

COLLECTIVE AGREEMENT

Between:

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

April 1, 2011 to April 30, 2021

TABLE OF CONTENTS

ARTICLE 1: OBJECTS	1
ARTICLE 2: BARGAINING AGENCY	1
ARTICLE 3: UNION DUES	2
ARTICLE 4: MANAGEMENT RIGHTS	2
ARTICLE 5: DEFINITION OF EMPLOYEE.....	3
ARTICLE 6: HOURS OF WORK AND OVERTIME	4
ARTICLE 7: GRIEVANCE PROCEDURE.....	5
ARTICLE 8: ARBITRATION.....	5
ARTICLE 9: PROBATIONARY PERIOD	6
ARTICLE 10: VACATIONS, <i>General & Statutory</i> HOLIDAYS	6
ARTICLE 11: GENERAL PROVISIONS	7
ARTICLE 12: NEW JOB CLASSIFICATION.....	9
ARTICLE 13 - TRUCK MAINTENANCE AND SAFETY	9
ARTICLE 14: BENEFITS AND PENSION PLANS.....	9
ARTICLE 15: SAVINGS CLAUSE	11
ARTICLE 16: ENABLING CLAUSE	11
ARTICLE 17: POINT HOPE MARITIME LTD.	11
ARTICLE 18: DURATION.....	19
APPENDIX "B"	21
APPENDIX "C"	22
APPENDIX "D".....	22
APPENDIX "E"	24
HUMAN RIGHTS POLICY	24
<i>LETTER OF UNDERSTANDING # 1</i>	27
<i>LETTER OF UNDERSTANDING # 2</i>	28
<i>LETTER OF UNDERSTANDING # 3</i>	29
<i>LETTER OF UNDERSTANDING # 4</i>	30
<i>LETTER OF UNDERSTANDING # 5</i>	32

COLLECTIVE AGREEMENT

By and Between:

RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD
(hereinafter referred to as the "Company" and/or the "Ralmax Group")

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 115
(hereinafter referred to as the "Union")

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; to prevent strikes, lockouts, and work stoppages; to enable the skills of both Employer and employees to operate to the end that waste and avoidable and unnecessary expense and delays are prevented; to promote good public relations.

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 and working at those classified occupations listed in Appendix "A" for the following locations:

343 Bay Street
507 Ellice Street
350 David Street/2800 Bridge Street
2525 Bridge Street
345 Harbour Road
211 Harbour Road
327 Harbour Road

hereinafter called the "Locations".

2.02 This Agreement shall be binding on the Company and the Union in regard to the above locations and no others.

2.03 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 or her employment with the Company, whichever is shorter. 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.

- 2.04 The Company shall have all new employees complete the required Union Membership, Death Benefit and Pension Enrollment Cards, which will be supplied by the Union. The Company shall mail the completed cards to the Union office.

ARTICLE 3: UNION DUES

- 3.01 All full time permanent employees covered by this Agreement shall, as a condition of employment, pay the equivalent of dues to the Union. These dues shall be paid monthly at **two point six (2.6)** times the hourly rate plus as set forth in Appendix "A" of this Agreement.
- 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 six (6) 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 shall be remitted to the Union no later than the thirtieth of the month following the month in which such check-off applies.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 (a) The management and operation of the business and the direction of the working forces are vested exclusively in the Company.
- (b) The Company has and shall retain the exclusive right to classify, promote, demote discipline and to discharge employees for proper causes, provided that a claim of discrimination (as prohibited under the Human Rights Act) 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 shall be dealt with as hereinafter provided.
- 4.02 The Union shall maintain a Dispatch Office or Offices, from which the Company shall hire all employees.

The Union recognizes where the Company wishes to name-request a former employee, this request will be acknowledged by the Union; provided however, the Union is FIRST notified of the Company's intention to name-request the former employee and provided the former employee is registered with the Dispatch Office of the Union as being available for employment.

The Union shall be given at least forty-eight (48) hours notice between Monday 8:00 am and Friday, 5:00 pm to complete the dispatch, but notice shall be given to the Company of any difficulty in completing the dispatch prior to expiration of the forty-eight (48) hour period.

The Company shall first call the Union for employees. When local Union members are not available or do not meet the necessary qualifications for the position, then the Company may obtain employees elsewhere.

Local shall mean a radius of 60 kilometers from the work site.

An Employee who is not a member of the Union, shall be the first to be laid off, providing there is a Union member on the project who is qualified and willing to do the job being done by the workman who is not yet a member of the Union.

4.03 Area Boundaries:

North: To and including the top of the Malahat.

East: To and including Fulford Harbour on Saltspring Island.

West: To and including Sooke, BC.

Beyond the above noted boundaries, travel in Company vehicles is to be paid at straight time.

Travel between jobs on the same day is to be paid at the hourly rate.

4.04 SUPERVISORS, OFFICE PERSONNEL: All management, supervisors, leadhands or any employee at any level at Ralmax Group will be considered "working positions" which allows them to work at any job, duty, or labour required during the work day as needs may arise. This means that during the day, any management staff can work alongside any non-management staff performing the same duties and fulfilling the same job function.

4.05 BONUSES: The Company reserves the right to pay bonuses to employees if management should find such appropriate.

ARTICLE 5: DEFINITION OF EMPLOYEE

5.01 PERMANENT FULL TIME:

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 under the Labour Relations Code. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" attached hereto. Permanent full-time employees are defined as any employee not included in Articles 5.02, 5.03 and 5.04.

5.02 TEMPORARY FULL TIME:

Temporary full-time staff are defined as employees who work at least forty (40) hours per week for less than two (2) months during the calendar year and who are not students. Temporary full-time staff will be hired with temporary status and will typically only be brought in to handle special work projects for a predictable short term. The pay level will be 85% of the level for the area they are working in. Temporary full-time staff are not subject to any of the employee benefit programs nor subject to Union membership but will pay Union dues.

5.03 STUDENTS:

Student staff are defined as any employees who are attending a school, college, university, or training program on a full-time basis. Typically student staff may work weekends and during the school term vacation. The pay level will be 75% of the lowest starting entry pay level. Student staff are not subject to any employee benefit programs nor subject to Union membership. If student staff work over sixteen (16) hours in any week, Union dues will be assessed at a rate of two and one-half (2-1/2) percent of gross pay but not to exceed an amount equal to two (2) hours pay at the student staff's current rate per month.

5.04 PART-TIME:

Part-time staff are employees who typically work less than sixteen (16) hours per week or during the summer months. The pay level will be 85% of the starting classification rate. Part-time staff are not subject to any employee benefit programs nor subject to Union membership. If part-time staff work over sixteen (16) hours in any week, Union dues will be assessed at a rate of two and one-half (2-1/2) percent of gross pay but not to exceed an amount equal to two (2) hours pay at the part-time staff's current rate per month.

5.05 *New employees hired by Ellice Recycle Ltd. who are classified as Students shall be on a Probation period of 24 months. At any time during this period the Employer may move the Employee into a full time position. At that time the employee shall make application to join the Union. The Employer shall make payments on behalf of the employee to the OE Benefits Plan effective the thirteenth month of employment.*

5.06 *After two years of continuous employment, Ellice Recycle Ltd. employees must become members of the Operating Engineers. At that time the employee shall make application to join the Union. The Employer shall make payments on behalf of the employee to the OE Benefits Plan and shall back date payments for six months previous to the 24 month anniversary date. The Employer shall also make the contributions to the OE Pension Plan as stated in the Collective Agreement.*

ARTICLE 6: HOURS OF WORK AND OVERTIME

6.01 A maximum of eight (8) hours (without overtime) shall constitute a day's work between the hours of 7:30 a.m. and 4:00 p.m. on a forty (40) hour work week, Sunday to Saturday.

Start of shifts may vary by two (2) hours either way.

- 6.02 OVERTIME: After eight (8) hours per day - time and one-half (1-1/2); after eleven (11) hours per day - double time (2x).
- 6.03 CALL OUT TIME: When an employee is called out for work, he shall be paid at least two (2) hours at the employee's applicable hourly rate. Unless weather or other Acts of God prohibit it, an employee who starts work shall be guaranteed at least four (4) hours pay in any day he works.
- 6.04 TIMESHEETS & SAFETY CONCERNS: Employees will fill out timesheets daily in the prescribed format on the prescribed forms. Safety concerns and mechanical problems are to be reported on the timesheets for further action by others.
- 6.05 NIGHT & EVENING SHIFTS: It is understood that on some of the Employer's projects, a night or evening shift may be required and if such is the case, then no additional compensation will be forthcoming.

ARTICLE 7: GRIEVANCE PROCEDURE

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

STEP A - The employee or the Union, together with the Personnel Manager, shall attempt to resolve the issue within seventy-two (72) hours of the employee becoming aware of the alleged incident or infraction occurring giving rise to the grievance. If a solution is reached at this stage it shall be final and binding upon all parties.

STEP B - Should a solution not be reached by Step (A) then a Member Representative of the Union, accompanied by the employee if the employee or Member Representative so wish, shall discuss the matter with the Company Personnel Manager within fourteen (14) days of the alleged incident or infraction occurring giving rise to the grievance. If a solution is reached at this stage, it shall be final and binding upon all parties.

- 7.02 GRIEVANCE - DISCHARGE OR SUSPENSION: - Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays) in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request. In the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, may constitute cause.
- 7.03 SECTION 87: - Grievances pertaining to discharge and suspension will not be processed under Section 87 of the Labour Relations Act of British Columbia unless there is mutual agreement between the parties.

ARTICLE 8: ARBITRATION

- 8.01 If the procedures set forth in Section 7.01, Step A and Step B and/or Section 7.02 do not result in a solution being reached within seven (7) days of the first discussion between a Member Representative of the Union and a representative of the Company, the dispute

shall be referred, within a further seven (7) days, 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.
- 8.02 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.03 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.
- 8.04 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares subject to pre-approval of estimated cost.
- 8.05 By mutual agreement between the Parties, a single Arbitrator shall be appointed.

ARTICLE 9: PROBATIONARY PERIOD

- 9.01 When a new employee is hired, it is agreed that he or she shall be on probation for ninety (90) calendar days. The probationary term may be extended by mutual agreement between the Union Member Representative and Company Management. In the event of temporary lay-off and recall during the probationary period, probation shall be cumulative.
- 9.02 The Company may terminate a probationary employee for any job related negative performance.

ARTICLE 10: VACATIONS, GENERAL & STATUTORY HOLIDAYS

- 10.01 Vacation and General Holiday pay shall be accrued at the rate of ten percent (10%) of gross earnings (six percent [6%] for annual vacation and four percent [4%] for **General & Statutory** Holidays) and shall be paid to the employee at least monthly or upon termination of employment.

For clarification purposes, it is the intent that holiday pay is paid on all "wages", and not on "non-wage" bonuses, that are taxable to the employee.

Employees who have completed twelve (12) months of continuous employment from their date of hire (excluding temporary layoff) upon request shall be entitled to a minimum of three (3) weeks vacation. Vacation periods will be arranged by mutual agreement between the employee and the Employer.

The recognized holidays are:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
first Monday in August (British Columbia Day)	Boxing Day

and any day declared a public holiday by the Federal and/or Provincial Governments. No work will be performed on Labour Day. All work performed on **General or a Statutory** Holidays shall be paid for at double time rates. In the event that any additional day or days are declared public or provincial holidays by the Federal and/or Provincial Governments, then such holidays shall be recognized and the **General or a Statutory** Holiday pay shall be increased by one-half of one percent (0.5%) for each additional day.

The Company has some operations that operate on a seven (7) day a week schedule.

When a General or Statutory Holiday falls on an employee's scheduled day off, regardless of which day is actually observed by the Company, the employee shall receive either their first scheduled day of work off or all hours worked on that day shall be paid at double time.

ARTICLE 11: GENERAL PROVISIONS

11.01 Shop Stewards shall be recognized by the Company and shall be given reasonable time to carry out their duties. The Shop Steward shall advise his immediate Supervisor when requiring time to carry out his duties. The Union agrees to notify the Company, in writing, of the name of the Shop Steward for Pt. Hope Maritime and a Shop Steward for all other operations with consultation with the Company.

The Union shall be notified in writing within forty-eight (48) hours if a Shop Steward is discharged for cause and such cause shall be stated in the reasons.

11.02 SEVERANCE: As per Employment Standards.

11.03 Tenants at the Company owned work sites shall be exempt from the Union at their discretion.

11.04 HUMAN RIGHTS POLICY: The parties agree on the Human Rights Policy in Appendix "E". (Subject to changes in policy.)

11.05 The Company and the Union agree there will be no strike or lockout while this Agreement is in full force.

11.06 PAYMENT OF WAGES:

- (a) The Company shall, every second Friday, pay to each employee all wages earned by the employee to a day not more than five (5) working days prior to the date of payment provided that, if a **General or a Statutory** Holiday falls on the regular payday, payment will be made the preceding day.
- (b) Payment of wages will be made during working hours.
- (c) In the event that an employee is laid off the Company shall pay such employee, not later than the two business days after he ceases to be an employee of the Company, all wages, salary and **vacation** pay earned by such employee, excluding authorized deductions.
- (d) Where an employee is not paid as provided above, such employee shall be deemed to be still on the payroll of the Company and shall receive his usual wages until there is compliance with the provisions or other arrangements are made.
- (e) Wage rates shall be as outlined in Appendix "A" and as modified from time to time by other Articles in this Agreement.
- (f) In addition to the wages outlined in Appendix "A", and as modified elsewhere in this Agreement, the Employer retains the right to give, at its discretion, a "bonus" that is not related to hours of work, productivity or efficiency.

11.07 REST PERIODS: An employee shall be granted two (2) ten (10) minute breaks during the course of each shift - one (1) in each half of the shift. An employee shall be granted a ten (10) minute break after each two (2) hours of overtime he works in any day. All breaks shall be taken at the scheduling of the supervisor or manager without any loss of pay.

11.08 LUNCH PERIOD: Each shift shall have a one-half (1/2) hour lunch period at or near mid-shift.

11.09 BEREAVEMENT PAY: If an employee suffers a death in the immediate family, he shall be granted unpaid compassionate leave of absence for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren. 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.

11.10 SUB-CONTRACTING & CONTRACTING OUT: Where the Company's facilities, space, trained personnel, time expediency, cost, and customer demands allow it, the Company will endeavour to continue to have work done by its own employees. Where sub-contracting or contracting out is deemed necessary by the Company, they may select any sub-contractor or sub-contracting company they wish.

ARTICLE 12: NEW JOB CLASSIFICATION

12.01 NEW JOB CLASSIFICATION: When a new job classification is introduced which is not included in the list of current classifications, the Company and the Union Representative shall promptly negotiate a wage rate. This wage rate will be negotiated within five (5) working days after notification to the Union Representative. New job classifications will fall under one of the existing classifications in Schedule "A".

ARTICLE 13 - TRUCK MAINTENANCE AND SAFETY

13.01 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 Management and in respect thereto the Company agrees as follows:

- (a) Employees shall report any safety defects on equipment and vehicle problems to the Company.

It shall not be a violation of this Agreement for employees to refuse to operate any equipment or vehicle which is deemed unsafe. In the event that such equipment or vehicle is subsequently deemed to be in safe operating condition then the employee shall be required to operate such equipment or vehicle.

- (b) It is mutually agreed that the driver of a vehicle must report defects in equipment to the service department and list said defects upon a work-order.
- (c) 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.

ARTICLE 14: BENEFITS AND PENSION PLANS

14.01 BENEFITS (**RALMAX CONTRACTING LTD.**, RALMAX PROPERTIES LTD., ELLICE RECYCLE LTD.):

Effective May 1, 2011 the Company pays one hundred percent (100%) of **one dollar and eighty cents (\$1.80) per hour earned in respect to each employee opting to enroll. Effective May 1, 2012 this amount shall increase to one dollar and ninety cents (\$1.90). Effective May 1, 2013 this amount shall increase to two dollars (\$2.00). Effective May 1, 2014 this amount shall increase to two dollars and ten cents (\$2.10). Effective May 1, 2015 this amount shall increase to two dollars and twenty cents (\$2.20).** Those employees choosing not to enroll shall sign a company waiver. Should a permanent employee be laid off (with a minimum of one [1] year's service), the Employer will continue to contribute their share to a maximum of two (2) months.

If required by the Board of Trustees, the contribution rate shall be reviewed for increases without opening the Agreement at that time.

14.02 PENSION PLAN (**RALMAX CONTRACTING LTD.**, RALMAX PROPERTIES LTD., ELLICE RECYCLE LTD.):

- (a) The Employer shall make contributions at the rate of three percent (3%) of the hourly rate per hour for each hour earned in respect to each employee covered by this Agreement to the Operating Engineers' Pension Plan.
- (b) New employees hired after April 1, 2006 shall not be eligible for contributions to the Union Pension Plan until they have two (2) years of service, after which Article 14.02 (a) shall apply.

When such new employees achieve two (2) years of service, the Employer shall make a lump sum contribution equal to three percent (3%) of the annual earnings for the past two (2) years to a Registered Retirement Savings Plan.

14.03 Effective May 1st of each year the contribution rate shall be reviewed by the parties without opening the Agreement at that time.

14.04 ELIGIBILITY: Contributions for Benefits Plan will commence on the first day of the month following completion of the probationary period. Pension contributions shall begin six (6) months after probationary period. All members of the Union hired shall have contributions remitted from the first day of hire.

14.05 Contributions must be mailed or delivered by the Employer to the Administration of the O.E. Benefits and Pension Plans office no later than the thirtieth (30th) day of the month following that which contributions cover.

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

The Company agrees to be bound by the terms of the Trust Agreement

The Company is required to report on the forms provided by the Benefits Plan and Pension Plan.

Contributions must be forwarded by the Company to the Operating Engineers' Benefits Plan and Pension Plan no later than the thirtieth (30th) day of the month following that which contributions cover.

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

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

Payment to the Benefits Plan and Pension Plan shall be made by cheque, payable at par at Burnaby, Province of British Columbia, to the Operating Engineers' Benefits Plan and Pension Plan.

Other personnel of the Employers party to this Agreement may become Associate Members as provided for in the Trust Agreement and will be subject to the regulations as provided by the Trustees from time to time.

Benefits which will be provided under this Plan are as follows:

- (a) Medical surgical benefits;
- (b) Weekly Indemnity benefits for non-occupational sickness and accident;
- (c) Pension Plan
- (d) Such additional benefits as the Trustees of the Plan shall periodically determine.

ARTICLE 15: SAVINGS CLAUSE

15.01 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.

15.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.

15.03 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.

ARTICLE 16: ENABLING CLAUSE

16.01 When in the opinion of both parties it is deemed beneficial to the Employer and the Union members the terms and conditions of the Agreement may be modified, such mutually agreed modifications to this Agreement shall be by Letter of Understanding and may be for one project, for a type of work or for a specific period of time. It is the intent of this Article that the Company remain competitive in all of their markets.

ARTICLE 17: POINT HOPE MARITIME LTD.

Certain terms and conditions of employment for employees employed by Point Hope Maritime Ltd. are set out in Article 17.

For Point Hope Maritime Ltd. employees, all provisions under Article 17 shall supersede any previous related Articles as specified in this Collective Agreement.

17.01 Union Recognition

Work Performed by Union Members

- (a) This Agreement shall be applicable to all trades and labourer production employees of the Company engaged in the repair of vessels, the fabrication of steel, aluminum or wooden products or in maintenance work in or about the Company's premises located at the 345 Harbour Road, Victoria, B.C.
- (b) "Maintenance" as used herein is intended to cover the ordinary upkeep and repair of the Company's machinery, shop and property. Where the Company finds that it is economically feasible it will subcontract out the maintenance work.

17.02 Management Rights and Responsibilities

The Union recognizes that the Company may have certain obligations in its contracts with the Government pertaining to security and agrees that nothing contained in this Agreement is intended to place the Company in violation of any security agreement with the Government.

Therefore, in the event that the Department of Defence Production or any other Government agency concerned with security regulations, advises the Company that any employee is restricted from work on, or access to, classified information or material, the Union will not contest any reasonable action the Company may take to comply with its security obligations to the government. If the Company is obliged to act under this clause the Union will be so informed.

17.03 Dismissal, Suspension and Discipline

(a) Burden of Proof

In all cases of discipline, the burden of proof of just cause shall rest with the Company.

(b) Abandonment of Position

An employee who fails to report for duty for one (1) consecutive workday without informing the Company of the reason for his/her absence will be presumed to have abandoned his/her position. An employee shall be afforded the opportunity to rebut such presumption and demonstrate that there were reasonable grounds for not having informed the Company.

(c) Work Disruption

Any employee engaged in willful restriction or reduction of production may be subject to discipline, up to and including dismissal.

17.04 Hours of Work

(a) Work Week

A maximum of eight (8) hours (without overtime) shall constitute a day's work between the hours of 7:30 a.m. and 4:00 p.m. on a forty (40) hour work week, Sunday to Saturday.

(b) Day Shift

A regular work day for the day shift shall consist of eight (8) consecutive hours, exclusive of the lunch period, with pay for eight (8) hours. The regular workweek shall consist of forty (40) hours. Start of shifts may vary by two (2) hours either way.

(c) Afternoon Shift

A regular work day for the afternoon shift shall consist of seven and one half (7½) consecutive hours, exclusive of the lunch period, with pay for eight (8) hours. The regular work week shall consist of thirty-seven and one half (37½) hours. A premium of four percent (4%) will also be paid to each employee who works each full seven and one half (7½) hour shift.

(d) Night Shift

A regular work day for the night shift shall consist of seven (7) consecutive hours, exclusive of lunch period, with pay for eight (8) hours. The regular workweek shall consist of thirty-five (35) hours. A premium of five percent (5%) will also be paid each employee who works each full seven (7) hour shift.

NOTE: The premium is paid for hours worked only.

(e) Shift Changes

When shift changes are made, employees will be granted nine (9) consecutive hours off duty between shifts. An employee, by order of the Company, who commences a new shift during the required nine (9) consecutive hours, will receive the applicable overtime rate for all such hours worked during the nine (9) consecutive hours. The only exemption to this will be that docking, undocking and related work, during this nine (9) hour period, will not be considered as commencing a new shift.

(f) Work Schedule Modifications

- (i) The starting time and quitting time of the various shifts may be changed from time to time by mutual agreement between the Company and the employee(s).
- (ii) The foregoing provisions of this Article are not intended and shall not be considered as preventing overtime work, provided, however, there shall be no discrimination in the assignment of overtime work and overtime shall be

allotted as equitable as practical among the employees to perform the work in question, it being understood the employees assigned to perform a job during the regular work hours shall be given preference when overtime is required on such operations. It shall not be mandatory for an employee to work overtime.

(g) Time Clock

All employees must punch in when arriving for the start of their shift and must punch out upon completion of their shift. Employees leaving the premises prior to the end of their regular shift must punch out. Should they return prior to the end of their regular shift, they must punch in.

(h) Rest Periods

Breaks - there will be two (2) ten (10) minute paid rest periods scheduled close to the middle of each half of each shift. Rest periods are to be taken at the workstations. **See Letter of Understanding #2.**

(i) Clean-Up And Wash-Up

A five (5) minute clean up of the work area will be granted prior to the end of each shift. After the clean up of the work area, the employee may use the balance of time left to wash-up. **See Letter of Understanding #2.**

(j) Reporting To The Workplace

Employees will be at the designated workplace and ready to start work at the designated starting time, except as otherwise provided in the Agreement.

(k) Call Out Time

When an employee is called out to work, he shall be paid at least two (2) hours at the employee's applicable hourly rate. Unless weather or other Acts of God prohibit it, an employee who starts work shall be guaranteed at least four (4) hours pay in any day he works.

17.05 Overtime

(a) After eight (8) hours per day – time and one-half (1 1/2); after eleven (11) hours per day – double time (2x).

(b) Right To Refuse Overtime

Current employees shall be given the first opportunity for overtime work, however employees shall have the right to work overtime without being subject to disciplinary action for so refusing. If the Company cannot obtain the necessary workforce as a result of such refusals and if the overtime is crucial to the project;

the Company is free to hire on other employees. This does not apply if the Union is in a legal strike position.

(c) Rest Interval After Overtime

- (i) A minimum period of nine (9) hours before starting work must elapse between all shifts or the premium in (b) below applies.
- (ii) An employee required to work overtime adjoining his/her regularly scheduled shift shall be entitled to nine (9) clear hours between the end of the overtime work and the start of his/her next regular shift. If nine (9) clear hours are not provided, a premium calculated at two times (2x) the hourly rate shall apply to hours worked on the next regular shift up to nine (9) hours.
- (iii) An employee not reporting to his/her next regular shift until nine (9) hours clear hours have lapsed from the end of the overtime or regular shift will not suffer a shortfall in hours paid.

(d) Overtime Meal Allowance

When an employee is required to work more than three (3) hours past his/her normal quitting time, he/she shall be entitled to a hot meal supplied by the Company. A fifteen (15) minute meal break will be provided at the regular rate of pay. The hot meal supplied must be of an acceptable standard.

The cost of this meal should not exceed fifteen dollars (\$15.00), but the fifteen dollar (\$15.00) allowance shall be paid if the Company does not supply the hot meal.

(e) Docking Crew Minimum

The Parties agree to waive the contract provisions on "call-out" with respect to the Docking Crew under the following conditions:

- (i) When an employee is called in, after his/her regular shift, to dock or undock a vessel, he/she shall be paid a minimum of two (2) hours at the overtime rate.
- (ii) There shall be no requirement to remain on the job doing other work for the unexpended period of time under two (2) hours.
- (iii) There shall be no splitting of the regular shift or overtime rates will apply to a minimum of a full shift.

17.06 Fringe Benefits

(a) Safety Wear/Tools

- (i) The Company shall provide at no cost to the employee the following items, if required:

- (1) safety glasses, goggles, shields, ear protection and gloves;
 - (2) replacement of welding and burning lenses;
 - (3) welding helmets damaged on the job will be replaced at the Company's expense;
 - (4) tools other than tools supplied by employees as per a standard tool list.
- (ii) All items issued to employees as described in (a) above will be on a sign-out basis. All such items will be returned in good condition (fair wear and tear excepted). If such items are not returned, the replacement cost shall be deducted from the employee's pay cheque.
- (b) Clothing And Tools
- (i) All employees supplying tools as per a standard tool list will receive a tool allowance of ten cents (10¢) per hour.
 - (ii) The Company will provide employees with coveralls after completing the probationary period, and upon layoff, all coveralls are to be returned to the Company, or the replacement cost (fair wear and tear excepted) shall be deducted from the employee's pay cheque. **See Letter of Understanding #3.**
- (c) Tool Replacement
- (i) All employees required to have their own tools will submit to an inspection and provide a written list giving brand names and purchase costs and submit them to the Company.
 - (ii) The Company will replace employee's personal tools with tools of equal value in cases where it can be verified that the tools were lost, damaged or stolen other than by the employee's negligence during, or in connection with, the employee's employment duties while working at 345 Harbour Road, Victoria, B.C.

17.07 Probationary Period

- (a) New employees, including employees who are re-hired after a break in continuity of service with the Company, shall be regarded as probationary employees until they have completed a total of sixty (60) days worked within the period of six (6) months from date of hire.
- (b) Probationary employees may be discharged or laid-off without reference to length of service: and, in either event, the Company shall be under no obligation to re-employ such person. Discharge must be for just cause or unsuitability.

17.08 Health And Safety

(a) Joint Health And Safety Committee

- (i) The Union and the Company agree to cooperate fully in matters pertaining to the prevention of accidents and occupational disease and in the promotion of the health and safety of all employees.
- (ii) The Company shall be in full compliance with all applicable statutes and regulations pertaining to the working environment.
- (iii) The Joint Occupational Health and Safety Committee will meet during working hours and the worker representatives will attend without loss of pay. If the committee meets outside of a worker representative's regular workday, he/she shall receive straight time pay or equivalent earned time off.

(b) Leaving Work Due To Accident

An employee leaving work due to an accident or injury occurring at the workplace shall be paid for the remainder of his/her regular schedule shift.

(c) Report Of Injury

Any employee suffering injury while in the employ of the Company must report immediately to the First Aid Department or as soon thereafter as possible, and also to the Department on returning to work.

(d) Occupational First Aid Certificates

- (i) If the Company requires first aid duties performed and with prior approval, an employee upon successful completion shall be reimbursed for the cost of obtaining or renewing an Occupational First Aid Certificate. Leave to write the necessary exam shall be granted without loss of pay.
- (ii) First Aid Premiums:
 - (1) Level 3 First Aid Certificate – hourly rate plus 50¢.
 - (2) Level 2 First Aid Certificate – hourly rate plus 45¢.

17.09 Benefits And Pension Plans (Point Hope Maritime Ltd.)

(a) Benefits Plan

Effective May 1, 2011 the Company pays one dollar and eighty cents (\$1.80) per hour earned in respect to each employee. Effective May 1, 2012 this amount shall increase to one dollar and ninety cents (\$1.90). Effective May 1, 2013 this amount shall increase to two dollars (\$2.00). Effective May 1, 2014 this amount shall increase to two dollars and ten cents (\$2.10). Effective May 1, 2015 this amount shall increase to two dollars and twenty cents (\$2.20).

This Plan will not be administrated through the Company. Should the Plan cost increase the Company will meet with the Union to negotiate the contribution rate.

(b) Pension Plan

- (i) The Company shall make contributions of **\$1.22** per working hour earned in respect to each employee covered by this Agreement to the International Union of Operating Engineers Pension Plan. Thereafter it will increase each July 1st based on the latest Consumer Price Index (C.P.I.) for Victoria as published by Statistic Canada.
- (ii) Any new employees coming into the ship building industry shall not be eligible for contributions to the Union Pension Plan until they have two (2) years of service.

When such new employees achieve two (2) years of service, the Company shall make a lump sum contribution equal to three percent (3%) of the annual earnings for the past two (2) years to a Registered Retirement Savings Plan.

(c) Eligibility

Contributions for Benefits will commence on the first day of the month following completion of the probationary period. Pension contributions shall begin six (6) months after probationary period. All current members of the Union hired shall have contributions remitted from the first day of hire.

17.10 Apprentices and Training

(a) Apprentices

All apprentices shall be employed in accordance with the provisions of the applicable legislation.

(b) Apprentice Wage Scale

1st - 6 months of apprenticeship	50% of Journeyman rate
2nd - 6 months of apprenticeship	55% of Journeyman rate
3rd - 6 months of apprenticeship	60% of Journeyman rate
4th - 6 months of apprenticeship	65% of Journeyman rate
5th - 6 months of apprenticeship	70% of Journeyman rate
6th - 6 months of apprenticeship	75% of Journeyman rate
7th - 6 months of apprenticeship	80% of Journeyman rate
8th - 6 months of apprenticeship	95% of Journeyman rate

(c) Attendance at College

The Company agrees to pay the Apprentice full wages when attending college. All Government grants for attending college will be directed to the Company.

(d) Welding Test

The Company will provide non-ticketed welders requesting a welding test with a coupon. The employees must test on their own time and pay for the cost of testing. Welders required to retest shall retest on their own time and the Company will pay for the test if the employee is successful. At layoff, any employee classified as a welder whose ticket has expired during employment with the Company shall be provided with the facilities to retest on his own time, and, if successful the cost will be reimbursed by the Company. This applies to the Canadian Welding Bureau Tickets only.

17.11 Apprentices and Training New Technology

In the event that the Company introduces a technological change which results in:

- (a) Displacement of employees from employment with the Company. The Company will cooperate with government training facilities to train such employees, if there are job openings with the Company, and such employees have the necessary aptitude to fill the vacancies.
- (b) Any employee being terminated will receive one (1) week pay for each year of employment in excess of three (3) years.

ARTICLE 18: DURATION

18.01 This Agreement shall be in full force and effect from and including April 1, 2006 and shall remain in effect up to and including April 30, 2016.

Signed this _____ day of _____, 20__.

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

HOURLY WAGE RATES AND CLASSIFICATIONS

APPENDIX "A"

Employees involved in Ralmax Contracting Ltd., Ellice Recycle Ltd. & Ralmax Properties Ltd.

Classifications	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014	May 1, 2015 & beyond
Operator – (Yard)	\$22.25/hr	CPI	Formula	Formula	CPI every 3 rd year, but the maximum total compensation package is not to exceed 10% above competitor's compensation package.
Driver	\$20.65/hr	CPI	Formula*	Formula*	
Driver (mini-bin)	\$17.43/hr	CPI	Formula	Formula	
Labourer	\$16.29/hr	CPI	Formula	Formula	
Pipelayer	\$18.48/hr	CPI	Formula	Formula	
Foreman	\$20.36/hr	CPI	Formula	Formula	
Recycle Labourer	\$14.76/hr	CPI	Formula	Formula	
Labourer/Operator - (Yard)	\$18.32/hr	CPI	Formula	Formula	
Operator-(Excavator) Construction	\$27.34/hr	\$27.47	\$28.29	As per Chew Excavating Agreement	As per Chew Excavating Agreement

* - as agreed to by the Drivers.

Driver's doing tote service shall have one dollar (\$1.00) per hour added to their hourly rate.

Formula - Calculation of pay increases:

The hourly wage rate payable pursuant to this Agreement after **May 1, 2011** will be determined each May by the following formula:

- (a) The Company shall select the hourly wage rates of five (5) contractors that perform similar work to that of the Company in the Victoria area;
- (b) The Company will total the hourly wage rates for the five (5) contractors and then divide the total by five (5) producing the average hourly rate.
- (c) The wage rate payable will be ninety percent (90%) of the average rate calculated pursuant to paragraph B above. In the event the rate calculated is lower than the current rate, no decreases will be forthcoming.
- (d) **The CPI rate for Victoria for the previous year shall be used for the wage calculations.**

New Employees will be hired and the level of pay rates will be based on the tables below:

Entry Levels

Level 1	0 - 800 hours	55% of Classification Rate
Level 2	801 - 1600 hours	65% of Classification Rate
Level 3	1601 - 2400 hours	80% of Classification Rate
Level 4	2401 hours and over	100% of Classification Rate

APPENDIX "B"

HOURLY WAGE RATES AND CLASSIFICATIONS

Employees involved with Point Hope Maritime Ltd. & United Engineering Ltd.

Classifications	May 1, 2011	May 1, 2012	<i>May 1, 2013 and beyond,</i>
Journeyman (Welder/Fitter/Electrician/Mechanic / Pipefitter/Machinist)	\$34.37/hr	\$35.83/hr	<i>Same wages as Victoria Shipyard's collective agreement for all classifications except Labourer.</i>
Painter/Sandblaster (Skilled)	\$31.55/hr	\$32.89/hr	
Labourer	\$23.29/hr	\$24.28/hr	<i>The Labourer rate shall not increase. An employee in this classification is encouraged to apply for a Journeyman Apprenticeship.</i>

Lead-hand rate:	4% above regular rate
Charge Hand #1:	6% above regular rate
Charge Hand #2:	10% above regular rate

When new unskilled employees are hired their level of pay rates will be based on the tables below:

Entry Level:	Level 1	<i>0 - 800 hours</i>	<i>80% of Classification Rate</i>
	Level 2	<i>801 - 1280 hours</i>	<i>90% of Classification Rate</i>
	Level 3	<i>1281 - 1760 hours</i>	<i>95% of Classification Rate</i>
	Level 4	<i>1761 hours and over</i>	<i>100% of Classification Rate</i>

APPENDIX "C"

HOURLY WAGE RATES AND CLASSIFICATIONS

Employees involved with Island Plate & Steel Ltd.

Classifications	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014	May 1, 2015
Journeyman/Burner	\$34.37/hr	\$35.83/hr	As per the Journeyman rate listed in Appendix "B" above.		
Driver (3 to 5 ton)	\$17.15	CPI	Use Formula	Use Formula	<i>CPI every 3rd year, but the maximum total compensation package is not to exceed 10% above competitor's compensation package.</i>
Helper	\$15.65	CPI	Use Formula	Use Formula	

APPENDIX "D"

HOURLY WAGE RATES AND CLASSIFICATIONS

Employees involved in Structural Steel work.

Classifications	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014	May 1, 2015
<i>Structural Steel Fabricators, Welders & Erectors</i>	<i>\$31.55/hr</i>	<i>\$32.89/hr</i>	<i>Formula</i>	<i>Formula</i>	<i>CPI every 3rd year, but the maximum total compensation package is not to exceed 10% above competitor's compensation package.</i>

Lead-hand rate: 4% above regular rate
 Charge Hand #1: 6% above regular rate
 Charge Hand #2: 10% above regular rate

Calculation of pay increases for classifications listed in "C" :The hourly wage rate payable pursuant to this Agreement **after May 1, 2011** will be determined each May by the following formula:

- (a) The Company shall select the hourly wage rates of up to three (3) local ship repair or ship builder contractors that perform similar work to that of the Company in the Victoria area;
- (b) The Company will total the hourly wage rates of up to three (3) local ship repair or ship builder contractors and then divide the total by three (3) producing the average hourly rate.
- (c) The wage rate payable will be ninety percent (90%) of the average rate calculated pursuant to paragraph B above. In the event the rate calculated is lower than the current rate, no decreases will be forthcoming.
- (d) ***The CPI rate for Victoria for the previous year shall be used for the wage calculations.***

New Employees will be hired and the level of pay rates will be based on the tables below:

Entry Levels

Level 1	0 - 800 hours	55% of Classification Rate
Level 2	801 - 1600 hours	65% of Classification Rate
Level 3	1601 - 2400 hours	80% of Classification Rate
Level 4	2401 hours and over	100% of Classification Rate

APPENDIX "E"

HUMAN RIGHTS POLICY

By and Between:

RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Preamble:

Ralmax Contracting Ltd., Ralmax Properties Ltd., Ellice Recycle Ltd., Point Hope Maritime Ltd. and the International Union of Operating Engineers, Local 115 (Local 115) support the Human Rights Act of British Columbia. This policy outlines what that commitment means to us all.

The Human Rights Act of British Columbia prohibits (and it is the policy of Ralmax Group and Local 115) that no employee, or customer, will be discriminated against or harassed "because of race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation, age or because that person has been convicted of a criminal or summary conviction offense that is unrelated to the employment or to the intended employment of that person."

While no form of discrimination will be tolerated, most work place discrimination takes place as "harassment". Usually on the grounds of "sex harassment," "race harassment," "age harassment", etc.

Harassment on any ground prohibited by the Act, is a violation of the Act, and is a violation of this policy.

Harassment is defined as making someone feel uncomfortable because of any action, deed or word that is sexual, racist, age related etc, in nature.

Harassment can occur even if there is no intention to do so; harassment is measured by the effect not the intent. This means that the threshold of harassment is crossed when the action, word or deed of someone causes another person to become "uncomfortable".

Every person has the right to work in the company, or be a customer of the company, without being subjected to a poisoned environment that makes them feel awkward or uncomfortable.

Purpose:

The purpose of this policy is to see that all of the employees of the company respect each other, our customers, and the Human Rights Act, and to set up a procedure to identify and remedy any problem that might occur from the date of this policy while it is still solvable here in the company.

Adhering to this policy should stop harassment before it starts. However, should an incident of harassment arise, this policy will work to eliminate it before it gets out of hand.

Every employee must realize that he or she has the right to take any allegation of discrimination to the British Columbia Council of Human Rights, and Ralmax Group and Local 115 clearly and unequivocally support any employee's right to do so without fear of any retaliation from the Company, the Union, or from any employee of the Company or the Union.

Responsibility of Management

It is the responsibility of every officer, director, manager or supervisor of the Company to refrain from any action, word or deed that violates the Human Rights Act or this policy, and to immediately report to the General Manager any allegations/incidents of prohibited harassment whether brought to their attention or personally observed. Under no circumstances should an allegation be dismissed or the complainant be told to deal with it personally. The General Manager shall immediately advise the Union.

Responsibility of All Other Employees

It is the responsibility of every employee of the company to refrain from any action, word or deed that violates the Human Rights Act, or this policy, and to immediately report to the General Manager any allegations/incidents of prohibited harassment whether brought to their attention or personally observed. Under no circumstances should an allegation be dismissed or the complainant be told to deal with it personally. The General Manager shall immediately advise the Union.

Complaint Process:

Preamble

If the policy is to work to create a harassment-free work environment, it is critical that any "allegation" of inappropriate actions, words or deeds be dealt with immediately. Any problem can be resolved in a constructive way if it is caught early.

If You See It:

If you see or hear an action(s), word(s), or deed(s) that is(are) racist, sexist, age related, etc in nature that you believe could make someone else uncomfortable then you are obligated to report it to the General Manager who will report it to the Union. If you do not report it you become part of the problem instead of part of the solution.

If It Happens To You:

If you see or hear an action(s), word(s), or deed(s) that is (are) racist, sexist, age related, etc in nature that makes you uncomfortable then you are obligated to report it to the General Manager who will report it to the Union. If you do not report it you become part of the problem instead of part of the solution.

Remedy

It is the expectation of the company that every employee regardless of their position in the company will abide by this policy and not create an incident that causes another employee, or customer, to feel offended by a racist, sexist, or age related etc. action, word, or deed. However, when an allegation has been made, it is the responsibility of Ralmax Group to appoint an agreed-upon outside dispute resolutionist to investigate the matter with the intention of resolving the issue.

While discipline may be given, up to and including termination if necessary, the key aim of this Policy is to catch a problem early and restore the working environment before it has become too seriously damaged.

The disputes resolutionist brought in shall be reimbursed at the expense of Ralmax Group.

I have read, and I understand, the above policy, and acknowledge that I have received a copy of it.

Dated this _____ day of _____, 20 _____

Signature: _____

Name Printed: _____

LETTER OF UNDERSTANDING # 1

BETWEEN:

RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

The Employer has requested to be able to vary hours of work on future projects to a 40 hour work week maximum, 10 hours per day straight time.

After the start of the project: the Employer will supply to the Union the list of names and signatures of the employees agreeing to work on the project for these conditions.

When a Statutory Holiday occurs during the above work schedule, the employee shall receive 10 hours straight time pay for the Statutory Holiday.

The four shifts do not have to be consecutive.

Signed this _____ day of _____, 20__.

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING # 2

BETWEEN:

RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

17.04 (h) Rest Periods

The afternoon rest period will be removed for the shipyard employees. For those employees who have had the afternoon break removed, they will be entitled to leave work 15 minutes early and this time will be paid at the prevailing rate.

For clarification: If the normal quitting time is 4:00 pm, the employees currently use the last five minutes for clean up. This is from 3:55 pm to 4:00 pm. In this example the clean up would be from 3:40 pm to 3:45 pm and the employees would leave the site at 3:45 and would still be paid to 4:00 pm.

Signed this _____ day of _____, 20____.

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING # 3

BETWEEN:

**RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD**

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

Re: Article 17.06 b. (ii) Coveralls

Currently, the Operating Engineers paid by Point Hope work both for UEL and PHM. The workers that are in the shipyard have their coveralls paid by PHM. The workers that are in UEL's shop have their coveralls paid for by UEL.

When PHM cancels the shipyard coveralls, replacing the service with a cheque for \$250.00 twice a year, only the shipyard workers will receive the \$250.00 cheques. Those employees that are in the Operating Engineers, but work in UEL's shop, currently have their coveralls supplied by UEL's coverall provider and that service will continue to run. As such, they will not receive the \$250.00 cheques.

Cheques for coveralls for shipyard workers, past their probationary period, will be issued twice per year approximately near the dates of November 30 and June 1.

Signed this _____ day of _____, 20____.

**RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.**

**INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115**

LETTER OF UNDERSTANDING # 4

BETWEEN:

**RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD**

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115



RALMAX GROUP OF COMPANIES

P.O. Box 907, Victoria, B.C. V8W 2R9
Office: 343-A Bay Street
Phone: (250) 386-9411 Fax: (250) 384-8011

June 10, 2010

United Steelworkers,
Local 1-1937, C.L.C.,
351 Brae Road.,
Duncan, BC, V9L 3T9

Attention: Pat Kinney Financial Administrator

Re: Harjim Industrial Services Ltd. (Harjim)

MEMORANDUM OF UNDERSTANDING

1. United Steelworkers, Local 1-1937, C.L.C (USW). will Red Circle the existing Harjim employees until they retire or leave on their own terms.
2. Harjim Industrial Services, a division of United Engineering Ltd. (UEL) will be the employer for all new hires under the existing Operating Engineers Local 115 (OE) Collective Agreement.
3. And whereas the OE are certified to represent the employees of the Ralmax Group, the IAM are certified to represent specified employees of UEL, and the USW are certified to represent specified employees of Harjim.
4. And whereas the parties hereto are desirous of creating a harmonious situation, the employees of Ralmax Group may attend, and perform work at the business operations of UEL and Harjim; the employees of UEL may attend, and perform work at the business operations of Ralmax Group and Harjim; and the employees of Harjim may attend, and perform work at the business operations of Ralmax Group and UEL, as directed by the management of Ralmax Group, from time to time, and without any restriction whatsoever.
5. The OE, IAM, and USW agree that none of them will take, or threaten to take, any proceedings under their respective collective agreements, or under the provisions of the Labour Relations Code of British Columbia, that will, in any way, impede or prevent the free cross-over of employees to perform there work at Ralmax Group, UEL, and Harjim as contemplated by this Memorandum of Understanding.

This memorandum of Understanding dated the 11 day of June 2010.

Harjim Industrial Services
(division of United Engineering Ltd.)

Per:


Authorized Signatory

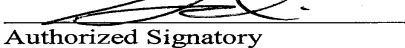
United Engineering Ltd.

Per:



Authorized Signatory

Ralmax Development Inc.
Ralmax Properties Ltd.
Ellice Recycle Ltd.
Point Hope Maritime Ltd.

Per:


Authorized Signatory
Garry Ross

United Steelworkers, Local 1-1937 C.L.C.
Per:


Authorized Signatory

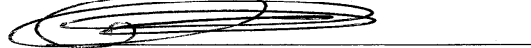
International Union of Operating
Engineers Local 115

Per:


Authorized Signatory

International Association of Machinists
and Aerospace Workers, Victoria Lodge
456

Per:


Authorized Signatory

2

Signed this _____ day of _____, 20__.

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING # 5

BETWEEN:

**RALMAX CONTRACTING LTD., RALMAX PROPERTIES LTD.,
ELLICE RECYCLE LTD., POINT HOPE MARITIME LTD**

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

UOE LOCAL 115 DISTRICT #2

(THU) MAY 1 2008 15:59/ST. 15:59/No. 752030

Letter of Understanding # 5

Appendix "A"

Ralmax Developments Ltd, Ralmax Properties Ltd.
Ellice Recycle Ltd.

Hourly Wage Rates and Classifications

Whereas the Collective Agreement states that the Formula will be used for wages for May 1, the company has discussed with the Union and the following is agreed and proposed:

Agreed that the Driver's rate shall be increased by \$1.00 per hour effective May 1, 2008.

Agreed that the Formula will be used for May 1, 2009 and not the CPI for the Driver's rate due to the 5.2% increase effective May 1, 2008.

Proposed: For those driver's who agree to the further following conditions:

The Company will pay an additional Merit Bonus of \$1.00 per hour (each employee will have the option of banking or having the money paid on each pay , see details below).

The Company's customers comprise of the following:

Cruise Ships

Ellice Diversion

Residential

Commercial

Hartland Landfill open Monday to Saturday noon

The Company's expectations for the drivers to achieve the merit level are as follows:

To continue to maintain and create a happy & harmonious relationship with the Employees, the Company and the Customers.

To be available to operate all or any trucks including the Mini truck in a positive manner.

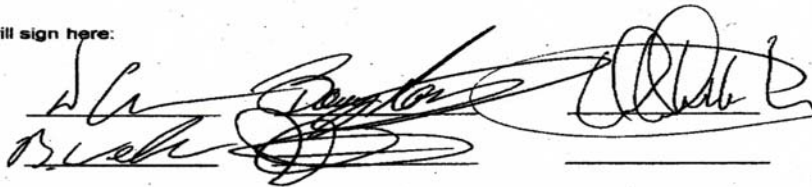
To continue to be a Team Player with a positive attitude and to serve all of the Company's customers respectfully and courteously.

To be available to share shifts Sunday to Saturday with all drivers.

To continue to operate equipment in a safe, timely, and efficient manner.

For all drivers who achieve the merit level, an additional Bonus will be provided. This will consist of an additional \$1.00 per hour, which, if invested by the employee in the OE Pension Plan or an RRSP, will be matched by The Company. Therefore, by investing, a driver receiving the merit bonus would receive an additional \$2.00 benefit above their \$1.00 May increase. Employees may opt to bank that \$1.00/hr bonus until year end at which time it will be invested as described, or they may take it as a wage increase on their cheques. If they choose the second option, then at year end they have the opportunity of submitting an amount to a maximum of \$1.00/hour, for investment, which the Company will then match.

They will sign here:

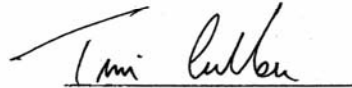


Signed this 1 day of May 2008

Ralmax Developments Inc.
Ralmax Properties Ltd.
Ellice Recycle Ltd.
Point Hope Maritime Ltd.

International Union of Operating
Engineers, Local 115





Signed this _____ day of _____, 20__.

RALMAX CONTRACTING LTD.
RALMAX PROPERTIES LTD.
ELLICE RECYCLE LTD.
POINT HOPE MARITIME LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115