventy-five percent (75%) to a maximum amount of two thousand five hundred dollars (\$2,500.00). i.e. maximum Company portion – eighteen hundred seventy-five dollars (\$1,875.00) for life per child (for dependent children only).

Where the Company presently has an employee benefit plan in effect covering weekly wage indemnity and/or salary continuation, and/or life insurance and/or accidental death and dismemberment coverage in excess of the coverage outlined above, then the Company shall continue such coverage and the cost of the coverage shall be borne between the Company and the employees on the same share basis which presently exists.

18.03 PENSION PLAN

Union Pension Plan

Option A: \$4.50 per hour

Option B: \$1.50 per hour

Company Pension Plan

Option A: \$3.00 per hour

Option B: \$1.50 per hour

The Company shall make contributions at the rates set out above to the applicable Pension Plan. Contribution will be made per hour for which wages are payable hereunder for each employee within the scope of this agreement to the Operating Engineers Pension Plan, or the Company RRSP Plan.

All new employees hired after September 12, 2007 shall be required to join either the Operating Engineers Pension Plan or the Company RRSP Plan. Employees shall make their selection on an authorized form supplied by the Company.

On or about July 1st of each year employees can change their level of contribution per the tables above, and/or change from the Company RRSP Plan to the Operating Engineers Pension Plan. Employees may not opt to change from the Operating Engineers Pension Plan to the Company RRSP Plan.

The Company is required to report on the forms provided by the Operating Engineers' Pension Plan.

Contributions must be forwarded by the Company to the Operating Engineers' Pension Plan or the Company RRSP Plan by the fifteenth (15th) day of the month following that which contributions cover.

The Company shall match contributions to the Operating Engineers' Pension Plan as is currently being done with the Company RRSP Plan.

Formula \$0.25 per \$1.00 to a maximum of 25% of 6% of gross income

e.g. gross income \$60,000 x 6% x 25% = \$900 company contribution

The Company will remit their portion to the Operating Engineers' Pension Plan every six months on November 1 and April 30 of each year.

The Operating Engineers Pension Plan year is May 1 to April 30.

Employees at the two different contribution rates will vote separately on any future increases to their plans.

18.04 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 shall receive credit for forty (40) hours sick leave to apply to the service year which is just commencing. Before reaching an anniversary date at which sick time shall be received, an employee shall receive during the interim period, sick leave credit based on three and one-third (3 1/3) hours per month which will be accumulative to a maximum of forty (40) hours. A new employee shall not receive sick leave credits until he has been in the employ of the Company for sixty (60) 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 (***base hourly rate plus shift premium and lead hand premium***) 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 time 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.
- (d) All absence due to illness of a duration more than two (2) 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 business 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) Any employee that is found to have taken sick time other than for legitimate illness may be terminated immediately.
- (i) The day before or the day after a statutory holiday or long weekend will not be used as a sick day.

- (j) Sick Time Usage
 - (i) All unused sick time per service year may be accumulated up to a maximum of six (6) extra days sick time. ***Sick time in excess of six (6) accumulated days shall be paid out as per paragraph (j) (iii);***
 - (ii) Accumulated extra sick time may only be used after the annual forty (40) hours' sick time has been used up;
 - (iii) An employee may cash out of his unused current yearly sick leave on his anniversary date by taking up to ***seventy-five*** percent of his accumulated days at equivalent pay – not to exceed ***75%*** of forty (40) hours in total.
 - (iv) Any employee who is found to have taken sick time other than for legitimate illness may be terminated, subject to the grievance procedure.
 - (v) The Company shall allow an employee to utilize a paid sick leave day for attending to the needs of a sick child or parent.

ARTICLE 19: SAVINGS CLAUSE

- 19.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.
- 19.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 19.03 If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- 19.04 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either party, 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 replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 20: DURATION

- 20.01 This Agreement shall be in full force and effect from and including July 1, **2007** to and including June 30, **2010** 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 June 30, **2010** 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.

20.02 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.

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

Signed this _____ day of _____, 2007.

INLAND TRUCK SALES, PARKER PACIFIC
EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A"

	JULY 1, 2007	JULY 1, 2008	JULY 1, 2009
Field Service Heavy Duty Mechanic			
U/A	28.85 + 4.50	29.87 + 4.50	30.90 + 4.50
U/B	31.85 + 1.50	32.87 + 1.50	33.90 + 1.50
C/A	30.35 + 3.00	31.37 + 3.00	32.40 + 3.00
C/B	31.85 + 1.50	32.87 + 1.50	33.90 + 1.50
Heavy Duty Mechanics/Commercial Transport Mechanic and Bodymen/Ticketed Painters and Welder-Fitters (A)			
U/A	26.77 + 4.50	27.72 + 4.50	28.69 + 4.50
U/B	29.77 + 1.50	30.72 + 1.50	31.69 + 1.50
C/A	28.27 + 3.00	29.22 + 3.00	30.19 + 3.00
C/B	29.77 + 1.50	30.72 + 1.50	31.69 + 1.50
Mechanics and Painters			
U/A	25.90 + 4.50	26.83 + 4.50	27.77 + 4.50
U/B	28.90 + 1.50	29.83 + 1.50	30.77 + 1.50
C/A	27.40 + 3.00	28.33 + 3.00	29.27 + 3.00
C/B	28.90 + 1.50	29.83 + 1.50	30.77 + 1.50
Painter Helpers and Welders (B)			
U/A	25.05 + 4.50	25.96 + 4.50	26.87 + 4.50
U/B	28.05 + 1.50	28.96 + 1.50	29.87 + 1.50
C/A	26.55 + 3.00	27.46 + 3.00	28.37 + 3.00
C/B	28.05 + 1.50	28.96 + 1.50	29.87 + 1.50
Student	9.06	9.35	9.63
Lubeman (65% of Journeyman rate of Heavy Duty Mechanic)			
U/A	15.83 + 4.50	16.44 + 4.50	17.07 + 4.50
U/B	18.83 + 1.50	19.44 + 1.50	20.07 + 1.50
C/A	17.33 + 3.00	17.94 + 3.00	18.57 + 3.00
C/B	18.83 + 1.50	19.44 + 1.50	20.07 + 1.50
Prep Man:			
Start:			
U/A	11.18 + 4.50	11.67 + 4.50	12.16 + 4.50
U/B	14.18 + 1.50	14.67 + 1.50	15.16 + 1.50
C/A	12.68 + 3.00	13.17 + 3.00	13.66 + 3.00
C/B	14.18 + 1.50	14.67 + 1.50	15.16 + 1.50

	JULY 1, 2007	JULY 1, 2008	JULY 1, 2009
After 12 months:			
U/A	12.36 + 4.50	12.89 + 4.50	13.41 + 4.50
U/B	15.36 + 1.50	15.89 + 1.50	16.41 + 1.50
C/A	13.86 + 3.00	14.39 + 3.00	14.91 + 3.00
C/B	15.36 + 1.50	15.89 + 1.50	16.41 + 1.50
After 18 months:			
U/A	13.56 + 4.50	14.12 + 4.50	14.68 + 4.50
U/B	16.56 + 1.50	17.12 + 1.50	17.68 + 1.50
C/A	15.06 + 3.00	15.62 + 3.00	16.18 + 3.00
C/B	16.56 + 1.50	17.12 + 1.50	17.68 + 1.50
After 24 months:			
U/A	14.76 + 4.50	15.36 + 4.50	15.96 + 4.50
U/B	17.76 + 1.50	18.36 + 1.50	18.96 + 1.50
C/A	16.26 + 3.00	16.86 + 3.00	17.46 + 3.00
C/B	17.76 + 1.50	18.36 + 1.50	18.96 + 1.50
Prep man to be offered an apprenticeship at least by the end of his fourth year, if the Company feels he is qualified.			
Plant Labourer	Fifty percent (50%) of Journeyman rate of pay.		
Lead Hands	Seven percent (7%) over his classified rate.		

Five cents (\$0.05) per hour will be deducted from all of the above hourly wage rates and directed to the Operating Engineers' Injured Workers' Fund.

FIRST AID:

Employees with Level II or higher shall receive one dollar (\$1.00) per hour premium to a maximum of six (6) employees; however, until the limit of six (6) is reached, those employees with Level I shall be paid seventy-five cents (75¢) per hour (maximum six [6] employees total).

DEFINITION OF STUDENT:

Any person who is classified as a Student must in fact be registered at and attending an educational institution.

Any student working twenty (20) or more hours a week on a regular scheduled basis other than during school breaks (spring break, Easter, the summer period, and Christmas) will receive the same rate of pay as the Plant Labourer classification.

Students will not displace regular employees or be retained should a laid-off regular employee (by department) be available for work.

Students will not accumulate seniority and they will not be eligible for Health and Welfare or Pension provision of this agreement.

DEFINITIONS:

FIELD SERVICE MECHANIC	<i>Have B.C. or inter-provincial journeyman mechanic heavy duty papers and capable of welding gas and electric on own. Capable of diagnosing and servicing problems on any one of the product lines sold and serviced by the Company. May be assigned to work in the field on a day-to-day as required basis.</i>
H.D. MECHANIC and COMMERCIAL TRANSPORT MECHANIC	Have B.C. or inter-provincial journeyman mechanic heavy duty papers and capable of welding gas and electric on own. Capable of diagnosing and servicing problems on any one of the product lines sold and serviced by the Company.
MECHANIC	Must be competent and capable of completing all repairs as instructed.
WELDER/FITTER A	To have technical qualifications A or B certification capable of doing layout, reading drawings and assisting other welders.
PAINTER	Capable of preparing and completing paint work to industry standard.
PAINTER HELPER	Capable of preparing for finish painting.
WELDER B Without ticket *	Capable of all welding. Fitting with assistance.
PLANT LABOURER	Do general work in plant and yard as instructed.
STUDENT HELP	Additional job classification will be selected by the mutual agreement of the Company and the Union. If not mutually agreed, Grievance Procedure to be followed.
LUBEMAN	Duties include: oil changes, lube trucks, steam clean, clean shop.

- * Welders who take it upon themselves to upgrade and pass their provincial A or B welding ticket as above, will upon presentation of the ticket, receive the Welder A classified rate.

APPENDIX "B"

- B.01 Employees are required to take orders only from their immediate supervisors.
- B.02 LEAD HAND: - A Lead Hand is an employee who is able and willing to instruct others in the performance of their work, or who, because of exceptional skill and ability or the nature of his work, is so recognized by the Company. They do not have the right to hire or fire or issue written warnings or verbal warnings.

Once an employee has been designated a lead hand by the Company they shall continue to receive the premium for all working hours.

In the absence of the posted lead hand, the company may appoint a temporary lead hand, and he will be paid the lead hand premium for that period of time.

- B.03 (a) APPRENTICE WAGE SCALE:

1st 6 months	60% of Journeyman Rate
2nd 6 months	65% of Journeyman Rate
3rd 6 months	70% of Journeyman Rate
4th 6 months	75% of Journeyman Rate
5th 6 months	80% of Journeyman Rate
6th 6 months	85% of Journeyman Rate
7th 6 months	90% of Journeyman Rate
8th 6 months	95% of Journeyman Rate

- (b) It is mutually agreed that Apprentices may be articulated under the provisions of the Apprenticeship Act of the Province of British Columbia. The number of Apprentices permitted shall be one (1) for the shop and one (1) additional apprentice for each five (5) qualified Journeymen employed therein.
- (c) When an Apprentice attends Apprenticeship Day School, the Company will reimburse him with one hundred percent (100%) of the difference between his rate of pay and the government grant which he receives.
- (d) Applications for apprenticeship programs will be done under job posting procedure.
- (e) Indentured Apprentices shall be considered "employees as defined in Article 2".
- (f) Employees with previous experience in the trade may be slotted in an appropriate term of apprenticeship consistent with their level of practical experience and theoretical knowledge in the trade.
- (g) In the event of a reduction of employment, apprentices shall be laid off in accordance with their Company seniority and in accordance with the Seniority Clause.

- (h) Apprentices may "bump" junior employees in other classifications provided they are able to perform the work required in accordance with the terms of Article 8 of the Agreement. The apprentice shall receive the job rate.
- (i) A joint Apprenticeship Committee will be maintained by the Company and the Union, the members of which shall be employees of the Company. The said Committee will consist of four (4) members, two (2) of whom will represent the Company and two (2) the Union.
- (j) ***Once the schooling dates have been agreed to by the Company and the Employee, these dates will not be changed by either party.***
- (k) ***Apprentices will be assigned to training and be compensated as follows:***
 - (i) ***When an Apprentice attends Apprenticeship Day School, the Company will reimburse him with one hundred percent (100%) of the difference between his rate of pay and the government grant which he receives.***
 - (ii) ***Travel and other out-of-pocket expenses will be borne by the employee.***
 - (iii) ***The Company will pay for the employee's course fees, including any required text books.***
 - (iv) ***Should an Apprentice fail to pass any course, the Company will only pay to take the course a second time and will only pay wages during the time needed to retake the course and subsequent exam only once during the Apprentice's apprenticeship.***
 - (v) ***The apprentice will sign a promissory note at the beginning of each year's training period relating to his apprenticeship agreeing to repay the amount paid on his behalf by the Company for tuition fees and books. This note shall be forgiven over the succeeding twelve (12) months, if the employee continues in the employ of the Employer for that twelve (12) month period, on the basis of one-twelfth per month. Such note shall be payable forthwith in the event that the employee leaves the employ of the employer within one (1) year immediately following completion of his apprenticeship training program. However, if an apprentice is laid off for any cause and cannot be reinstated or recalled within a three (3) month period, the Employer will waive the employee indebtedness incurred with the apprenticeship program. This shall only apply to apprentices hired after September 12, 2007.***

LETTER OF UNDERSTANDING #1

By and Between:

INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Overtime

- 1) It is agreed that the first hour of overtime in each regularly scheduled shift will be paid at time and one-half (1-1/2) to a maximum of **two (2)** hours per week. All other hours including **Scheduled Days Off** and General Holidays to remain at double time as per the Collective Agreement including field service work.

- 2) It is further agreed that Clauses 6.15, 6.16, and 6.17 shall be exempt from this Letter of Understanding.

- 3) ***This letter expires on June 30, 2010.***

Signed this _____ day of _____, 2007.

INLAND TRUCK SALES, PARKER PACIFIC
EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING #2

By and Between:

INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Prescription Safety Glasses – WCB Approved

Glasses will be supplied to all permanent employees in the following way.

Safety glasses are available at no cost to the employee from an optometrist registered under the BCAO. A list provided by the company will give the names of these optometrists and their locations.

If an employee elects to go with an optometrist not on the list, the reimbursable amounts will be:

Single Vision: \$146.30 (Plastic Lenses) or \$156.20 (Polycarbonate Lenses)
Bifocal Vision: \$179.30 (Plastic Lenses) or \$201.30 (Polycarbonate Lenses)
Progressive Vision: \$271.70 (Plastic Lenses) or \$281.60 (Polycarbonate Lenses)

If the cost of the package goes up in the future, the company will pick up the increased cost.

In all the cases the employee will pay for the glasses and be reimbursed by the company upon providing a detailed receipt.

The letter issued by the company dated March 1, 2002 outlines what will be covered.

Lenses will be replaced if broken or substantially pitted or scratched.

Damaged frames should be repaired if possible or replaced as required.

Signed this _____ day of _____, 2007.

INLAND TRUCK SALES, PARKER PACIFIC
EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING #3

By and Between:

INLAND TRUCK SALES, PARKER PACIFIC EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Tuesday To Saturday Shift Schedule (Parker Pacific)

By their signatures below, the above named parties agree as follows:

1. The Company may implement a Tuesday to Saturday day shift schedule.
2. Volunteers or new employees with seniority date of July 1, 2004 and thereafter may be required to work this schedule,
3. The Tuesday to Saturday Work Week shall be on a voluntary basis, unless the Company cannot obtain enough volunteers to fill the requirements, then the junior men in the required categories will be required to work such shift. (Subject to #2 above.)

Where the Company has to appoint men to this shift, any one period of service shall not exceed thirty (30) calendar days.

4. The standard work week shall consist of forty (40) hours on day shift, Tuesday to Saturday inclusive. Sundays and Mondays shall be regular days off for this shift, and any work performed on these days off shall be paid at overtime rates as provided in this Agreement.
5. Tuesday to Saturday work week: Sunday and Monday being regular days off, and General Holiday falling on or celebrated on these days shall be celebrated ***in accordance with Article 11.02.***
6. Employees called back to work after completion of a regular day's work, would be covered by the regular call back provisions contained elsewhere in the Agreement.
7. A premium of one dollar and fifty cents (\$1.50) shall be paid for all hours worked on this schedule. This premium shall attract overtime.
8. All other terms and conditions of the Collective Agreement shall apply.
9. This Letter of Understanding shall remain in place for the duration of the Collective Agreement.

Signed this _____ day of _____, 2007.

INLAND TRUCK SALES, PARKER PACIFIC
EQUIPMENT SALES, DIVISIONS OF
INLAND KENWORTH LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

MISCELLANEOUS

1. The parties agree that to resolve the grievances dated July 07, 2006 and May 4, 2006, contractors being engaged to perform axle bending and axle boring work may continue (grandfathered).

The Company will investigate why the employees cannot do all or part of the axle boring work in house.

The parties agree that further contracting will be discussed with the union in advance of the events per Article 15.16.

2. The Parties agree that only the Appendix "A" wages will be retroactive to July 01, 2007. All other terms and conditions will be effective from September 12, 2007.
3. The Parties agree there will be a minimum of four (4) day shift postings established in the truck service shop on an ongoing basis.

September 12, 2007 Memorandum of Agreement

1. ***All shifts in the truck service shop shall be re-posted within four (4) weeks following September 12, 2007;***
2. ***All members of the bargaining unit will receive a one time payment of 1% of their current (June 30, 2007) hourly rate multiplied by two thousand eighty (2080) hours. This payment to be made within four (4) weeks following September 12, 2007;***
3. ***The one time payment and/or retroactive pay will be paid out within four (4) weeks following September 12, 2007 on the employee's regular payroll bank deposit, or at the employee's option, some or all of these funds may be directed to their designated pension plan.***

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