

AGREEMENT BETWEEN

DAVEY TREE SERVICES LTD.

AND

LOCAL UNION 258 OF THE

INTERNATIONAL BROTHERHOOD OF

ELECTRICAL WORKERS

EFFECTIVE DATE: APRIL 6, 2014

EXPIRY DATE: MARCH 31, 2016

LOCAL UNION 258 OF THE IBEW

COLLECTIVE AGREEMENT

TREE TRIMMING

GROUND INSPECTING AND POLE TREATING

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AGREEMENT

This Agreement made and entered into by and between,

DAVEY TREE SERVICES LTD.

(hereinafter called the "Company" and sometimes referred to as the "Employer")
OF THE FIRST PART;

AND:

Local 258 of the International Brotherhood of Electrical Workers,
being a trade union within the meaning of the Industrial Relations Act, (RSBC 1979 Chapter 212); and amendments thereto (herein called the "Brotherhood" and sometimes referred to as the "Local Union")

OF THE SECOND PART;

WHEREAS the Employer and the Local Union wish to create and maintain continuing harmonious labour/management relations, therefore, in pursuance thereof, the Employer and the Brotherhood wish to make a common Collective Agreement; and

WHEREAS the Employer and the Brotherhood have carried on collective bargaining, and the Employer and the Brotherhood are prepared to enter upon a common Collective Agreement upon the terms and conditions contained herein; and

WHEREAS it is recognized that the Agreement is a contract between parties of equal status; now

THEREFORE, subject to applicable legislation, the parties mutually agree as follows:

ARTICLE 1 - TERM OF AGREEMENT

Article 1.01

Commencing on **April 6, 2014** this Agreement shall be in full force and effect and shall be binding on the parties until **March 31, 2016** and thereafter reopened as provided herein. Either party may at any time within four (4) months immediately preceding the date of expiry of the Agreement by written notice require the other party to the Agreement to commence collective bargaining.

The operations of Section 66(2) of the Industrial Relations Act (RSBC 1979 Chapter 212) as amended, is hereby excluded pursuant to Section 66(3) of the said Act.

Article 1.02

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of existing or subsequently enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation or such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect. The parties shall thereupon seek to negotiate substitute provisions, which are in conformity with the applicable laws.

Article 1.03

Should it become necessary during the life of this Agreement to introduce in any phase of the operation, any new class of work within the scope of this Agreement, the job classification and its associated rate shall be discussed and agreed upon prior to introduction. Should the parties fail to reach agreement, the matter shall be submitted to Arbitration in accordance with Article 4.02 herein.

Article 1.04

Wherever the singular or masculine is used in this Agreement, the same shall be construed as meaning the plural or the feminine, where the context or the parties hereto so agree.

ARTICLE 2 - UNION RECOGNITION AND WORK JURISDICTION

Union recognition and work jurisdiction - check off (Local Union dues and fees) Company and Local Union relations.

Article 2.01

For the purpose of collective bargaining with respect to rates of pay, wages and other conditions of employment, the Company recognizes the Local Union as the exclusive representative of those employees coming under the jurisdiction of the Local Union.

Article 2.02

All employees covered by this Agreement if not already members of the Brotherhood shall make immediate application for membership and assignment of dues, and if accepted shall become members and remain in good standing of the Brotherhood while employed in any capacity covered by this Agreement.

Article 2.03

Upon engagement, employees will be advised that as a condition of employment they are required to execute an assignment of dues to the Local Union. The Employer will honour assignment for union dues and fees and remit the fees and dues to the Financial Secretary of Local Union 258 within fifteen (15) days, but not later than thirty (30) days from each payday, as described in Article 10.01, stating the employee's name, rate, dues assessment and month deducted.

Article 2.04

It is agreed that no part of the Agreement is to be interpreted as requiring members of the Local Union to work behind a legal picket line where a strike, lockout or other conditions detrimental to the interest of the Local Union prevail.

Article 2.05

The parties agree that there will not be a strike or lockout during the life of this Agreement.

Article 2.06

Representatives of the Local Union may, with permission from the Company, have access to that portion of the Company's operation where Local Union members are employed. Such permission shall not be unreasonably withheld.

Article 2.07

Subject to the provision of this Agreement, the management, direction, promotion and discipline of the working force is vested exclusively in the Employer. Where discipline is imposed by the Employer, the Local Union will be advised.

Article 2.08

Other things being equal, the Employer will place its sub-contracts with companies employing organized labour. For work which can be completed by members of IBEW Local Union 258, sub-contracting will only be to other Union Shops; and in any event, the Employer will require its contractors to pay the fair rate of wages and provide the fair working condition which prevail in the vicinity of work.

Article 2.09

The Union agrees to actively support the Company's efforts to maintain a professional, efficient and orderly industry:

- by concerted efforts to encourage industry and BC Hydro to use only Union labour for contracted work;
- to discourage individual Union members from sub-contracting work and hiring non-union employees;
- to ensure that shops designated as and claiming to be Union Shops are in fact fulfilling the obligation of Union Shops;
- by actively attempting to organize the non-union shops engaged in this industry;
- by ensuring that contracts signed by other Union Shops offer comparable wages and benefits.

ARTICLE 3 - SHOP STEWARDS

Article 3.01

The Brotherhood shall appoint a Shop Steward or Stewards at each location considered necessary. The Brotherhood shall notify the local management of the Employer as to names and locations of each Steward. The Employer shall likewise notify the Brotherhood as to the names and locations of each supervisor.

Article 3.02

Stewards shall report to their immediate supervisors and request permission to leave the job before leaving work to conduct Union business which shall consist solely of the investigation of complaints that may lead to grievances, or to handle the adjustment thereof, or to attend at any meeting with representatives of the Company or such other Union business as may be authorized by the Company during working hours.

Article 3.03

The Company shall allow Stewards to conduct said business within their assigned areas of representation, unless such action would seriously interfere with operations, and in such instances, the immediate supervisor shall make arrangements for the Stewards to leave the job soon thereafter as operations will permit.

Article 3.04

No Shop Steward, committee or employee shall be discriminated against or jeopardized in standing or suffer any loss of employment on account of membership in or legitimate activities on behalf of the Local Union.

Article 3.05

The Company shall pay employees at prevailing regular rates for Union business conducted during their regular business hours.

ARTICLE 4 - GRIEVANCE PROCEDURE

Article 4.01

Should any difference arise between the parties bound by this Agreement concerning its interpretation, application or any alleged violations thereof, including any question as to whether any matters are arbitrable, there shall be no interference with the progress of work, and the difference shall be finally and conclusively settled as hereinafter provided.

Article 4.02

Either party may initiate a grievance within twenty (20) working days of becoming aware of the issue. To this end the grieving party will notify the other of its intent to arbitrate at Stage III within ninety (90) calendar days of the initiation of the grievances at Stage I. This period may be extended by mutual agreement. A dispute shall not be considered a grievance until discussed by Union representatives with representatives of the Employer who are not members of the bargaining unit.

The Shop Steward, preferably with the individual employee involved, will first take up the matter with the first line supervisor directly in charge of the work.

(i) Stage I

Grievances at this stage will be in writing and will involve discussion between the Business Manager (or his delegate) and the appropriate first line supervisor directly in charge of the work. A written reply will be supplied to the Local Union and the appropriate Shop Steward. A written reply will be supplied to the Local Union and the appropriate Shop Steward within twenty (20) working days.

(ii) Stage II

Failing resolution of the differences or dispute at Stage I, the matter will then be discussed by the Employer and the Local Union Business Manager (or his delegate). A written reply will be supplied to the Local Union and the appropriate Shop Steward within twenty (20) working days. These time periods may be extended by mutual agreement.

(iii) Stage III

Failing resolution of the differences or dispute at Stage II, the matter may be referred to a Board of Arbitration constituted under the provisions of the Arbitration Act. Arbitration proceedings may only be initiated by the grievor and must be commenced within sixty (60) calendar days after failure of settlement at Stage II. The said Board shall consist of a single arbitrator who shall be agreed to by both parties, or failing agreement to be appointed by a Supreme Court Judge at the request of the parties to the Agreement. The decision of the Board of Arbitration shall be final and binding on both parties. Each party shall pay one-half (1/2) of the fees and expenses of the Board of Arbitration. The Board of Arbitration shall complete its sitting and hand down its award within thirty (30) days of its appointment, except that this time may be extended with the mutual consent of the Employer

and the Local Union.

The Board of Arbitration shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions thereof, and in reaching its decision it shall be bound by the terms and conditions of this Agreement.

Article 4.03

In respect to any grievance of a general nature, or relating to the dismissal or discipline of any employee(s), the grievance procedure may be varied by commencing the grievance procedure at any appropriate stage up to and including Stage II.

Article 4.04

In the event of disputes involving change, questions relating to safety shall be referred to the Joint Safety Rules and Regulations Committee to be resolved before the change is introduced, but all other questions shall be processed through the grievance procedure in the usual manner with the ultimate determination being retroactive to the date on which the change was introduced insofar as this is feasible.

ARTICLE 5 - SENIORITY, LAY OFFS AND LEAVES OF ABSENCE

Article 5.01 - Definition of Seniority

Seniority is defined as an employee's accumulated service with the Employer and will be the major consideration in determining the order of lay offs, subject to the ability to perform the remaining work, when it becomes necessary to reduce staff due to a slackness of work.

Subject to the foregoing, Local Union 258 members shall be retained over non-members.

Article 5.02 - Probationary Period

Employees may be required to complete an initial probationary period of not more than an accumulation of sixty (60) working days in a previous six (6) month period to determine their suitability for continuing employment. During this period they may be discharged for reasons of insufficient experience or incompetence. The aforementioned shall not be applicable to former employees of the Employer who have completed a probationary period if they have not been gone for more than three (3) years.

Upon completion of an employee's probationary period, his seniority shall be retroactive to his initial date of hire with the Company.

Article 5.03 - Layoff and Recall

(a) Layoff

In the event of a reduction in the work force, the layoff of employees at any given

headquarters shall be conducted by classification by seniority, subject to having the skills and ability to perform the remaining work.

Employees designated for layoff may replace the most junior employee employed by the Employer who he/she is qualified to replace.

Employees who elect this option shall be paid the prevailing wage rate for the classification held by the junior employee and further, he/she qualifying shall receive the same entitlements to room and board or travel expenses as those received by the junior employee he/she is replacing.

(b) Recall

i Employees having three (3) months of continuous service will be entitled to recall rights including employees who elect to replace a junior employee as defined in (a) above. On layoff, employees will maintain service and accumulate seniority for a period of six (6) months. Employees not recalled within six (6) months will be terminated.

ii Eligible laid off individuals shall be recalled by classification in the reverse order of layoff (i.e., last off - first on).

iii The Employer will first try to contact an employee for recall by telephone; if there is no contact with the employee, the Employer will send a registered letter or a letter delivered by a courier to the last known address of the employee. The employee will have ten (10) days from the date the letter was delivered to their last known address to return to work. Failure to return to work within this period will result in termination.

iv In the event of a reduction of employees, the principle of seniority shall prevail, within each employee's designated headquarter, subject to all things being equal with regard to the ability of the men to perform the remaining work. Employees designated for layoff shall have the option to replace a junior employee, within the employee's designated headquarters, subject to the ability of the employee to perform the duties of the employee he is replacing. Employees who elect this option shall be paid the prevailing wage for the classification held by the employee and, further, he shall receive the same entitlements to room and board or travel expenses as those received by the junior employee he is replacing.

Employees' designated headquarters or units will be designated by our Utility Customers' Service Areas. These are as follows:

Unit 1 Vancouver Island, Gulf Islands, including Powell River.

Unit 2 Lower Mainland, which includes the Sunshine Coast and North to Pemberton-Darcy, Northeast to Lytton, and Southwest to Similkameen Falls.

Unit 3 Southern Interior which includes South to Kelowna, West to Lytton, Northwest to Painted Chasm, East to Sparwood, Northeast to McBride.

Unit 4 Northern Interior which includes South to Painted Chasm, West to the Pacific Ocean including Queen Charlotte Islands, East to Alberta border and North to Alaska and the Yukon Territory border.

Unit 5 Fortis, B.C. Service Areas.

- v For the purpose of recall, those on layoff shall have the responsibility of notifying the Employer and the Union of any change of address or telephone number in writing.

The foregoing does not preclude an employee's access to the grievance procedure defined herein, should an employee believe the Employer acted in an arbitrary or discriminatory manner.

Article 5.04 - Credited Seniority

- (a) Employees who are laid off and rehired to the same company within a six (6) month period from the date of termination will be credited with their former seniority held at the time of the last lay off.
- (b) Absence due to annual vacation, Workers' Compensation, Local Union business, sickness, accident and Long Term Disability, will in no way reduce an employee's accumulated seniority. Should a reduction in staff occur during any of the aforementioned periods, such reductions shall be in accordance with Article 5.03.

It shall be the duty of each employee to notify the Company of the reason for absence and upon request furnish evidence to support the absence (excluding annual vacation, Local Union business and Workers' Compensation) and keep the Company informed of the anticipated date of return to duty.

Article 5.05

The Company upon receiving four (4) weeks notice in writing from the Business Manager and Financial Secretary (or delegate) of the Local Union, agrees to grant leave of absence without pay to not more than one (1) employee for full-time service with the Local Union. The Employer shall grant leave of absence without pay, but including concessions, pensions (i.e., C.P.P.) and benefits for the period covered by their leave of absence. The Brotherhood will pay the Employer's share of such concessions, pension(s) and benefits.

Article 5.06

The Company, upon receiving two (2) weeks notice in writing, from the Business Manager and Financial Secretary (or delegate) of the Local Union, agrees to grant leave of absence without pay to Local Union members for the purposes of attending to Local Union business. Such leaves of

absence shall not exceed two (2) in number at any one time.

Article 5.07

In the event an employee is transferred to a job within another classification, and fails to qualify on the new job, or upon return from temporary transfer, or a leave of absence, the employee will be returned to the job held prior to the transfer or leave of absence or a similar job, if the prior job held by the employee no longer exists.

Article 5.08 – Family Responsibility Leave

An employee is entitled to up to five (5) days of unpaid leave during each employment year to meet family responsibilities as per the Employment Standards Act. Employees will be required to give as much notice as possible.

ARTICLE 6 - SAFETY PRACTICES

Article 6.01

Both the Employer and the Brotherhood hereby declare their intent to conduct a safe operation. Working practices shall be governed by the regulations of the province of British Columbia insofar as they apply and are supplemented by the Safety Practices Regulations as issued by B.C. Hydro and Power Authority and the Joint Safety Rules and Regulations defined herein as issued and amended from time to time.

To ensure application to safety matters of the broadest possible experience and to provide for full co-operation, there shall be a Joint Safety Rules and Regulations Committee composed of an equal number of representatives of the Employer and of the Local Union. Two of these representatives shall act as Chairman, and Secretary alternating yearly between the Employer and the Local Union representatives. The Chairman shall be entitled to vote on all questions before the Committee. A majority decision of the Committee shall be binding on both parties to this Agreement. When the Committee fails to obtain a majority decision on any question referred to it, the question shall be resolved through the grievance procedure set out in Article 4, with arbitration if required.

The Joint Safety Rules and Regulations Committee shall review and recommend upon all re-issues and revisions of the rules and regulations and shall have the opportunity to comment upon proposed standards prior to their becoming effective. The Committee shall meet at the request of either party.

Should any question arise relating to the minimum safe staffing requirements the matter will be referred to the Joint Safety Rules and Regulations Committee for determination.

Where any tradesman deems it unsafe for him to undertake work alone, or where safety regulations require additional help, it shall be his duty to notify his headquarters or, if this should be impossible, summon such help as is required. If any questions arise as to the judgement used, the matter shall be referred to the Joint Safety Rules and Regulations Committee for determination.

The Employer undertakes to maintain a thorough system of training and familiarization such that no

employee will be required to perform work which he cannot safely perform and safety rules and safe working conditions shall be strictly adhered to at all times.

A copy of the Joint Safety Rules and Regulations Committee minutes shall be posted on the notice boards and a copy forwarded to the Union/Company within five (5) working days following the meeting.

Article 6.02

Notwithstanding Article 5.03 employees who fail to observe safety regulations may be suspended and after written warnings, will be subject to dismissal. Copies of written warnings given to employees will be forwarded to the Local Union.

Article 6.03

If an employee's health and physical ability becomes impaired to the extent that he cannot perform the work of his classification, the Company shall wherever possible, give such employee light work within his ability to perform for which he shall be compensated at the rate of pay established for such work.

Article 6.04

Safety equipment, rain gear and protective clothing required by the Employer and/or the Workers' Compensation Board to protect a man and his clothing shall be paid for and supplied by the Employer for the period employed. Such items must be returned to the Company or may be charged to the employee when he leaves the employ of the Company. With respect to Utility Arborists and Utility Arborist Apprentices, the Employer shall pay up to fifty percent (50%) of the cost of purchasing, rebuilding or repairing climbing boots. This cost shall be limited to once per year and must have the prior approval of the Employer.

The Employer will provide chaps to all employees. Employees who elect to purchase slash pants instead of chaps will be reimbursed the amount the Employer would have to pay to purchase chaps for the employees.

For employees other than Utility Arborists and Utility Arborist Apprentices, upon completing one (1) year of service with the Employer, the Employer will pay fifty percent (50%) of the cost to a maximum of \$60.00 for purchasing WCB-approved footwear. This cost shall be limited to once per calendar year and must have prior approval of the Employer.

Article 6.05

The safety and well being of the employees shall be considered at all times in deciding what work is to be performed during the inclement weather such as rain, snow, icing, severe cold or electrical storms. No pay will be lost due to inclement weather except that any employee who chooses not to perform duties assigned to him shall not be paid for time lost as a result of his own decision. Any such employee may, however, claim pay for the time lost through the grievance procedure on the

basis that the duties he chose not to perform should not have been assigned to him in view of weather conditions existing at the time and that his request for alternate work was refused.

Article 6.06 - On-the-Job Injury

- (a) If an employee is injured to such an extent that he is obligated to cease work, his wages will continue for the balance of the day on which he is injured.
- (b) The Company shall furnish adequate emergency transportation to and from the nearest suitable doctor or hospital for any employee injured or who has become seriously ill while in the Company's employ.

Article 6.07

Employees wanting to take the Occupational First Aid Level III Course may apply to the Employer for reimbursement of the cost of the Course. Request for approval and reimbursement must be made prior to the commencement of the Course, and the Employer's response will be in writing.

Employees with Level III Occupational First Aid Tickets will receive a premium of twenty cents (\$0.20) per hour.

ARTICLE 7 - HIRING PROCEDURE

Article 7.01

The Employer shall be responsible for the hiring of new employees. Notwithstanding, the Employer shall give preference to individuals entitled to recall rights as defined in Article 5.03 herein. The Union shall be notified monthly of all new hires and their current addresses.

Article 7.02

The local area of the marshalling point is defined as that area surrounding a marshalling point within forty (40) kilometres (25 miles) of the marshalling point using the shortest road route in each direction.

ARTICLE 8 - HEADQUARTERS, TRANSFERS, BOARD AND LODGING

Article 8.01

- (a) Upon engagement each employee will be required to report at the marshalling point established for the work upon which he is to be employed. Employees who are continuously in the service of the Employer shall have their headquarters agreed to by the parties in situations where an employee no longer reports to his/her initial marshalling point. Where required, transportation to and from the marshalling point to the work site will be provided by the Employer.

- (b) Should any employee be directed to report for duty at another point with the result that he is unable to return to his headquarters daily, reasonable expenses of travel, board and lodging will be borne by the Employer.
- (c) Where it is impossible to recruit an adequate number of employees with the required skills within the local area of any project with the result that employees must be engaged at a point distant from the project marshalling point, such employees will be allowed reasonable expenses for travel to the project. Reasonable costs of board and lodging will be borne by the Employer. On reduction of staff, due to lack of work, such employees will be paid travelling time and allowed reasonable expenses for travel to return to the point at which they were hired.
- (d) Employees who are unable to return to their normal place of residence at the end of each working week shall have the option of returning to their normal place of residency every twenty-eight (28) days for a period of seven (7) consecutive days.
- (e) **Employees who are required to attend Utility Arborist Apprentice Schooling will be approved with Room and Board for the duration for the required Course Training.**

Article 8.02

The Employer will provide board and lodging based on double occupancy wherever possible for all employees with the exception of those hired locally as defined in Article 7.02.

Article 8.03

Construction camps requiring eating, sleeping, ablution, laundry and recreation facilities that are set up for employees shall generally conform to the provisions set out in the Camp Rules and Regulations covering B.C. and Yukon Territory and the Amalgamated Building and Construction Trades Council and the Amalgamated Construction Association of B.C. as amended from time to time.

Article 8.04

By arrangement between the Employer and the Employee whereby approval is obtained in writing on an individual basis, a living allowance of **\$90.00 per day effective April 6, 2014, \$100.00 per day effective April 6, 2015 and \$100.00 per day effective April 6, 2016** may be granted to the employee in lieu of the Employer providing board and lodging. It is recognized that the employee must reside in acceptable accommodations in the immediate vicinity of the work.

When lodging is provided, a non-receipted meal allowance of **\$52.00 per day effective April 6, 2014, \$53.00 effective April 6, 2015, and \$54.00 effective April 6, 2016 will be provided.**

ARTICLE 9 - HOURS OF WORK

Article 9.01

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- (a) Eight (8) hours of work shall constitute a work day and forty (40) hours of work shall constitute a work week. Hours of work may be scheduled other than stated by mutual agreement between the Employer and the Local Union.
- (b) A normal working day shall constitute eight (8) hours worked between 7:00 a.m. and 5:00 p.m. with a thirty (30) minute unpaid lunch break to be taken mid-day. Variance from the normal hours of work, i.e., 8:00 a.m. to 12:00 noon, and from 12:30 p.m. to 4:30 p.m., Monday to Friday, will be by mutual agreement between the Employer and the employee(s).

With the agreement of the Employer, employees on projects that provide board and lodging may work in excess of an eight (8) hour work day but no day shall exceed ten (10) hours at straight-time rates of pay. A work week shall be four (4) days between Mondays to Friday and will not exceed forty (40) hours at straight-time rates of pay.

For the purposes of Article 10.01 (c) the predetermined and approved hours of work shall be deemed to be an employee's "regular working shift."

- (c) In the event of an emergency forest closure as authorized under the Forest Act, the work day shall consist of eight (8) consecutive working hours at straight-time rates irrespective of the time commenced. Overtime rates shall apply for those hours worked in excess of eight (8).
- (d) Employees shall be paid at the prevailing rate for time spent travelling to and from the marshalling point to the work site.
- (e) The employee's travelling time to and from the marshalling point to the work site shall be paid by the Company. An employee who reports to work and on reporting to work finds no work available, shall be entitled to four (4) hours pay at his regular rate. This payment shall not apply if, during the preceding work day, the Employer has notified the employee not to report for work on the day following. However, the right of the Employer to give such notice shall be confined to circumstances, which are beyond the control of the Employer.

Notwithstanding the aforementioned, it shall be the intent of the Employer to notify an employee as to work assignments for the following day prior to completion of his normal hours of work. Should this not be possible, the Employer will not be subjected to the four (4) hours pay at regular rates on the following work day, provided he so advises the employee within ten (10) hours prior to his normal hours of work as described in Article 10.01 (d) herein.

- (f) Employees who are required to attend mandatory training mandated by a Utility customer of Davey Tree Services Ltd., will be paid straight-time wages including travel time or to receive equivalent straight-time off work. Time off to be mutually agreed to between the employee and the Supervisor.

Article 9.02 – Call Out

- (a) An employee called out to work overtime prior to 4:00 am will receive the double-time rate for all time worked, including time worked on the regular work day.
- (b) An employee called to work after 4:00 am shall receive the double-time rate until the commencement of their regular working day, at which point they shall begin to receive straight-time wages for that regular working day (eight (8) to ten (10) hour work day).
- (c) The minimum amount of pay for any call-out will be the proper amount of two (2) hours at the overtime rate. Employees shall be paid from the time of the call. In addition, travel time of one-half (1/2) hour shall be allowed an employee to reach his living quarters on completion of an overtime period. All other overtime hours worked shall be paid as described in Article 10.01.

Article 9.03

Employees shall receive three (3) sick days off with pay per calendar year after one (1) year of service.

ARTICLE 10 - PAYMENT OF WAGES

Article 10.01

- (a) Employees shall be paid every second Friday.
- (b) If the regular pay day falls on a Statutory Holiday, employees will be paid on the preceding work day.
- (c) The rate of pay for overtime shall be at one hundred and fifty percent (150%) of the regular rate for the first two (2) hours immediately following a regular working shift and for the first eight (8) hours worked on Saturdays.

All other overtime hours worked, including time worked on Saturdays, (excluding the first eight (8) hours) Sundays and Statutory Holidays shall be paid for at two hundred percent (200%) of the regular rate.

Except as provided in Article 9.02 the rate of pay for the first eight (8) hours scheduled worked on Saturday shall be at 150% of the regular rate.

All other overtime hours worked on Sundays and Statutory Holidays shall be paid for at 200% of the regular rate.

Employees who work overtime may elect to bank hours to be taken as time off in lieu at the rate in effect when the overtime was worked as a time mutually agreed to between the Employer and the employee. Overtime hours remaining in the bank at the end of the calendar year shall be paid out to the employee at the rate of pay in effect at the time that the

overtime was worked.

- (d) Where less than one day or shift is spent at work at a higher classification a minimum of four (4) hours pay at the higher rate will be paid for periods of four (4) hours or less. A regular day or shift at the higher rate will be paid for periods greater than four (4) hours.
- (e) Employees engaged temporarily at work classified as paying less than their regular rate shall not have their rate reduced while so working.

Article 10.02

The Company agrees to grant all employees covered by this Agreement, two (2) fifteen (15) minute rest periods each day, one in the morning and one in the afternoon.

Employees called upon to work overtime shall be granted a fifteen (15) minute rest period every two (2) hours while overtime lasts.

Employees on overtime will be provided with a half-hour paid meal break plus the cost of the meal if more than three (3) hours overtime is worked following a regular shift. The meal break may be taken at the end of the overtime period.

Article 10.03

An employee requiring leave of absence to report for jury duty or subpoenaed for witness in a criminal case will receive for each day of absence, the difference between pay lost, computed at the employee's hourly wage rate, and the amount of jury fee received, providing that the employee furnish the Company with a receipt signed by the proper court officer, showing the amount of jury fees received.

Article 10.04

In the case of death in the family of an employee, the employee shall be entitled to a leave of absence with pay, at the employee's regular hourly rate of pay on the following basis:

Four (4) days in the case of death of one of the following relatives provided the employee attends the funeral: Spouse, Father, Mother, Legal Guardian, Son, Daughter, Brother, Sister, Father-in-Law, Mother-in-Law, Grandfather, and Grandmother.

Parental/Maternity Leave will be provided as per the Employment Standards Act, Part 7.

ARTICLE 11 - STATUTORY HOLIDAYS

Statutory Holidays will be:

New Years Day
Easter Monday
Canada Day

Good Friday
Victoria Day
B.C. Day

Labour Day
Remembrance Day
Boxing Day

Thanksgiving Day
Christmas Day
Family Day

In addition, days in lieu as designated by the provincial or federal governments, and any additional holiday not related to the above holidays and gazetted by the provincial or federal governments.

Statutory Holidays are to be paid at regular straight-time rates. To be entitled to the Statutory Holidays, an employee must have earned wages for at least fifteen (15) days during the thirty (30) calendar days immediately preceding the Statutory Holiday. When the aforementioned Statutory Holidays fall on a Saturday, they shall be observed on the previous Friday and those falling on Sunday shall be observed on the following Monday.

ARTICLE 12 - VACATION

Article 12.01

The Company shall adhere to the principles of paid vacations in each year in accordance with the following:

- (a) Two (2) weeks vacation for one (1) year or more accumulated service until the fifth (5th) year.
- (b) Employees whose fifth (5th) year of accumulated service is completed by December 31st will be entitled to three (3) weeks' vacation in that calendar year and each year thereafter.
- (c) Employees whose **tenth (10th)** year of accumulated service is completed by December 31 will be entitled to four (4) weeks' vacation in that calendar year and each year thereafter.
- (d) Payment for vacations will be on a percentage basis, pro rata, up to a maximum of four (4) per centum of gross earnings for two (2) weeks and six (6) per centum for three (3) weeks. Payment for vacations will be on a percentage basis, pro rata, up to a maximum of eight (8) per centum of gross earnings for four (4) weeks.
- (e) Where an accumulation of absences due to sickness, Long Term Disability or Workers' Compensation exceeds six (6) calendar months in a calendar year; the vacation entitlement in the following calendar year shall be reduced by 1/6 for each cumulative month of absence in excess of six (6) months.
- (f) Employees who are off work as a result of job-connected injuries covered by Workers' Compensation will be credited for the appropriate per centum of what his regular earnings would have been for the period of absence.

ARTICLE 13 - HEALTH AND WELFARE

- (a) The Employer shall enrol all employees, upon becoming eligible as provided for in the

Policy, into the group insurance program for employees of Davey Tree Services Ltd., which forms part of the group master policy issued by Sunlife. Further, the Employer shall continue to maintain such benefits specified in the above Policy. These are minimum benefits and in the event that the insurance carrier and/or the Policy are changed, comparable benefits shall be provided to the employees. Life Insurance is to be \$75,000. Employees will become eligible to participate in the Extended Health program upon the completion of one and one-half (1.5) years of service with the Employer.

| | | |
|-------------------------------------|---|-------------------------------------------------------------------------------|
| Eye Exams | - | Covered by the Employer up to \$100.00 not to exceed twenty-four (24) months. |
| Vision Care (prescription eye wear) | - | \$250.00 not to exceed every twenty-four (24) months. |

Commencing April 1, 2007, the Employer agrees to contribute two cents (\$0.02) per hour worked by each employee covered by this Agreement, into the B.C. Construction Industry Rehabilitation Plan. The Employer will submit the contributions to a recipient designated by the Union by the fifteenth (15th) day of the month following the month in which work was performed.

- (b) The Employer shall provide basic British Columbia Medical Services Plan (M.S.P.) covering required medical, surgical and associated services.

Coverage shall be effective on the first day of the month following the date of eligibility as defined in the group insurance program.

- (c) The cost of premiums for the above health and welfare benefits shall be shared: eighty percent (80%) by the Company and twenty percent (20%) by the employee, with the exception that the employees will pay one-hundred percent (100%) of the Long Term Disability premiums.
- (d) An employee laid off shall have their health and welfare premiums including Medical Services Plan premiums paid for the month following the month in which he was laid off by the Employer. The Employer shall pay one-hundred percent (100%) of such premiums. Where an employee is rehired within the eligibility period of six (6) months, he shall reimburse the Employer the employee's portion (twenty percent (20%)) for those premiums paid by the Employer following lay off.

ARTICLE 14 – JOB DESCRIPTIONS

EMPLOYEES' DRIVING

Any employee competent to do so shall, upon request, drive an automotive vehicle assigned to him by the Employer.

GROUNDMAN

An employee engaged to perform manual labour, which will include cutting, chipping, piling and burning of brush, act as a Flagger and other work as assigned. A Groundman, provided he is properly licensed, may move vehicles a short distance at the work site only.

SAWMAN/SLASHER

An employee engaged to perform manual labour who has acquired familiarity with the work required, including truck driving, operation of chipper equipment and other related work as assigned.

EQUIPMENT DRIVER/OPERATOR

An employee engaged to operate heavy equipment, which may include cats, cranes, mechanical axes and mechanical fellers and tractor trailers.

HERBICIDE APPLICATOR

An employee licensed under the applicable federal and/or provincial legislation and assigned to apply restricted chemicals, for such work as ground line pole treating and spraying of ground line foliage.

UTILITY ARBORIST

A fully qualified certified employee, engaged in all aspects of tree work. Such work shall include the operation of aerial manlift equipment. He may be assisted by an Herbicide Applicator, Groundman, Sawman/Slasher or Utility Arborist Apprentice.

LEAD HAND

An employee assigned the responsibilities of tools, equipment including vehicles and in addition nine to 12 employees. It shall be the duty of a Lead Hand to supervise the work of the men under his charge in such a manner that work shall be carried on safely, efficiently and expeditiously. A Lead Hand, in addition to supervising the work of men under his charge, may himself work whenever the work in hand is such that this can safely be done. A Lead Hand shall be a fully qualified certified Utility Arborist.

UTILITY ARBORIST APPRENTICE

An Apprentice is an employee in training and, as such, is entitled to be instructed in every aspect of the trade. He shall be permitted to use tools under the supervision of a Journeyman.

ARTICLE 15 – WAGE SCHEDULE

| | <u>Apr 6/14 (2 %)</u> | <u>Apr 6/15 (2%)</u> | <u>Apr 6/16 (2%)</u> |
|-------------|-----------------------|----------------------|----------------------|
| Groundman 1 | \$ 16.52 | \$ 16.85 | \$ 17.19 |
| Groundman 2 | 17.73 | 18.08 | 18.45 |

| | | | |
|---------------------------------|-------|-------|-------|
| Sawman/Slasher 1 | 18.55 | 18.92 | 19.30 |
| Sawman/Slasher 2 | 20.43 | 20.83 | 21.26 |
| Charge Hand | 21.85 | 22.29 | 22.73 |
| Herbicide Applicator 1 | 23.91 | 24.39 | 24.88 |
| Herbicide Applicator 2 | 25.09 | 25.59 | 26.10 |
| Charge Hand | 26.86 | 27.40 | 27.95 |
| Equipment Driver/ Operator 1 | 23.47 | 23.94 | 24.42 |
| Equipment Driver/ Operator 2 | 25.95 | 26.47 | 27.00 |
| Equipment Driver/ Operator 3 | 29.04 | 29.62 | 30.21 |
| Utility Arborist | 29.04 | 29.62 | 30.21 |
| Lead Hand | 32.29 | 32.94 | 33.59 |

Utility Arborist Apprentice:

- 0 – 400 hours of actual work as an Apprentice, with a minimum of eight (8) months, seventy-five percent (75%) of Utility Arborist rate.
- 401 – 800 hours of actual work as an Apprentice, with a minimum of sixteen (16) months, eighty percent (80%) of Utility Arborist rate.
- 801 – 1200 hours of actual work as an Apprentice, ninety percent (90%) of Utility Arborist rate.

The above Apprentice time frames will be adjusted should the Apprentice complete the required 1200 hours and receive certification prior to the time limits.

Prior to receiving ninety percent (90%) of the Utility Arborist rate, the Utility Arborist Apprentice must have successfully completed Level 1 and II of the Tree Care Industry Association Certification.

| | <u>Apr 6/14</u> | <u>Apr 6/15</u> | <u>Apr 6/16</u> |
|-----------------------------------------------------------|-----------------|-----------------|-----------------|
| Utility Arborist Apprentice 1 (0 – 400 hours – 75%) | 21.79 | 22.23 | 22.67 |
| Utility Arborist Apprentice 2 (401 – 800 hours – 80%) | 23.24 | 23.70 | 24.18 |
| Utility Arborist Apprentice 3 (801 – 1200 hours – 90%) | 26.11 | 26.63 | 27.16 |

No employee shall take a reduction in pay as a result of these changes.

1. The duration period between Levels 1 and 2 of Groundman, Sawman/Slasher, Equipment Driver/Operator 1, 2 and 3, and Herbicide Applicator will not exceed four (4) working

months. Once an employee has reached the highest level, his rate of pay shall not be reduced while working in that classification.

2. The duration period between levels shall not exceed four (4) working months. Once an employee has reached the highest level while working in that classification, his/her work scale shall not be reduced.
3. A Charge Hand rate of pay shall apply to those job classifications other than a Utility Arborist. A Charge Hand shall be appointed when a gang consists of four (4) or more and shall himself work at his classification whenever the work in hand is such that this can be safely done. The Charge Hand rate shall be 107% of the appropriate basic job classification rate.
4. The Employer may approve the payment of a higher rate when he considers it necessary.
5. All Arborists who have achieved recognition and maintain I.S.A. certification shall receive an increase of thirty-five cents (\$0.35) per hour worked over and above his/her normal rate of pay.

APPENDIX “A”

In such circumstances where an employee is required to report temporarily to a marshalling point directly at the commencement of the working day, the employee shall be compensated for any additional travel time and expenses should the distance in road kilometres from his regular headquarters to the temporary marshalling point be greater than forty (40) kilometres (25 miles), using the shortest road route in any direction.

The Employer shall provide one of the following as compensation:

1. Provide Company transportation with the additional time paid as time worked.
2. Provide payment of not less than three-quarters of an hour per day at straight time, or the amount equal to the additional travel time and expenses, whichever is the greater.
3. An employee on a temporary assignment may have his marshalling point up to 40 KM (25 miles) from his temporary place of accommodation.

It is further agreed that the Employer will provide transportation and assure that the employees are covered by the Workers' Compensation Board.

Notwithstanding the aforementioned, the Employer will incur no penalty when the temporary marshalling point is within the limits of the local areas as defined in Article 7.02 herein.

At no time will the Company permit employees to use private vehicles for purposes of work assignments unless their automobile is valid for purposes of the assignment.

ON BEHALF OF THE EMPLOYER
DAVEY TREE SERVICES LTD.

ON BEHALF OF THE UNION
LOCAL 258 OF THE IBEW

BLAIR VEITCH
Vice President - Operations

DOUG S. McKAY
Business Manager and Financial
Secretary

DATE

DATE

LETTER OF UNDERSTANDING NO. 1

During the 1991 contract negotiations, the parties discussed the requirement for upgrading and training of employees within the industry.

It was agreed that it was in the interest of the parties to establish an ongoing training program that would provide a safe and knowledgeable work force.

To this end the parties agree to formulate specific provisions that will achieve this goal.

ON BEHALF OF THE EMPLOYER
DAVEY TREE SERVICES LTD.

ON BEHALF OF THE UNION
LOCAL 258 OF THE IBEW

BLAIR VEITCH
Vice President - Operations

DOUG S. McKAY
Business Manager and Financial
Secretary

DATE

DATE

LETTER OF UNDERSTANDING NO. 2

RRSP CONTRIBUTIONS

All eligible employees shall be employed with Davey Tree for one (1) year.

Employees' contributions are a percentage of total wages.

Employees can contribute any percentage they wish up to the allowable maximum limit, but Davey Tree will match one-hundred percent (100%) of the employees' contributions up to a maximum of the employees' first **five** percent (**5%**) contributions.

ON BEHALF OF THE EMPLOYER
DAVEY TREE SERVICES LTD.

ON BEHALF OF THE UNION
LOCAL 258 OF THE IBEW

BLAIR VEITCH
Vice President - Operations

DOUG S. McKAY
Business Manager and Financial
Secretary

DATE

DATE

LETTER OF UNDERSTANDING NO. 3

Three months prior to April 1, 2015 the parties agree to meet to discuss three outstanding issues:

- 1. Standby:**
- 2. Eye glasses and eye examinations; and**
- 3. Life Insurance increase.**

ON BEHALF OF THE EMPLOYER
DAVEY TREE SERVICES LTD.

ON BEHALF OF THE UNION
LOCAL 258 OF THE IBEW

BLAIR VEITCH
Vice President - Operations

DOUG S. McKAY
Business Manager and Financial
Secretary

DATE

DATE

In witness whereof the parties hereto have here unto affixed their hands and seals through their respective officers, on this ____ day of June, 2014.

DAVEY TREE SERVICES LTD.

BLAIR VEITCH
Vice President - Operations

LOCAL UNION 258 OF THE INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS

DOUG S. McKAY
Business Manager and
Financial Secretary

