

THIS AGREEMENT MADE AND ENTERED INTO BY AND BETWEEN:

MODULINE INDUSTRIES (CANADA) LTD.

RECEIVED
OCT 15 2008

- and -

**LODGE 2711, INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, PENTICTON
(DISTRICT LODGE 250)**

**EFFECTIVE FROM:
DECEMBER 1, 2007, TO AND INCLUDING NOVEMBER 30, 2010**

11579(04)

THIS AGREEMENT MADE AND ENTERED INTO BY AND BETWEEN:

MODULINE INDUSTRIES (CANADA) LTD.

(Hereinafter referred to as the EMPLOYER)

- and -

**LODGE 2711, INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, PENTICTON
(DISTRICT LODGE 250)**

(Hereinafter referred to as the UNION)

**EFFECTIVE FROM:
DECEMBER 1, 2007 TO AND INCLUDING NOVEMBER 30, 2010**

This Agreement is entered into for the purpose of promoting and continuing the good relationship between the Employer and its employees represented by the Union; to secure prompt and equitable disposition of grievances and to establish conditions of employment, rates of pay and hours of work.

It is understood and agreed that all references to the male gender shall mean both the male and female gender.

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ARTICLE 1 **RECOGNITION AND BARGAINING UNIT**

1.01 The Employer recognizes the Union as the sole bargaining agency for all hourly-rated employees covered by the Certification. Salaried employees are not covered by this agreement.

- (a) The term “employee” as used in and for the purpose of this Agreement shall include all hourly-rated persons employed in the Employer’s operations and as covered by the Provincial Government Certification, except and excluding foreman and those having authority to hire and discharge employees, office workers, supervisory officials, salesman, watchmen, maintenance mechanics and outside servicemen.

Union Shop

1.02 The Employer agrees that as a condition of continued employment, all hourly-rated employees, covered by the certification must become and remain members of the Union during the life of this Agreement.

1.03 When any new employee is employed, the Employer will have the employee complete an application for membership and checkoff authorization cards prior to commencing work and the Employer will forward same to the Union office within fifteen (15) calendar days.

Dues

1.04 Upon receipt of a signed authorization of the employee involved, the Employer shall deduct from the employee’s first pay cheque the initiation fee and monthly dues payable by him to the Union during the period provided for in the authorization. The amount will be certified by the Financial Secretary of District Lodge 250.

- (a) The Employer will remit these Union dues and initiation fees to the Financial Secretary of the Union.
- (b) Deductions for the pay periods ending in each month shall be paid to the Union by the 15th day of the following month.

Union Access

1.05 Union representatives shall be allowed access to the Employer’s premises during the lunch period on routine matters, subject to the requirement of obtaining an Employer visitor’s pass. When it is desirable or necessary to hold a meeting during the lunch period, or to enter the premises at any other time than the lunch period, permission shall first be obtained from the Management.

Union Stewards

1.06 The employees will elect a minimum of three (3) Union stewards (or one (1) for every forty (40) employees or part thereof) and the same will be recognized by the Employer. No Union steward, committee or employee shall be discriminated against or jeopardized in seniority standing or suffer loss of employment on account of membership or activity in the Union.

- 1.07 When the Employer finds it necessary to lay off or discharge a Union Steward, the Business Representative of the Union shall be notified prior to such layoff or discharge.

Shop Committee

- 1.08 There shall be a Shop Committee consisting of the 3 Union Stewards elected by the employees and two representatives of the Employer consisting of the General Manager and Production Manager *and/or* Management alternate. In the event that one of the Union members leaves, he or she shall be replaced by the alternate, and a new alternate shall be appointed immediately. The alternate will be done by rotation of the seniority list, giving the employee the option of attending shop committee meetings. The Shop Committee shall meet *on the third Thursday of each month* at a time convenient to both parties to resolve minor problems arising in the plant. The General Manager will maintain and post the minutes of the meetings.

ARTICLE 2 **MANAGEMENT**

- 2.01 The management and operation of the plant and the direction of the employees is vested exclusively in the Employer.
- 2.02 The Employer has and shall retain the right to select its employees, to hire, discharge, transfer, promote, demote or discipline them; provided that a claim of discrimination against any employee may be the subject of a grievance and be dealt with as hereinafter provided. *Disciplinary action(s) including actions taken within an employee's probation period are to be documented.*
- 2.03 The Union agrees that the management and the control of the Employer's business and the direction and control of the Employer's work forces are vested exclusively in the Employer, subject only to the limitations imposed upon the Employer by the provisions of this Agreement. The Union further recognizes and agrees that the Employer retains all the customary rights, responsibilities, functions and prerogatives of management except as expressly modified or restricted by a specific provision of this Agreement.

Company Rules

- 2.04 Copies of the rules and regulations made by the Employer for the government of employees in the bargaining unit shall be forwarded to the Union and shall be posted on all bulletin boards.
- 2.05 Employees shall observe the Employer's rules and shall perform a fair day's work in the category in which the employee is engaged and shall be subject to discipline by the Employer for failure to do so.

ARTICLE 3 **HOURS OF WORK AND OVERTIME**

Hours of Work

- 3.01 Eight (8) hours within eight and one-half (8-1/2) consecutive hours between 7:00 AM and 3:30 PM shall be considered a day's work. Forty (40) hours, Monday through Friday, shall be considered a work week.

- 3.02** In the event additional shifts are desired by the Employer, the terms of such additional shifts shall be subject to negotiation with the Union. *In the event additional shifts are required the terms of additional shifts are subject to negotiation by way of a Letter of Understanding.*

Work Breaks

- 3.03** The employer will supply suitable accommodation where employees may eat their lunch.

A ten (10) minute break will be supplied every two (2) consecutive hours. A thirty (30) minute lunch break without pay will be supplied every four (4) consecutive hours.

Overtime

- 3.04** Time worked in excess of eight (8) hours a day, or forty (40) hours in a week, shall be considered overtime.
- (a) For the first two (2) hours of overtime worked in any one day, Monday through Friday, an employee shall be paid one and one-half times his/her regular hourly rate. For the first four (4) hours of overtime worked on a Saturday an employee shall be paid one and one-half times his/her regular hourly rate. Overtime hours which exceed two (2) hours in any day, Monday through Friday, or exceed four (4) hours on a Saturday, or any hours worked on Sunday, and Statutory or Contractual Holidays, shall be paid for at the rate of double time.
 - (b) Whenever any employee works overtime he shall be given a break of eight (8) hours before commencing a new shift. Where an emergency prevents a break of eight hours, the following shift shall be paid for at the rate of double time. Where an employee who has worked overtime starts a shift later than his normal time in order to be allowed an eight hour break from overtime, he shall be paid his/her regular hourly rate for his/her hours not worked in his/her regular shift because of the delay.
- 3.05** The Employer agrees that where possible, all overtime will be distributed equally within a department.
- (a) No compulsory overtime.
 - (b) Should an error in rotation occur, the bypassed employee shall be provided the next overtime opportunity.
 - (c) If an employee fails to attend a scheduled overtime shift without a reason acceptable to the company he/she will be bypassed for the next opportunity.

Reporting Pay

- 3.06** An employee reporting for work on the call of the Employer shall be paid at the hourly rate as specified by this Agreement for all hours worked with a minimum of:
- (a) Four hours at his/her regular wage if the employee starts work unless the work is suspended for a reason completely beyond the employer's control, including unsuitable weather conditions, or

- (b) Two hours at his/her regular wage in any other case unless the employee is unfit to work or fails to comply with Part 3 of the Workers Compensation Act or the Regulations.

3.07 Any employee called out from home out of his/her regular shift shall receive a minimum of four (4) hours' work at overtime rate.

ARTICLE 4 VACATIONS

4.01 Employees shall be entitled to vacations with pay as follows:

- (a) *After one (1) year of service but less than three (3) years of service, two (2) weeks' of annual vacation with pay of four (4%) percent of gross annual earnings. An employee is not entitled to time off within his/her first year of employment.*
- (b) After three (3) years of service two (2) weeks' of annual vacation with pay of five percent (5%) of gross annual earnings.
- (c) After five (5) years of service three (3) week's of annual vacation, with pay of seven percent (7%) of his/her gross annual earnings, whichever is greater.
- (d) After ten years (10) of service four (4) weeks' of annual vacation, with pay of *nine* percent (9%) of his/her gross annual earnings, whichever is greater.
- (e) After fifteen years (15) of service four (4) weeks' of annual vacation, with pay of *eleven* percent (11%) of his/her gross annual earnings, whichever is greater.

4.02 Vacation pay shall be paid to the employee at least one (1) week prior to the employee going on vacation.

4.03 "Gross Annual Earnings" shall mean all wages paid by the Employer, but not money paid by WCB, unemployment insurance or long term disability.

4.04 In order to qualify for vacations with pay at the regular rate, rather than a percentage of earnings, the employee must have worked at least 1400 hours in the calendar year in which vacation was earned. Paid vacation, paid holidays and "shut-down time only" shall count as hours worked for this purpose.

Vacation Shutdown

4.05 Unless the Employer chooses to shut down the plant for vacations, a decision to be made before March 1st of each year, the Employer shall give consideration to employee requests to choose their holiday dates, including split vacations, in order of their seniority. The Employer will post a vacation selection list by *February* 1st of each year for *sixty* (60) days to assist the employees in choosing their vacation. Each employee shall be notified as to the date of his/her vacation within two weeks after the vacation calendar is removed from notice board, or whatever is practicable. Employees that want to take vacation other than what was requested on the vacation calendar must give the company at least four (4) weeks advance notice *and must be mutually agreed. In the event any two (2) people performing the same job (thereby causing production hardship) seniority shall prevail unless otherwise mutually agreed.*

- 4.06 During a plant shutdown for vacations, vacation pay credits will be calculated from July to July and will be paid to each employee at least one (1) week prior to shutdown.
- 4.07 Should a General Holiday occur while an employee is on annual vacation, he shall receive one additional day off with pay in lieu of the holiday.

ARTICLE 5 **GENERAL HOLIDAYS**

Statutory Holidays

- 5.01 (A) All eligible employees shall receive twelve (12) holidays with pay. The holidays shall be:

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

and any additional general holiday proclaimed by the Provincial or Federal Government.

- (B) To qualify for holiday pay, the employee must comply with the following conditions:
- (i) The employee must have worked his/her last regularly scheduled workday before, and his/her first regularly scheduled workday after the holiday and have worked any fifteen (15) of the thirty (30) calendar days immediately preceding the holiday.
- (ii) If any employee alleges that he/she is unable to fall within the qualifications set out in (a) above due to illness, injury or any other reason acceptable by the company he/she will be excused from the qualifying days. The Employer shall have the right to request a medical certificate at the Company's expense.

Floater

- 5.02 The floater holiday is defined as the employee's birthday. (*) **When** an employee's birthday occurs during his/her first twelve (12) months of employment he receives no benefit.

The terms of the floater holiday will be as follows:

- (a) Any floater holiday must be taken within the year it is earned. (Carryover of floater holiday will be allowed by mutual agreement only.)

Moving Holiday

- 5.03 If a General Holiday falls on a Tuesday, Wednesday or Thursday, by mutual consent the "Friday", "Monday", or other affected day, can be replaced by working a Saturday(s) at straight time rate not more than four (4) weeks prior to that in which the holiday occurs. This will not nullify overtime rates after eight (8) hours on the day. A two-thirds majority vote of the bargaining unit shall be required in order to accommodate paid holiday(s) that fall on Tuesday, Wednesday, or Thursday.

- (a) The Remembrance Day holiday shall not be moved unless it falls on a weekend. Then it would be moved to the Monday following the holiday.

- (b) The Canada Day holiday falling on a Tuesday, Wednesday or Thursday shall be moved to a Friday or Monday.
- (c) Any employee terminating their employment with the Employer will be paid at straight time rates for any days worked in lieu of any day off pertaining to the preceding paragraph.

ARTICLE 6 **WAGES**

6.01 Unless otherwise mutually agreed in writing, there shall be only one classification of worker, called “**PRODUCTION WORKER**”, whose hourly rate of pay shall be as follows:

	<i>Effective Dec. 1/2007 (Per Hour)</i>	<i>Effective Dec. 1/2008 (Per Hour)</i>	<i>Effective Dec. 1/2009 (Per Hour)</i>
<i>Start Rate – First Six (6) months</i>	<i>\$ 12.07</i>	<i>\$ 12.43</i>	<i>\$ 12.80</i>
<i>After Six (6) Months</i>	<i>\$13.47</i>	<i>\$ 13.88</i>	<i>\$ 14.29</i>
<i>After One (1) Year</i>	<i>\$ 15.69</i>	<i>\$ 16.31</i>	<i>\$ 16.97</i>
<i>After Two (2) Years</i>	<i>\$ 16.89</i>	<i>\$ 17.56</i>	<i>\$ 18.27</i>
<i>After Three (3) Years</i>	<i>\$ 18.08</i>	<i>\$ 18.80</i>	<i>\$ 19.55</i>
<i>After Four (4) Years</i>	<i>\$19.28</i>	<i>\$ 20.05</i>	<i>\$ 20.85</i>
<i>After Five (5) Years</i>	<i>\$ 21.76</i>	<i>\$ 22.63</i>	<i>\$ 23.54</i>

	<i>Effective Dec. 1/2007 (Per Hour)</i>	<i>Effective Dec. 1/2008 (Per Hour)</i>	<i>Effective Dec. 1/2009 (Per Hour)</i>
<i>Ten (10) Year Moduline Silver Premium</i>			
<i>\$ 0.30</i>			
<i>Five (5) Year rate</i>	<i>\$ 21.76</i>	<i>\$ 22.63</i>	<i>\$ 23.54</i>
<i>Plus Premium</i>	<i>\$ 0.30</i>	<i>\$ 0.30</i>	<i>\$ 0.30</i>
	<i>\$ 22.06</i>	<i>\$ 22.93</i>	<i>\$ 23.84</i>
<i>Fifteen (15) Year Moduline Gold Premium</i>			
<i>\$ 0.50</i>			
<i>Five (5) Year rate</i>	<i>\$ 21.76</i>	<i>\$ 22.63</i>	<i>\$ 23.54</i>
<i>Plus Premium</i>	<i>\$ 0.50</i>	<i>\$ 0.50</i>	<i>\$ 0.50</i>
	<i>\$ 22.26</i>	<i>\$ 23.13</i>	<i>\$ 24.04</i>
<i>Leadhand</i>	<i>\$ 1.30</i>	<i>\$ 1.30</i>	<i>\$ 1.30</i>
<i>Floater</i>	<i>\$ 1.30</i>	<i>\$ 1.30</i>	<i>\$ 1.30</i>
<i>First Aid Attendant</i>	<i>\$ 1.25</i>	<i>\$ 1.25</i>	<i>\$ 1.25</i>

- (a) It is understood that an employee will be recalled at the same rate of pay that they were receiving at the time of layoff. They will be reinstated into the appropriate wage scale found in Article 6.01.
- (b) It is understood that in order for a employee to advance on the wage scale he or she must have worked the appropriate number of time as laid out in the left hand column of Article 6.01

Leadhand

6.02 A Leadhand, when designated by the Employer, shall receive **\$1.30** per hour above his/her normal rate. The employer shall have the sole authority to designate Leadhand and to decide which departments require Leadhand.

A Leadhand is one who leads and advises other employees in a manner totally of a non-supervisory nature. Duties of such Leadhand shall be to provide assistance and instruction to a respective number of employees. When Leadhand are not occupied with these duties they will **perform** the duties of **their** own classification. They may also be required to assist supervisors in providing technical guidance and/or information to other employees. Other duties shall include ensuring that safety rules and procedures are followed and reporting job failures to supervisors, which may be caused by shortages; incomplete work orders, lack of tools or for other reasons which may be of a technical nature. When leadhand(s) are away on vacation or illness, the designated employee who takes on the leadhand responsibility in their absence shall be paid leadhand wages until employee returns to work.

- 6.03** *A Floater is an employee who is competent to perform tasks in multiple departments (i.e. plumbing, partitions, electrical, etc.) in order to address production demands. The designation of a Floater is at the discretion of the Employer. The Floater when designated by the Employer shall receive \$1.30 per hour above his/her normal rate.*
- 6.04** No employee will be paid off until he/she produces a receipt for any Employer-owned tools or equipment which have been issued to him/her, or purchases made through the Employer are unpaid.
- 6.05** No employee shall suffer a reduction in wages as a result of this Agreement and nothing herein shall preclude the payment of a higher wage at the discretion of the Employer.

Pay Days

- 6.06** Pay-days will be every other Friday covering the two week pay period ending on the previous Friday, provided, however, that if the pay-day falls on a Statutory Holiday the employees will be paid on the preceding workday. Cheques will be handed out before lunch on Friday.

ARTICLE 7 LEAVES

- 7.01** When a death occurs in the immediate family (defined as an employee's spouse, child, mother, father, step parent, brother, sister, common-law equal, mother-in-law, father-in-law, grandparents, spouse's grandparents, or brothers and sisters-in-law) an employee will receive three (3) consecutive days off, including the day of the funeral with no loss of regular pay. In the case of death of the employee's spouse, the leave shall be 5 consecutive days off including the day of the funeral. Such leave will not be charged against holiday entitlement or other accrued time off. Upon application, a reasonable amount of additional time off, without pay, shall be granted an employee.
- 7.02** It is understood that pay for bereavement leave will only apply to time lost from work and not to non working days such as Saturdays, Sundays, lay offs, Statutory Holidays and vacation.

Jury Duty

- 7.03** Any regular employee who is required to perform jury duty shall sustain no loss of regular pay for the hours necessarily spent serving on a jury provided, however, that it shall not exceed eight (8) hours' pay per day or forty (40) hours' pay per week, and that remuneration received for jury duty shall be deducted.
- 7.04** **An** employee on jury duty will be required to report for work if his/her jury service ends on any day in time to permit at least four (4) hours of work in the balance of his/her regular shift.
- 7.05** The employee shall furnish a signed statement from an officer of the Court as proof of his/her jury service and such statement shall include a statement of the amount of remuneration received for jury duty.
- 7.06** The provisions with respect to jury duty will also apply to employees subpoenaed by the Crown to appear as witnesses in any Federal or Provincial Court.

Pregnancy and Parental Leave

7.07 Pregnancy and parental leave shall be granted in accordance with the Employment Standards Act.

Leave of Absence Without Pay

7.08 **An** employee shall be granted a leave of absence without pay for legitimate reasons provided:

- (a) The employee must make his/her request in writing at least four (4) weeks in advance of the date requested.
- (b) The Employer believes the leave is for a good reason and that the employee's absence does not unduly affect the efficient operation of the plant.
- (c) The length of the leave is of reasonable duration when compared to the employee's length of service.
- (d) If a leave is granted and the employee takes a job elsewhere during this leave of absence without the Employer's consent, he/she will be deemed to have quit.
- (e) Granting a leave of absence will be at the sole discretion of the employer.
- (f) Any fringe benefits which the employee wishes to continue during the leave of absence must be paid for in advance by the employee.
- (g) Any employee who fails to return to work as scheduled upon an expiry of a leave without a reason acceptable to the employer, will be deemed to have quit.

Leave for Union Business

7.09 If an employee is elected to act as a delegate for the Union he shall be allowed, upon sufficient notification, reasonable leave of absence without pay for the transaction of Union business, provided that not more than one employee shall be absent at any one time for every 50 employees or portion thereof, and no two out of the same department.

7.10 If an employee is elected to serve the union on a full time basis, he shall be considered, upon sufficient notification, to be on leave of absence without pay for a maximum period of five (5) years. He shall be re-employed at the same type of work, which he performed prior to his/her leave of absence and with seniority accumulated, provided that not more than two (2) employees may be absent at any one time.

ARTICLE 8

SENIORITY

8.01 In all layoffs and re-employment the rule of seniority shall prevail, provided employees to be retained or re-called by reason of seniority have shown in the past their ability to perform the work available.

- 8.02** The Employer's production manager shall discuss with the Chief Steward layoffs out of seniority at least four (4) hours prior to an actual layoff occurring. Provided that the reason is not beyond the control of the Employer.

Probation

- 8.03** New employees shall serve a probationary period of sixty (60) working days actually worked in the plant. During the probationary period, the Employer shall determine the employee's suitability for employment and may dismiss the employee if in the opinion of the Employer the employee would not be suitable for permanent employment. A bi-weekly assessment will be conducted on all employees during the probationary period.
- 8.04** If an employee is retained at the end of the probationary period, his/her seniority shall be calculated from the date of commencement of employment.

Loss of Seniority

- 8.05** Seniority of an employee shall be lost and employment terminated if he/she:
- (a) Voluntarily resigns;
 - (b) Is discharged for cause;
 - (c) In the case of absence due to sickness or accident, fails to report for work upon being declared fit for work;
 - (d) Has less than two (2) years seniority and has been on layoff for a period exceeding six (6) months;
 - (e) Has more than two (2) years seniority and has been on layoff for a period exceeding one (1) year plus one additional month for each year of seniority in excess of two (2) years;
 - (f) Is absent from work for more than two (2) days without having contacted the Employer and without a reasonable excuse;
 - (g) Fails to return to work within two (2) weeks after re-call after a layoff.
- 8.06** Each employee must ensure that the Employer is provided with his/her current home address and a current telephone number where the employee may be contacted; and any changes.

In the case of recall from layoff, if the employee is not available at the last recorded telephone number, the Employer may call in the next available employee and shall send, by registered mail or hand delivery, a recall notice to the last recorded home address. If the employee fails to return to work within (2) weeks of the date the notice is delivered, employment shall be terminated.

ARTICLE 9**GENERAL PROVISIONS****(A) Job Postings**

What is a Posted Position: A posted position is a position in which an employee with seniority of 1 to 140, performs specific tasks in a specified department. Each posted position will consist of specified tasks but may not be limited to those specific tasks.

When is there a Posting: A jobposting occurs when an employee with the seniority of between 1 to 140 vacates his/her position by means detailed in Section 8.05 of this Collective Agreement (Loss of Seniority).

How long is the position posted: A job posting will be posted for a period of not less than two (2) days unless mutually agreed upon.

Where is the position posted: A jobposting will be posted on the main information board within the Production Plant.

Seniority/Requirements for the position: The posted position shall be awarded to the applicant with the most seniority.

(B) Trial Period

The successful applicant shall be given a two (2) week "trial period". If the employee chooses not to permanently accept the position he/she shall return to his/her position and the position shall be awarded to the next applicant with the most seniority. There shall be a maximum of two (2) job postings per opening.

(C) Job Transfers

A job transfer occurs when there is an increase in production, introduction of a new production process where additional employees are required, or as a result of Job Posting movement. An employee shall be limited to one departmental transfer per year at his/her own request, this transfer may be requested after one (1) year of employment. Transfers will not be unreasonably withheld and must be mutually agreed upon.

Employee Promoted

9.02 An employee promoted out of the bargaining unit shall maintain and accumulate seniority in the classification held at the time of the promotion for up to six (6) months, provided said employee pays and maintains their Union dues in full in accordance with the Local Lodge Bylaws and Constitution for the period of up to six (6) months. After six (6) months, if an employee has not returned to the bargaining unit or has not maintained his/her Union membership in good standing, the employee shall lose all seniority for the time spent in the bargaining unit. It is understood and agreed to between the Employer and the Union that this shall apply to any employee on a one time only basis. Any exception to the one time only basis will require the agreement of the Union and the Employer.

Short Term Transfers

- 9.03 In the event the company needs to move an employee to another department temporarily, the employee with the lowest seniority within the department who is immediately competent to perform the job shall be moved.

Duty to Report

- 9.04 Employees will not absent themselves from work without advising the Management. Employees shall not leave the Plant during working hours without permission. Permission will not be unjustly withheld for medical appointments, which cannot be arranged outside of working hours. Employees will endeavor to book appointments after working hours.

Health and Safety

- 9.05 Any employee suffering injury while in the employ of the Employer must report immediately to the First Aid Department or as soon thereafter as possible, and also report to his/her supervisor upon returning to work. A copy of the employee's accident report will be supplied to him/her upon request. If the employee is unable to complete his/her day's work as a result of the injury sustained on the job, he/she shall be paid for the balance of his/her regular shift at his/her regular pay up to a maximum of eight (8) hours. If the injury is of a serious nature, requiring further medical attention, the Employer will provide transportation to the doctor or hospital.
- 9.06 Both parties agree that the Industrial Health and Safety Regulations of the Workers' Compensation Board will be rigidly applied and adhered to in all sections of the plant. It shall not be a breach of this agreement and no employee shall be disciplined or discharged, for failure or refusal to work on a job or in any work place or to operate any equipment under unsafe or unhealthy conditions. Where such circumstances, the employee does not work, the employee shall not suffer a loss of pay. At the same time, refusal on the part of an employee to abide by Workers' Compensation Regulations or other safety rules after having been warned, will be grounds for discipline.
- 9.07 A joint Health and Safety Committee will be established in accordance with the Workers' Compensation Board Regulations, which shall consist of an equal number of representatives of the Employer and of the Union. The Health and Safety Committee shall identify potential dangers, institute means of improving the health and safety of employees, including identification of hazards and safety and health experience and work practices and standards based upon immediate safety concerns. Time spent in such meetings is to be considered time worked. Minutes shall be taken of all meetings and copies shall be sent to the Employer and Union. This committee shall consist of not less than four (4) people in total. The number of the committee will only be increased by mutual agreement between the Employer and the Union.

Medical Certificate

- 9.08 (a) The Employer may request a medical certificate before an employee returns to work after they have been absent from work due to an accident, and or sickness beyond a five (5) day absence.

The Employer agrees to pay the cost of such medical certificates.

Notice Board

- 9.09 A notice board will be provided for the posting of all official Union notices exclusively and not to be used to disseminate political propaganda.

Washrooms

- 9.10 Adequate washroom facilities will be provided by the Employer and kept in a sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

Phone Calls

- 9.11 All phone calls and messages for Bargaining Unit personnel shall be referred to the **Human Resources Manager**. In his/her discretion such message shall be immediately taken to the employee or the employee called in to receive it. In any event, the **Human Resources Manager** shall cause the message to be delivered to the employee at the next break period. A telephone shall be provided at the lunchroom, and in emergencies plant employees may use the office phones.

Tools

- 9.12 The Employer will provide at its expense all tools used on the job. Replacements for tools worn out or tools damaged while exercising ordinary care will be at no cost to employees. Replacement for lost tools or tools damaged through inexcusable neglect shall be supplied at employee's expense.
- 9.13 No foreman or salaried employee shall be permitted to use any tool to do production work at any time except in the case of emergencies, such as unexpected high absenteeism, or in the course of instructing or training new employees on new procedures. Research and development of prototype work shall also be excluded from the prohibition of this section.

Savings Clause

- 9.14 Should any part of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, or by a decree of a court of competent jurisdiction, such invalidation shall not invalidate the remaining portions of this Agreement and such remain portions shall continue in full force and effect.

Retirement

- 9.15 *Company will comply with the Human Rights Code provision.*

ARTICLE 10**BENEFITS****Payment of Premiums**

- 10.01 Eligibility and coverage for all benefits is subject to the terms and conditions of the plans. The Employer's only obligation is to pay the premiums. The Employer will provide to the Union and each employee with a booklet describing the terms and conditions of the benefit plans.

Medical Service Plan

10.02 Employees are eligible for coverage on the 1st of the month following his/her probation period

- (a) The Employer shall continue, without any changes, the Medical and Group Insurance program. The Employer will pay one hundred percent (100%) of the premiums for all its employees and their dependents. Common law spouses will be required to comply with a **six (6) month** cohabitation rule. **An** employee must be a resident of British Columbia for three months to be eligible for any life and medical benefits. **Employer will provide prescription cards.**
- (b) The Employer will pay one hundred percent (100%) of the monthly premiums to provide the following:

Life Insurance for all its employees of \$100,000.00

Accidental and Death and Dismemberment (A.D.D.) of \$100,000.00

Dental Plan

10.03 (***) Employees are eligible upon completion of twelve (12) months employment.

Dental Plan will provide basic coverage yearly to a maximum of \$2000.00

The Employer will provide at no cost to the employees a Dental Plan for all its employees and their dependents, (100%) coverage of Plan (A) based on most current dental fee schedules). The dental plan will provide orthodontia coverage for children (dependants) only on the basis of **fifty percent (50%)** of costs to a maximum lifetime benefit of **\$3500.00**. The plan will also provide for sixty percent (60%) of the cost of major restorative procedures. i.e. crowns, bridges, etc.

Employees returning from a lay off will be reinstated to the dental plant on the first day of the month following such re-employment, provided such return to work is within six (6) months from the date of the most recent lay off.

Continuation of Coverage

10.04 Benefit coverage continues while an employee is actively employed, as well as:

- (a) On layoff, prior to the 15th of the month, coverage will remain until the end of that month;
- (b) Layoff on the 16th of the month or later, coverage will remain until the end of the following month.
- (c) For 24 months while on a W.C.B. claim.
- (d) MSP premiums shall be paid till the end of the year in which the employee retires. Minimum age 55.

10.05 Benefit coverage:

- (a) Ceases upon termination of employment;
- (b) Upon age 65;
 - 1. Life Insurance benefits will decrease by 50%
 - 2. Long Term Disability (LTD) will cease
- (c) Cease when an employee is on leave of absence for more than 30 days.

10.06 Benefits when off for accident or sickness will be as follows.

- (a) Less than two (2) years seniority from the time of accident or sickness benefits coverage will be the same as 10.04 (a) and (b).
- (b) More than two (2) years seniority from the time of accident or sickness. MSP of British Columbia will be paid for a period of six (6) months following the date of accident or sickness. All other premiums will be paid for by the company for a period of two (2) months with the exception of LTD.
- (c) More than five (5) years seniority from time of accident or sickness all premiums will be paid for a period of twelve (12) months following the date of accident or sickness with the exception of LTD premiums.

First Aid Premium

10.07 When, in the opinion of the Employer, it becomes necessary to train an employee as a First Aid Attendant, the Employer will pay all tuition fees to obtain a certificate for the duration of said certificate. In addition, such designated First Aid Attendants shall receive a premium of **\$1.25** per hour for all hours worked.

Safety Footwear

10.08 Employee's with one year's service or more (a minimum of 1400 hours per year) will be entitled to **\$175.00** for the replacement or repair of CSA/WCB approved safety footwear (including insoles) on a once per calendar year basis. Benefit may be accumulative up to (3) three years.

- (a) Employees *who are forklift operators who primarily work outside as well as employees who sheet in homes or who are plumbing testers* will be entitled to a **\$75.00** outdoor clothing allowance once per calendar year.
- (b) No employee will qualify for safety footwear after given notice of layoff.
- (c) Employees with five (5) years of service will receive **\$32.39** per month clothing allowance.

Paid Sick Leave

10.09 *Employees are eligible upon completion of one (1) year of employment. In case of injury, employees are eligible upon completion of his/her probation period.*

Employees who are off work due to an illness or non-occupational injury will be eligible to receive 50% of their regular straight time wage not to exceed two (2) weeks in any one calendar year.

Eligibility will commence the first day of accident or injury (not WCB) and the 4th day illness for a period not to exceed two (2) weeks.

The intent of this benefit is to provide for a wage loss that is not initially covered by the Employment Insurance disability benefit. There will be no overlap of benefits.

Employee to provide proof of application for EI benefits.

Long Term Disability

10.10 The Employer will arrange for a long-term disability insurance plan for employees with five (5) years of service for non-WCB injuries or accidents. Coverage is subject to the terms and conditions of the insurance plan. Premiums will be paid by the employee so that benefits will not be taxable.

Eye Glass Coverage

10.11 Employees are eligible upon completion of two (2) years employment

- (a) For employees with two (2) years service and their dependants - coverage: *\$300.00* per person towards the purchase of eyeglasses every two (2) years. Employees with two (2) years service who require corrective lenses, shall be allowed up to *\$300.00* every two years for purchase of corrective safety glasses.

Severance Pay

10.12 The Company will comply with the Employment Standards provision.

Retirement Savings

10.13 (***) Employees are eligible upon completion of two (2) years service. *It is the sole responsibility of the employee to enroll.*

The RRSP program shall be instituted as follows:

- (a) Vesting is full and immediate.
- (b) Administration will be covered by the Employer.
- (c) The Employer will match at fifty percent (50%) the employee's contribution to a maximum of *six (6%)* percent of the employee's weekly earnings.

Example:

Employee earnings	\$800 weekly
Employee contribution (6%)	\$ 48.00
Company match at 50%	\$ 24.00
 Weekly RRSP Deposit with Company contribution	 \$ 72.00

Employee contributions are remitted monthly.

Company contributions are remitted monthly.

ARTICLE 11 **GRIEVANCES**

Grievance Defined

11.01 A grievance means any difference concerning the interpretation, application, operation or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, and also any difference arising from disciplinary action or where it is alleged that the Employer or the Union has acted in violation of this Agreement.

Grievance Procedure

11.02 An honest effort to settle all grievances without stoppage of work shall be made in the following manner:

Step 1: By the aggrieved party with the Shop Steward and the Foreman within two (2) working days from the date of occurrence or discovery.

Step 2: Failing settlement within four (4) working days after step one, the grievance shall be put in writing specifying the date of the violation and the section of the Agreement violated. The employee and/or his/her representative shall endeavour to settle the matter with the Production Manager.

Step 3: Should no satisfactory settlement be reached within *seven (7) working* days after step two the Union Business Representative will discuss the grievance with the General Manager.

Step 4: Within *seven (7)* working days of step three the General Manager or designated company official authorized to make a final decision will provide the company's position in writing to the Business Representative.

Step 5: Within Fifteen (15) days after a final decision of a grievance at the step (4) four level, the union or the employer may refer the unresolved grievance to arbitration by serving upon the other a written notice of intent to arbitrate.

At any step where the grievance issue has been resolved the resolution will be in writing and signed by both party's and placed in the employee file. This must occur within ten (10) days of the resolution.

Extension of Time

11.03 The time limitations set forth in Steps 1 through 3 above may be extended by mutual agreement, in writing, signed by the representative of the Union entitled to request consideration of the grievance at that Step and the representative of the Employer with whom the grievance is to be discussed.

Limitation Period

11.04 No grievor or representative of the Union may take up as a grievance any act or occurrence which took place more than ten (10) days before applications made to the Foreman for Step 1 consideration; unless the grievor or Union representative was prevented from discovering such act or occurrence, in which case the ten (10) day limitation shall begin with the day the act or occurrence was discovered or with reasonable diligence could have been discovered.

Limitation on Discipline Record

11.05 Disciplinary warnings and suspensions shall be removed from an employee's file after one (1) year from the date of the occurrence, provided there has been no further discipline in the *one (1)* year period.

ARTICLE 12 **ARBITRATION**

12.01 The parties agree to a single arbitrator as agreed to between the company and the union.

12.02 The arbitrator shall not have the authority to change, modify or alter this agreement but may interpret its provisions. The decision of the arbitrator shall be final and binding.

12.03 The parties shall divide equally the arbitrator's fees and expenses.

12.04 If the award of the arbitrator is subsequently set aside by a Court of competent jurisdiction, the question shall, at the request of either Party, made within fifteen (15) days after the Court's final decision, be submitted to another arbitrator appointed pursuant to and with all the powers provided by this Clause.

12.05 Any arbitration shall be held at the City of Penticton or such other place as decided by the parties.

ARTICLE 13 **TECHNOLOGICAL CHANGE**

- 13.01** A technological change is defined as a change in plant, process, equipment or method of operating diminishing the total number of employees having more than two (2) years' seniority.
- 13.02** When a change as defined above is to occur, the employer shall inform the Union at least three (3) months in advance of such occurrence.
- 13.03** When such change occurs, the employer shall provide reasonable training arrangements for available jobs for the employees displaced by such occurrence in order that employees will have an opportunity to utilize their qualifications and ability for available jobs within the Bargaining Unit including newly created jobs within the Bargaining Unit.
- 13.04** Any disputes arising under this Section shall be subject to the grievance procedure.

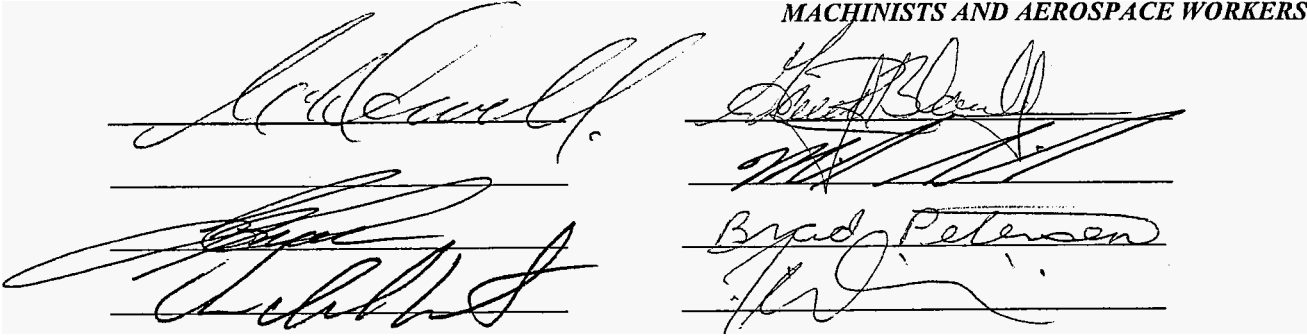
ARTICLE 14 **DURATION OF AGREEMENT - RENEWAL AND TERMINATION**

- 14.01** This Agreement shall be for the period from and including December 1st, 2007 to and including November 30th, 2010, and from year to year thereafter subject to the right of either party, within two (2) months, immediately preceding November 30th, 2010, or immediately preceding the last day of November in any year thereafter, by written notice, to require the other Party to commence collective bargaining.
- 14.02** Should either Party give written notice, this Agreement shall thereafter continue in full force and effect and neither Party shall make any change in the terms of the Agreement until:
- (a) The Union gives notice to strike (and until the Union goes on strike), or
 - (b) The Employer gives notice of lockout (and until the Employer shall lock out its employees), or
 - (c) The parties conclude a renewal or revision of this Agreement or enter into a new collective agreement, whichever is the earliest.
- 14.03** There shall be no strikes, slowdowns or other interruptions of work by employees, and no lockout by the Employer while this Agreement is in force.

Dated this 30th Day of APRIL 2008.

FOR THE COMPANY:
MODULINE INDUSTRIES
(CANADA) LTD.

FOR THE UNION:
LODGE 2711
INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS



The signature block contains two columns of handwritten signatures on horizontal lines. The left column has two signatures, and the right column has three signatures. The second signature in the right column is clearly legible as "Brady Petersen".

This document has 23 pages.

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