

AGREEMENT BETWEEN:

0696350 BC LIMITED

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL 115

MAY 01, 2010 to APRIL 30, 2013

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AGREEMENT BETWEEN:

0696350 BC LIMITED

(hereinafter referred to as the "Company")

PARTY OF THE FIRST PART

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

(hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

WITNESSETH: that the parties hereto agree as follows:

ARTICLE 1 - OBJECTS

1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees, to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.

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 places set out in the certificate of bargaining authority.

2.02 This Agreement shall be binding on the Company and the Union and their respective successors, and on each employee.

ARTICLE 3 - UNION SECURITY

3.01 Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, become and remain a member in good standing of the Union. 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. In the event the Company is requested by the Union to discharge employees pursuant to this Article, the Union agrees to indemnify the Company in the event of subsequent proceedings being brought against the Company for such discharge.

3.02 The Company shall provide each new employee a Union membership card and dues deduction card. The employee shall complete the cards and return them to the Company. The Company shall submit the Union membership card to the Union, and shall retain the dues deduction card on the employee's file.

3.03 The Company shall deduct the monthly Union dues, as set by the Union, on the first (1st) pay period of the month and submit these monies to the Union before the twenty-fifth (25th) day of the same month. The Company further agrees that, for each new employee, it will deduct and remit the established Union initiation fee.

The Union shall indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company complying with the provisions of this Article.

3.04 The Company shall submit a check-off list containing the names and social insurance number of each employee and the monies applicable to each employee.

3.05 The deductions shall commence with the calendar month in which the employee receives his first pay cheque from the Company, except where the employee has been hired in the last half of the month, deductions shall commence in the following month.

3.06 Notwithstanding the provisions of Article 3.03, there shall be no financial responsibility on the part of the Company for dues or initiation fee of an employee unless there are sufficient unpaid wages of that employee in the Company's control.

3.07 The Company will not subcontract work regularly performed by members of the bargaining unit if such subcontracting will directly result in the layoff or non-recall of a bargaining unit employee.

3.08 It shall not be a violation of this Agreement for any employee who in the performance of his duties, refuses to cross a legal picket line established by the Union.

3.09 The Company agrees that its management employees will not perform work regularly performed by employees in the bargaining unit. However, it is agreed that the nature of the Company's operations may require management employees to perform minor incidental for short durations in certain situations. These situations would include: giving instruction, training, determining the nature of the work which has been or is to be performed, evaluation, experimental work, ensuring adequate manning levels when employees do not report to work as required, or in an emergency. An emergency is defined as being for the safety of man and/or equipment and/or environment.

3.10 If it will result in the layoff or non-recall of a bargaining unit employee, work regularly performed by employees in the bargaining unit will not be performed by employees excluded from the bargaining unit.

ARTICLE 4 - MANAGEMENT RIGHTS

4.01 It is the exclusive right of the Company to manage its affairs and operate the business subject only to the provisions specified in this Agreement.

ARTICLE 5 - HOURS OF WORK

5.01 The following provisions are established for payroll calculation purposes only, and shall not be construed as a representation or guarantee by the Company of any time or period of work or employment.

- 5.02 The work week shall be the seven (7) day period between Sunday midnight and the following Sunday midnight.
- 5.03 The standard working shift for all posted employees shall be:
- (a) eight (8) hours work within eight and one-half (8½) consecutive hours and shall be worked in five (5) posted consecutive days of the week or
 - (b) ten (10) hours work within ten and one-half (10½) consecutive hours and shall be worked in four (4) posted days of the week with a minimum of two (2) consecutive days off.
- 5.04 Posted employees who report for work at the request of the Employer shall be paid:
- (a) when working an eight (8) hour shift,
 - i) a minimum of four (4) hours at the regular rate of pay on straight time days;
 - ii) a minimum of four (4) hours at the overtime rate of pay on the sixth and seventh consecutive day worked and/or General Holidays.
 - iii) an employee who has worked in excess of four (4) hours in any day shall be paid a minimum of eight (8) hours for the day.
 - (b) when working a ten (10) hour shift,
 - i) a minimum of five (5) hours at the regular rate of pay on straight time days.
 - ii) a minimum of five (5) hours at the overtime rate of pay on the fifth and any subsequent day worked and/or General Holidays.
 - iii) An employee who has worked in excess of five (5) hours in any day shall be paid a minimum of ten (10) hours for the day.
- 5.05 When an employee is required by the Company to change to a new regular shift schedule he shall be given notice of such change at least five (5) days prior to the commencement of his new regular shift schedule. The affected employee shall have the right to exercise his seniority and "bump" a junior employee.
- 5.06 An employee shall be entitled to a minimum of eight (8) consecutive hours free from work between each shift worked. In the event an employee does not receive the stipulated hours of rest he shall be paid at overtime rates for the subsequent shift.
- 5.07 SHIFTS:
- Day Shift: The day shift shall be described as the first (1st) shift of the day and such shift shall be scheduled to start between the hours of 5:00 a.m. and 11:59 a.m.
- Afternoon Shift: The afternoon shift shall be described as the second (2nd) shift of the day and such shift shall be scheduled to start between the hours of 12:00 noon and 8:59 p.m.

Graveyard Shift: The graveyard shift shall be described as the third (3rd) shift of the day and such shift shall be scheduled to start between the hours of 9:00 p.m. and 4:59 a.m.

ARTICLE 6 - OVERTIME

6.01 All hours worked outside of the established shift schedule or on a General Holiday shall be considered overtime and paid at the applicable overtime rates.

6.02 Overtime shall be paid for at the following rates:

(a) Work immediately prior to or following the employees regular shift -- one and one-half (1-1/2x) the rate for the first two (2) hours and two times (2x) the rate thereafter.

(b) All other overtime at one and one-half times (1-1/2x) the rate for the first eight (8) and two times (2x) the rate thereafter.

6.03 The Company shall determine when overtime is necessary and request such employees, as it requires, to work the overtime. The Company shall not unreasonably request an employee to work overtime and an employee shall not unreasonably refuse to work overtime.

6.04 Subject to Article 6.07, all overtime shall be in accordance with this Collective Agreement. All overtime, including call out shall be allocated on a seniority basis, subject to the Employer's right to use the lowest premium rate available.

6.05 The Employer may schedule employees for work on General or Proclaimed Holidays, and in this event, employees whose names appear on the list provided for in Article 6.07 shall be offered this work in accordance with seniority.

6.06 If the Employer decides to schedule overtime other than on a General or Proclaimed Holiday, employees whose names appear on the list provided for in Article 6.07 shall be offered this work in accordance with seniority. The list shall be posted at a minimum of two (2) days prior to any overtime.

6.07 Where an employee wishes to apply for overtime, he shall sign the list posted by the Employer. Should the employee wish to remove his name from the list, he shall remove his name and sign it from this list. The Employer shall confirm the overtime by mid-shift of the day prior to the scheduled overtime.

6.08 PREMIUM RATES

Employees shall be paid the following premiums:

(a) For all hours worked on the second (2nd) shift of the day with an additional twenty-five cents (25¢) per hour to be paid.

(b) For all hours worked on the third (3rd) shift of the day an additional fifty cents (50¢) per hour to be paid.

- (c) One dollar (\$1.00) per hour above an employee's classified rate of pay when supervising contractors or employees.

ARTICLE 7 - FACT FINDINGS, INVESTIGATIONS, INTERVIEWS AND DISCIPLINE HEARINGS

- 7.01 The Company has the right to discipline and discharge for just cause. All disciplinary action will be taken only after thorough investigation with the employee and any other relevant individuals.
- 7.02 Whenever an employee is required to attend a fact finding, accident investigation, interview that could give rise to discipline a Union Representative must be in attendance.
- 7.03 The employee shall be given a copy of the fact finding upon request.
- 7.04 All disciplinary action shall be subject to the grievance and arbitration procedures.

ARTICLE 8 - GRIEVANCE PROCEDURE

- 8.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation or violation of this Agreement, it shall be resolved in the following procedural manner:

Step A: At the first opportunity from the time the grievance arose, and in any event within ten (10) days, the employee or the Union, together with such person or persons as he or the Union may wish, shall discuss the matter with the manager.

Step B: Should a solution not be reached under Step A then the employee, accompanied by the Shop Steward shall, within ten (10) days, state the grievance in writing, describing the grievance and specifying the Article or Articles which are alleged to have been violated as well as the remedy being sought, date and sign the grievance and discuss the matter with the Manager. If a solution is reached, this shall be final.

Step C: Should a solution not be reached under Step B then a Business Representative of the Union, accompanied by the employee if the employee or Business Representative so wish, shall within ten (10) days, discuss the matter with a representative of the Company. If a solution is reached, this shall be final.

ARTICLE 9 - ARBITRATION

- 9.01 If the procedures set forth in Section 8.01, Step A, Step B and Step C do not result in a solution being reached with 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 agreed upon single Arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the grievance.

- 9.02 The Arbitrator shall endeavour to hand down his decision within three (3) weeks following completion of the hearing. The Arbitrator shall not have authority in any manner to amend, alter or change any provisions of this Agreement.
- 9.03 The expenses and remuneration of the Arbitrator shall be paid by the parties in equal shares.

ARTICLE 10 - SENIORITY

- 10.01 The Company shall at six (6) month intervals provide the Union with an up-to-date list of all employees covered by the Collective Agreement showing the Company seniority of each employee. The Company shall post a copy of this list by the time clock or in a conspicuous place in all operating locations covered by this agreement.
- 10.02 All employees hired shall be considered probationary for the first ninety (90) calendar days after hiring, during this period seniority will not be applicable. Upon successful completion of the probationary period the employee shall be granted seniority effective from the first day of the probationary period.
- 10.03 An employee re-entering the employ of the Company after his recall period has expired shall not be subject to another probationary period.
- 10.04 In cases of lay-off and recall the Company shall recognize seniority provided that the senior employee has relatively equal skills and qualifications.
- 10.05 A laid-off employee shall retain his seniority with the Company for six (6) months if he has less than one (1) year seniority and for twelve (12) months if he has at least one (1) year seniority. If a laid-off employee is recalled within the recall period, there shall be deemed to have been no break in his continuous service with the Company by reason of such lay-off.
- 10.06 If a laid-off employee is called back to work with the Company within his recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such lay off. Where the employee fails to accept the call back to work for an opportunity that is anticipated to last for ten (10) days or longer, he shall be terminated.
- 10.07 The Company shall contact laid-off employees 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 numbers while laid off.

ARTICLE 11 - VACATIONS

- 11.01 All employees shall be entitled to annual vacation time and pay according to their completed years of continuous service with the Company at the beginning of each vacation year, as follows:

YEARS OF SERVICE

Less than 1 year	One (1) vacation day per completed month worked, to a maximum of ten (10) vacation days, and four percent (4%) of gross wages as vacation pay.
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1 year or over	Two (2) weeks vacation and four percent (4%) of gross wages earned in the preceding vacation year as vacation pay.
5 years or over	Three (3) weeks vacation and six percent (6%) of gross wages earned in the preceding vacation year as vacation pay.
10 years or over	Four (4) weeks vacation and eight percent (8%) of gross wages earned in the preceding vacation year as vacation pay.

- 11.02 The Company shall post a vacation calendar sheet on the notice board no later than January 1 of each year and the employee shall indicate his desired vacation period on the vacation calendar no later than March 1 of each year. Preference for vacation requests shall be given to the senior employee, in the division, based on seniority.
- 11.03 The employees must take their scheduled annual vacation within each vacation year. The vacation year shall mean the period between January 1st of one calendar year to January 1st of the next calendar year.
- 11.04 Prior to an employee going on his vacation, the Company shall furnish the employee their vacation pay and statement showing the employee his vacation pay, how the vacation pay was calculated and shall include all overtime payments and commissions. The vacation pay shall be by separate cheque.
- 11.05 When an employee resigns or is terminated, in the course of payment of his final pay entitlement, he will receive payment for any annual vacation entitlement earned but unpaid.
- 11.06 An employee's scheduled vacation period shall not be changed by the Company within the one (1) month period immediately preceding the start of the vacation period without the consent of the employee concerned.

ARTICLE 12 - GENERAL HOLIDAYS

- 12.01 The Company shall give to each employee a holiday with pay on each of the designated General Holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work. The designated General Holidays shall be:

New Years Day	Good Friday
Victoria Day	Canada Day
British Columbia Day	Labour Day
Thanksgiving Day	Remembrance Day
Christmas Day	Boxing Day

*Subject to mutual agreement by the employee and the employer as to scheduling

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

- 12.02 Where a General Holiday falls on an employee's scheduled day(s) off then the next working day shall be observed as the holiday.

- 12.03 All time worked on a General Holiday shall be paid in accordance with Article 6.02 (b).
- 12.04 Employees who have established seniority in accordance with Article 10 and who have worked the last working shift scheduled by the Company within fifteen (15) days previous to the General Holiday and who work the first working day scheduled by the Company within fifteen (15) days following the General Holiday, shall receive their regular days' wages for such holiday.
- 12.05 When a General Holiday falls within an employee's scheduled vacation, he shall receive a day off with pay in conjunction with his vacation.
- 12.06 Any employee wishing to change his vacation schedule may do so subject to availability and mutual agreement between the parties.
- 12.07 The term "gross earnings" as used for the calculation of vacation pay, as described within this Collective Agreement, shall include all earnings in the entitlement years described above, including annual vacation pay which the employee received during the entitlement year.

ARTICLE 13 - WAGES

- 13.01 It is agreed that the rates of pay applicable to the job classifications set forth in Appendix "A" attached hereto shall form part of this Agreement.
- 13.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 13.03 Each employee shall receive a statement of earnings for each pay period. This statement will include wage rates, hours paid, overtime, all deductions and any other information necessary to explain the calculation of earnings.
- 13.04 The Company shall, on the 1st day of the month and the 15th day of the month either deposit to the designated bank account of each employee or payment by cheque, all wages earned by the employee up to and including the previous Saturday.
- 13.05 Any employee resigning his position or terminated by the Company shall be paid all monies due to him on the next regular pay day. The employee's record of employment shall be provided as required by the Unemployment Insurance Act.
- 13.06 An employee 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 any compensable injury he had 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.
- 13.07 Where an employee works in a higher hourly rated position other than his regular position he shall be paid the higher rate for all hours worked in that position. Subject to 10.07, where an employee works in a lower hourly rated position he shall be paid his regular rate of pay for all such hours worked.

ARTICLE 14 - TRAVEL - TRANSPORTATION - EXPENSES

- 14.01 The Company shall provide all employees in advance for overnight travel up to fifty- -five dollars (\$55.00) for meals with receipts provided. The Company shall establish a direct billing with an approved hotel. There shall be one employee per hotel room.
- 14.02 Upon return, the employees are to hand in any unused monies plus receipts for all payments made out of the advance.
- 14.03 Employees shall be reimbursed for costs that exceeded the advance subject to the approval of the Operations Manager.
- 14.04 All time spent driving or riding in a motor vehicle to and from a job other than at the employee's normal work place shall be considered as time worked.
- 14.05 If an employee reports to a job outside his normal work place and through no fault of his own is unable to work he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift in each twenty-four (24).
- 14.06 Where an employee is required to lay over for a calendar day or more, he shall be paid for his regular shift for each such day and he shall be paid at straight time rates.
- 14.07 Employee vehicles shall not be used on Company business.

ARTICLE 15 - LEAVE OF ABSENCE

- 15.01 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 that all requests for time off are reasonable and do not interfere with the proper operation of the Company's business. No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.
- 15.02 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.
- 15.03 If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren.
- 15.04 If an employee desires a leave of absence for reasons other than those referred to in this Article he must obtain permission, in writing, for the same from the Company, copies to be supplied to the Union.
- 15.05 In any instance where an employee accepts other employment, without the consent of the Company, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 16 - GENERAL PROVISIONS

- 16.01 The Company shall supply all necessary protective clothing or equipment necessary to ensure an employee's safety while engaged in his duties.
- 16.02 Hand cleaner shall be supplied at all mechanical operations covered by this Agreement.
- 16.03 The Employer shall supply uniforms and gloves to all employees. Uniforms, which will be replaced every two (2) years, shall consist of three (3) pairs of pants, three (3) shirts, and a jacket. In the alternative, three sets of coveralls shall be provided. In locations where the Employer currently launders the employees' uniforms, this practice shall continue.
- 16.04 The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.
- 16.05 An employee shall be granted two (2), fifteen (15) minute rest periods per shift on Company time.
- 16.06 Employees shall be allowed five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.
- 16.07 (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 the Company, 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 discuss and investigate grievances.
- 16.08 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.
- 16.09 The following information shall be kept in a central location, readily accessible to the Shop Steward:
- (a) Seniority List;
- (b) Copy of the Agreement;
- (c) Welfare Plan Provisions.

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

- 16.10 All time lost by an employee due to necessary attendance on jury duty, or subpoenaed as a Crown witness, shall be paid for by the Company at the rate of pay applicable to the employee. Employees shall submit to the Company any rebates paid for such attendance.
- 16.11 All employees shall be provided the necessary protective and/or safety footwear as required by the Company and this footwear shall be at the Company's expense. The Company will make the necessary arrangements with a supplier for this footwear.
- 16.12 When employees are required by the Company to take job related courses, the Company shall pay the course expenses. When an employee requests to take courses to upgrade their skills and knowledge, and the Company has approved the request, the employee shall be reimbursed these course expenses upon successful completion. (i.e. Grade of "C" or better or equivalent.)

These requests and approvals shall not be subject to the grievance procedure.

ARTICLE 17 - TECHNOLOGICAL CHANGE

- 17.01 The Company shall notify the Union not less than three (3) months in advance of any technological change in the Company's operations.
- 17.02 The Company shall co-operate with the Government of British Columbia and/or Canada Manpower and participate in the training or retraining of employees affected by technological change.
- 17.03 Employees affected by technological change shall have the option of taking any training provided or accepting lay-off.

ARTICLE 18 - JOINT CONSULTATION AND ADJUSTMENT PLAN

- 18.01 At the request of either party, the parties shall meet at least once every two (2) months, until the Agreement is terminated, for the purpose of discussing issues related to the workplace that affects the parties or any employee bound by this Agreement.
- 18.02 If the employer introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions or security of employment of a significant number of employees to whom this Agreement applies, the employer shall give notice to the Union at least sixty (60) days before the date in which the measure, policy, practice or change is to be effected.
- 18.03 After notice has been given, the employer and Union shall meet, in good faith, and endeavour to develop and adjust plans in accordance with the provisions of the Labour Relations Code.

ARTICLE 19 - PROMOTIONS - POSTINGS - NEW CLASSIFICATIONS

- 19.01 The Company shall fill job vacancies or new positions from within the bargaining unit where possible. Where two or more applicants have relatively equal skills and qualifications the senior qualified applicant shall be awarded the position.

- 19.02 (a) All vacancies shall be posted in a conspicuous place at all operating locations for three (3) days exclusive of Saturday and Sunday and shall set out the qualifications required for the job. The Company shall consider all employees who apply in accordance with the instructions set out in the posting. It is understood that the Company can fill the vacancy on a temporary basis pending the awarding of the position to the successful candidate which shall be done in a reasonable time.
- (b) An employee transferring from one position to another shall be given an additional probationary period of thirty (30) calendar days. If, after designated training, the employee is found unacceptable for the position, or wishes to return to his last position held, then the employee shall be given the opportunity to return to his last position held without any loss of divisional seniority.
- 19.03 (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A", the Company and the Union shall negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within forty-five (45) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 20 - SEVERANCE PAY

- 20.01 If an employee is on lay-off for a period that exceeds his recall period as provided for in this Agreement and that employee has a minimum of two (2) years' continuous service with the Company, he shall be paid two (2) weeks' pay based on eighty (80) hours at the regular wage rate for his most recently held regular position. Such employee may elect to accept severance pay under this Article before the expiry of his recall period, but in so doing he shall forfeit all seniority rights accruing to him under this Agreement. An employee accepting severance pay has no further claim to work with the Company.
- 20.02 In the event that an employee is terminated as a direct result of a technological change or a permanent plant closure, such an employee shall be entitled to severance pay in accordance with the following schedule:

Two (2) weeks' pay for each completed year of service with the Company to a maximum of fifty-two (52) weeks.

ARTICLE 21 – SAVINGS CLAUSE

- 21.01 If any Article 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 should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement shall not be affected thereby.

ARTICLE 22 – DURATION

22.01 This Agreement shall be in full force and effect from and including May 1, 2010, to and including April 30, 2013 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 expiry of this Agreement, to give written notice to the other Party to commence collective bargaining.

22.02 There shall be no strikes or lockouts so long as this Agreement continues in force.

22.03 Should either party give written notice to the other party pursuant hereto, or such notice be deemed to be given by operation of law, this Agreement shall thereafter continue in full force and effect until:

- (a) the Union shall commence legal strike;
- (b) the Company shall commence legal lockout;
- (c) the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

22.04 The Parties hereto agree that the operation of Section 50 (2) and (3) of the Labour Relations Code of British Columbia is excluded from this Agreement.

Signed this _____ day of _____, 2010.

0696350 BC LIMITED

INTERNATIONAL UNION OF OPERATING
ENGINEERS - LOCAL 115

Steve Madelung, Manager/Owner

Don Swerdan, Members' Representative

APPENDIX "A"

<u>POSITION</u>	<u>May 1/10</u>	<u>May 1/11</u>	<u>May 1/12</u>
Labourer	\$18.08	\$18.44	\$18.81
Blender	21.20	21.62	22.05
Warehouseman	21.20	21.62	22.05
Shipper/Receiver	23.85	24.33	24.82
Drivers	23.08	23.54	24.01

NOTES:

Probationary rates shall be one dollar (\$1.00) per hour less.

LETTER OF UNDERSTANDING #1

BETWEEN:

0696350 BC LIMITED

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

WELFARE AND BENEFITS PLAN

The terms of this Letter of Understanding covering the Welfare and Benefits Plans will remain in full force and effect from June 1, 2010 to April 30, 2013. The Company will agree to inform the Union in advance of any revisions or amendments to its published benefit plans but reserves the right to amend said plans in accordance with the provisions thereof.

The interpretation of this Letter of Understanding or the Welfare, Benefits and Pension Plans shall not be subject to the grievance and arbitration procedure.

This stipulation covers the below benefits:

1. Extended Health Care
2. Dental Plan
3. Life Insurance Plan
4. Accidental Death and Dismemberment
5. Registered Retirement Savings Plan (RRSP)

Signed this _____ day of _____, 2010.

0696350 BC LIMITED

INTERNATIONAL UNION OF OPERATING
ENGINEERS - LOCAL 115

Steve Madelung, Manager/Owner

Don Swerdan, Members' Representative

MEMORANDUM OF UNDERSTANDING

BETWEEN:

0696350 BC LIMITED

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

Listed below is the understanding reached as to the Letter of Understanding #1, dated June 1, 2010 between 0696350 BC Limited and the International Union of Operating Engineers, Local 115.

Registered Retirement Savings Plan (RRSP)

1. The Company will match employee's contribution up to a maximum of \$85.00 per month
2. Contribution will be deposited in a qualified savings plan of the employee's choice.
3. In order to qualify for any Company contribution, employees must participate in the RRSP.

Signed this _____ day of _____, 2010.

0696350 BC LIMITED

INTERNATIONAL UNION OF OPERATING
ENGINEERS - LOCAL 115

Steve Madelung, Manager/Owner

Don Swerdan, Members' Representative