

COLLECTIVE AGREEMENT

BETWEEN:

AEROGUARD COMPANY LTD.

**977 CENTURY STREET
WINNIPEG, MANITOBA
R3H 0W4**

B.C. MAINLAND SITES

(Hereinafter referred to as the Company)

AND:

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
LOCAL 1857**

**7418 - 6th Street
Burnaby, British Columbia V3N 3L6**

(Hereinafter referred to as the Union)

EFFECTIVE FROM:

APRIL 1, 1998, TO AND INCLUDING MARCH 31, 2001

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THIS AGREEMENT MADE AND ENTERED INTO BY AND BETWEEN:

**AEROGUARD COMPANY LTD.
977 CENTURY STREET
WINNIPEG, MANITOBA
R3H 0W4**

B.C. MAINLAND SITES

(Hereinafter referred to as the Company)

-AND-

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
LOCAL 1857**

(Hereinafter referred to as the Union)

**EFFECTIVE FROM:
APRIL 1, 1998, TO AND INCLUDING MARCH 31, 2001**

ARTICLE 1 - PURPOSE

- 1.01** The purpose of the Agreement is to establish and maintain an orderly collective bargaining relationship between the Company and its employees, to set forth all Agreements concerning rates of pay, hours of work and working conditions to be observed by the parties hereto, and to provide an amicable method of settling any differences that may arise in the interpretation, application, administration or alleged violation of the Agreement.

ARTICLE 2 - SCOPE AND RECOGNITION

- 2.01** The Company recognizes the Union as the Bargaining Agent for all Pre-board screening employees of the Company working in British Columbia on the B.C. Mainland (excluding Vancouver International Airport) governed by federal jurisdiction, excluding supervisors and those above.

Supervisors can when and where necessitated, provide screening services. Not expected as normal recurring part of position but in the event of "no shows" or excessive passenger volume, supervisor can screen.

- 2.02** The word "employee" or "employees" wherever used in the Agreement shall mean respectively an employee or employees in the bargaining unit described in Article 2.01.

ARTICLE 3 - UNION SECURITY

- 3.01** Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of initiation or reinstatement fees uniformly required of all other such applicants by the Union Local. Membership shall not be denied for reasons of race, national origin, colour or religion.
- 3.02** All employees covered by this Agreement must become members of and maintain membership in good standing in the Union as a condition of employment within thirty (30) days of the date they commenced employment. They shall maintain membership as a continuing condition of employment.
- 3.03** Upon written authorization from each employee, the Company shall deduct Union dues from the earnings of each employee bi-weekly, which shall be paid to the Union not later than the tenth (10th) day of the following month in which they are deducted.
- 3.04** Union dues for all employees shall be 1.5% of the employee's gross pay per pay period.

3.05 The Union agrees to indemnify and hold the Company harmless against any claims, lawsuits, or charges brought against it by **an** employee **as** a result of the application of this Article 3.

ARTICLE 4 - MANAGEMENT RIGHTS

4.01 The Union acknowledges that all management rights and prerogatives are vested exclusively with the Company except **as** specifically limited by the provisions of the Agreement and, without limiting the generality of the foregoing, it **is** the exclusive function of the Company:

- (a) to maintain order, discipline, efficiency and in connection therewith **to** establish and enforce reasonable rules and regulations;
- (b) to hire, transfer, layoff, recall, promote, demote, retire, classify, assign duties, dismiss, suspend or otherwise discipline employees, provided **that** a claim that **an** employee who has acquired seniority **has** been dismissed or otherwise disciplined without just cause may be the subject of a grievance under Article **6** of the Agreement; and
- (c) **to** determine the method of operation; the amount of supervision; the schedules of work; the rotation of shifts; the hours and days of **work** and the number **of** employees required **at** any time.

4.02 The Company reserves any and all of its prior rights which have not been modified, limited, restricted or released by specific wording elsewhere in this Agreement.

4.03 Written discipline may be issued only **by** Supervisors and **those** above.

ARTICLE 5 - UNION REPRESENTATION

5.01 The Company agrees to recognize the following committees of the Union to represent **the** employees for the purposes described herein:

- (a) a negotiating committee comprised of not more than three (3) employees, one (1) **of** whom shall be Chief Steward, selected by the Union to act on behalf of **the** Union in negotiating **a** Collective Agreement, or renewal thereof, with the Company; and

(b) a grievance committee comprised of no more than five (5) Stewards of whom one (1) shall be Chief Steward, selected by the Union from the work location with the greatest number of employees, to assist in the presentation under Article 6 of any proper grievance that may arise. The remaining four (4) Stewards shall be elected by the employees and shall regularly be employed at a work location normally employing more than ten (10) employees.

5.02 The members of the negotiating and grievance committees shall be employees who have completed their probationary period.

5.03 The Union shall notify the Company in writing of the names of the employees who are members of the negotiating and grievance committees and the Company shall not be required to recognize them until so notified.

5.04 The Union acknowledges that each member of the grievance committee has regular work to perform and that he shall only absent himself from such work with the permission of the Supervisor and, upon resuming his regular duties, he shall again report to the Supervisor. Each member of the grievance committee shall not lose pay for time spent during his regular scheduled working hours performing the functions set out in Article 5.01(b).

ARTICLE 6 - GRIEVANCE PROCEDURE

6.01 The Company and the Union agree that it is the purpose of the grievance procedure to amicably and justly settle any complaints and disagreements concerning the employees, the Union and the Company, without, so far as is possible, resort to arbitration. The parties further agree that the settlement of any grievance shall be deemed not to conflict with the provisions of the Agreement.

6.02 It is the mutual desire of the parties that complaints of employees shall be dealt with as quickly as possible, and it is agreed that an employee has no grievance until he has first given the Supervisor the opportunity to deal informally with his complaint.

6.03 Should any difference arise between the Company and any of the employees as to the interpretation, application, administration or alleged violation of the provisions of the Agreement that cannot be satisfactorily dealt with pursuant to Article 6.02 an earnest effort shall be made to settle such difference in the following manner:

STEP ONE

- 6.04** Within four **(4)** days after the alleged grievance **has** arisen the employee, who may request the assistance of his Steward, shall present his grievance in writing, **on a** form agreed upon **by the** Company and the Union, to the Supervisor and if, within four **(4)** days from the time when such grievance **was** presented a decision satisfactory to the employee is not given then:

STEP TWO

- 6.05** Within five **(5)** days after the decision of Step One has been, or should have been given, an authorized member of the grievance committee shall present the written grievance to the Regional Administration Manager, or a person or persons designated **by** him to handle such matters at Step **Two**. The Regional Administration Manager, or his designate, shall schedule a meeting **to** be held within ten (10) days from the **time** when such grievance **was** presented to him, or his designate. At the Step Two meeting, the Regional Administration Manager, or his designate, may be accompanied by the personnel manager and such other assistants **as** he so desires. While the Business Representative of the Union may be present at the meeting, the Company has the right to require his presence at the meeting. The Regional Administration Manager, or his designate, shall give a decision in writing on behalf of the Company within ten (10) days immediately following the date of such meeting.

GENERAL PROVISIONS

- 6.06** In the event that two **(2)** or more employees have grievances relating **to** the interpretation, application, administration or alleged violation of the provisions of the Agreement which are sufficiently common in nature that they may be conveniently dealt with together, such grievances shall constitute a group grievance and it shall be presented at Step Two.
- 6.07** Any grievance which arises directly between the Company and the Union concerning the interpretation, application, administration or **alleged** violation of the provisions of **the** Agreement, may be submitted by either of the parties to the other. Notice of the grievance shall be given in writing within ten (10) days of the occurrence of the matter giving **rise** to the grievance. The Regional Administration Manager, or his designate, shall schedule a meeting between the grievance committee **plus** the Business Representative and the Company representatives designated for that purpose, to be held within twenty (20) days after notice has been given by either of the parties to the other. The decision of the party being grieved against shall be given in writing within fifteen **(15)** days following the date of such meeting. If no settlement is reached the grievance may be referred to arbitration in accordance with the provisions of Article 7 of the Agreement.

- 6.08** The Company shall, from time to time, notify the Union in writing of the names of the Company representatives and designated alternates appointed for purposes of the grievance procedure.
- 6.09** Each step to be taken under the grievance procedure and any reference to arbitration shall be taken within the time limits set forth in Article 6 or Article 7 or the matter shall be deemed to have been abandoned. A step is deemed to have been taken when notice is given by the party who filed the grievance.
- 6.10** Any and all the time limits set forth in Article 6 or Article 7 for the taking of action by either party or by an employee may be extended at any time by mutual agreement of the parties in writing.

DISMISSAL AND SUSPENSION

- 6.11** If the Company determines that an employee is to be dismissed or suspended, it shall notify in writing both the employee concerned and a member of the appropriate grievance committee.
- 6.12** If an employee, who has acquired seniority, believes that he has been dismissed or suspended without just cause, the grievance shall be presented at Step Two within five (5) days after notice has been given to the employee and the member of the grievance committee. If a suspension is grieved the Company may elect not to put the suspension into effect until the grievance is settled, abandoned or determined by reference to arbitration.
- 6.13** If an employee is dismissed such dismissal will take effect immediately upon the employee receiving notice thereof.

ARTICLE 7 - ARBITRATION

- 7.01** In the event that any grievance concerning the interpretation, application, administration or alleged violation of the Agreement shall not have been satisfactorily settled under the provisions of Article 6, the matter may then be referred to arbitration by notice in writing by one party to the other within ten (10) days from the decision of the Company under Article 6.05 or Article 6.07 or of the Union under Article 6.07. The notice shall contain a copy of the grievance, the remedy sought and the name, address and phone number of that party's proposed Arbitrators.

- 7.02** The recipient of the written notice, referred to in Article 7.01, shall notify in writing the other party, within ten (10) days after notice has been given, as to the name and address of its proposed Arbitrators. The parties, within fifteen (15) days of the second notice, shall endeavour to agree upon an Arbitrator but, if the parties are unable to agree upon an Arbitrator within the fifteen (15) day period, then either party may request that the Minister of Labour make such appointment.
- 7.03** Subject to Article 6.06, each grievance submitted to arbitration shall be heard separately.
- 7.04** The issue(s) raised in the written grievance shall be presented to the Arbitrator and his award shall be confined to such issue(s). The findings of the Arbitrator as to the facts and as to the interpretation, application, administration or alleged violation of the provisions of the Agreement shall be conclusive and binding on all parties concerned, but in no case shall the Arbitrator be authorized to alter, modify or amend any part of the Agreement.
- 7.05** If it is decided by the Arbitrator that an employee has been discharged or suspended without just cause, the Company will reinstate the employee without loss of seniority and pay, limited to the regular scheduled hours the employee would have worked less any amounts earned from other employment during that period, or will put into effect any lesser settlement agreed to by the parties or determined by the Arbitrator.
- 7.06** Any grievance involving the interpretation, application, administration or alleged violation of the Agreement, which has been disposed of under the provisions of Article 7, shall not be made the subject of another grievance.
- 7.07** The Company and the Union shall share equally the expenses of the Arbitrator. The costs and allowances to be paid to witnesses shall be paid by the party calling such witness. No costs of arbitration shall be awarded to or against either party.

ARTICLE 8 - NO STRIKE - NO LOCKOUT

- 8.01** In view of the orderly procedure herein set forth for settling differences and grievances, the Union and the employees agree that there shall be **no strike**, stoppage, **slowdown** or restriction of work or service, or threat thereof, during the term of the Agreement and that no employee shall take part in, instigate or threaten any such strike, stoppage, slowdown or restriction of ~~work~~ or service.
- 8.02** On the other hand and for the same reason the Company agrees that there shall be no lockout during the term of the Agreement.

ARTICLE 9 - SENIORITY

- 9.01** The seniority of an employee means the length of his continuous service with the Company since the date of his last hiring by the Company.
- 9.02** The seniority of **an** employee shall be completely lost and **his** employment shall be automatically terminated if he:
- (a) quits; or
 - (b) is discharged and not reinstated in accordance with the provisions of the Agreement; or
 - (c) is absent from work for three (3) or more consecutive days without notifying the Supervisor unless he gives a reason satisfactory to the Supervisor for **his** failure to so notify the Company; or
 - (d) is absent from work due to illness or injury for a period of twenty-six (26) weeks, or less, without providing the in charge screening agent with a medical certificate from a qualified medical practitioner, upon his return to work, certifying that the employee was incapable of working due to such illness or injury for a specified period of time which coincides with his absence from **work**; or
 - (e) is laid off for a period in excess of twelve **(12)** months; or
 - (f) is absent due to illness or injury for a period in excess of twenty-six **(26)** weeks; or
 - (g) fails to notify the in charge screening agent of his intention to return to work within five **(5)** days of being given notice of recall under Article 11.02 or fails to return to work on the date of recall as set out in the notice of recall; or
 - (h) works for another employer while absent **from** his employment with the Company except while on layoff; or
 - (i) uses an unauthorized leave-of-absence for a purpose other than that for which the leave was granted; or
 - (j) fails to return to **work** upon the expiration of **an** authorized leave-of-absence or vacation unless a reason satisfactory to the in charge screening agent is given.

- 9.03** Within thirty (30) days after the signing of this Agreement, the Company shall post the location seniority lists showing the seniority of each employee. **An** employee shall have thirty (30) days to challenge the applicable seniority list with respect to **his** seniority. Thereafter, the seniority date of each employee shall be deemed to be conclusive.
- 9.04** The Company will provide the Union **with** the current seniority lists showing each employee's seniority date, current address, classification and rate of pay, on June **30th** of each year.
- 9.05** Employees will make themselves available for **a** minimum of twenty-four **(24)** hours work per week if required to do so by the Company.

ARTICLE 10 - PROBATIONARY EMPLOYEES

- 10.01** Notwithstanding **anything** in the Agreement, a person shall be considered to be a probationary employee and he shall have no seniority until he **has** been employed for ninety (90) consecutive calendar days **at** which time he shall become entitled to seniority dated from his last hiring with the Company. The Company shall have the right to dismiss a probationary employee for any reason and such dismissal shall not be the subject of a grievance under Article 6 or Article 7 of the Agreement.

ARTICLE 11 - REDUCTION **IN** FORCE

- 11.01** In any case of reduction in force the Company shall consider the following two **(2)** factors in determining which employee shall be laid off **or** recalled:
- (a)** the location seniority of the employee concerned; and
 - (b)** the availability record of the employee.
- When factor (b) is to all intents and purposes equal as between two **(2)** or more employees then seniority shall be the determining factor.
- 11.02** Notice sent by registered mail to the most recent address on the employee's employment file shall constitute proper notice. It shall be the responsibility of the employee to inform the Company of his current address by registered mail or in person provided written acknowledgement **is** retained by said employee.
- 11.03** The Company agrees that employees with more than twelve (12) months' continuous service are entitled to one (1) week's notice **or** one (1) week's pay in lieu of notice, if a lay-off exceeds thirteen **(13)** consecutive weeks in the twenty (20) week period following commencement of a lay-off.

ARTICLE 12 - TRANSFERS

- 12.01** Nothing in the Agreement shall be considered to preclude the voluntary transfer of an employee from the bargaining unit to a position where he ~~is~~ excluded from such category or vice versa.
- 12.02** The seniority of an employee who is transferred ~~to~~ a position outside the bargaining unit shall be retained but not accrued.

ARTICLE 13 - LEAVE-OF-ABSENCE

- 13.01** The Company may grant a leave-of-absence without pay for a period not exceeding thirty (30) ~~days to an~~ employee provided that:
- (a) the employee gives notice in writing to the Supervisor of ~~his~~ request for a leave-of-absence at least thirty (30) days prior to the proposed commencement of the leave-of-absence (except in the case of emergency); and
 - (b) in the judgment of the Company, the proposed leave-of-absence can be arranged without undue inconvenience to normal operations.
- 13.02** Applicants must indicate, on ~~forms~~ provided by the Company, the reason(s) for their leave-of-absence and the expected dates of departure and return when giving notice of their request for a leave-of-absence.
- 13.03** The Company shall notify in writing both the applicant and the Union of its decision within fourteen **(14)** days after the request was made by the employee to the ~~Company~~.

The Company has agreed that leave-of-absence will be administered on the following basis:

1. Requests must be made in accordance with 13.01 (a).
2. Leaves of absence shall be granted on the basis of Seniority.
3. When returning from a leave-of-absence of two weeks or less, the employee shall be placed on the same shift which they left. ~~For~~ a leave-of-absence greater than two weeks, the employee shall be placed on available shifts.

ARTICLE 14 - BEREAVEMENT LEAVE

- 14.01** An employee **who has** been employed by the Company for ~~three~~ (3) consecutive months **will** be granted a leave-of-absence during the three (3) days immediately following the day of death of a member of his ~~immediate~~ family. If one (1) or more of the three (3) days would have been the employee's regular scheduled **work day(s)**, **the** employee will be **paid** for the **day(s)** **at** his regular basic hourly rate. "Immediate family" shall include the spouse, parent, child, brother, sister, mother-in-law, and father-in-law. The Company may grant **an** additional leave-of-absence of seven **(7)** days without pay if the funeral occurs outside of a five hundred (500) mile radius of the employee's normal work location and, in the judgment of the Company, such leave-of-absence **can** be arranged without undue inconvenience to normal operations. The Company may require proof of death or burial.
- 14.02** If an employee is notified of **a** death in his immediate family while working, he shall be relieved from duty and paid for the balance of **his** shift.

ARTICLE 15 - LEAVE-OF-ABSENCE FOR UNION BUSINESS

- 15.01** The Company may grant **a** leave-of-absence without pay to not more **than two** (2) employees, for a combined total **period** not exceeding thirty (30) days in any calendar year, **to** represent the Union at Union conventions, seminars and education classes provided the Company **is** given thirty (30) days advance notice in writing by the Union and, in the judgment of the Company, such leave-of-absence can **be** arranged without undue inconvenience to normal operations.
- 15.02** The Company may grant **a** leave-of-absence without pay **to** not more **than two** (2) members of the grievance committee for the purpose of preparing **for** arbitration under Article 7 or other Union business provided the Company is given **at** least two (2) days advance notice in writing by the **Union**.
- 15.03** The Company may grant a leave-of-absence without pay to members of the Union's negotiating **committee** for purposes set out in Article 5.01(a) provided the Company is given at least two **(2)** days advance notice in writing by the Union.

ARTICLE 16 - MATERNITY LEAVE

- 16.01** Maternity Leave shall be as per Canada **Labour** Code requirements.
- 16.02** The employee shall give the Company four **(4)** weeks' notice in writing of the day **upon** which she intends to **commence** the leave and **a** certificate of **a** qualified medical practitioner stating that she is pregnant and the estimated date **of** her confinement.

- 16.03** An employee who does not apply for leave as set forth in Article 16.02 and who is otherwise entitled to maternity leave shall be granted a leave-of-absence under Article 16.01 upon providing the Company with a certificate of a qualified medical practitioner stating that she was not able to perform her work because of an unexpected medical condition directly attributable to pregnancy and the date of confinement.
- 16.04** Where an employee intends to resume her employment with the Company upon the expiration of the leave granted in accordance with the provisions of Article 16 the Company shall reinstate her to her former position or provide her with alternative work of a comparable nature at not less than the same wages and benefits.

ARTICLE 17 - HOURS OF WORK AND OVERTIME

- 17.01** Employees will receive the maximum amount of scheduled hours up to forty (40) hours per week, per location based on seniority. Shift preferences will be based upon the employee's seniority in the case of posted open shifts bids. Site preference will also be based upon an employee's seniority in the case of posted open shifts and general shift bids, but all employees will be subject to the standard rotation and site staffing requirements, as per management's discretion. The minimum hours of pay for any shift for which an employee is dispatched shall be four (4) hours providing the employee is not removed for just cause. This clause may be amended by mutual agreement.
- 17.02** For the purpose of Article 17.01 a day shall commence at the start of an employee's shift and shall end twenty-four (24) hours later. A week shall commence at 12:01 a.m. Monday and end at 12 midnight on Sunday.
- 17.03** An employee who works more than four (4) hours in a day shall be entitled to a thirty (30) minute paid meal period and two (2) fifteen (15) minute coffee breaks at mutually agreeable times during such day. An employee who works four (4) hours in a day shall be entitled to one (1) fifteen (15) minute coffee break during such day at a mutually agreeable time.
- Employees who work ten (10) hour shifts shall be entitled to a total of 1 hour and fifteen minutes paid meal period and coffee breaks on each ten (10) hour shift.
- 17.04** The Company does not guarantee to provide work for any employee nor to maintain the work week or hours of work at any time in effect. In the event of a lay-off the provisions of Article 11 will apply.

- 17.05** The Company shall endeavour to post work schedules **at** least seven **(7)** calendar days in advance of the implementation of the work schedule. The Company, however, may change posted work schedules due to unforeseen circumstances in which case the Company shall endeavour to contact the **employee(s)** concerned at least **twenty-four (24)** hours before such change.
- 17.06** All hours worked in excess of the standard hours of work referred to in Article 17.01 shall be paid at the rate of one and one-half **(1 1/2)** times the employee's regular basic hourly rate. Paid lunch periods shall not be included in the computation of standard hours of work referred to in Article 17.01.
- 17.07** Time allowed **as** overtime in any work day shall not again be allowed **as** overtime in the work week. In no case shall an employee **be** entitled to more than one and one half **(1 1/2)** times his regular basic hourly rate for any time worked in excess of their regular scheduled shift or **forty (40)** hours in **a** work week.
- 17.08** Each employee is expected to work a reasonable **amount** of overtime if requested to do **so** by the Company and the employee is available to perform such **work**. **An** employee who works overtime shall not be required to take time off one **(1)** or more of his scheduled days of work to offset the work **performed at** the overtime rate, except by mutual agreement between the **Company** and the employee.
- 17.09** The Company shall endeavour to distribute overtime equitably among qualified employees except where, in the Company's opinion, it is not practicable to do **so**.
- 17.10** An employee may exchange a shift with another employee provided that the Company is given at least **forty-eight (45)** hours' notice in writing by both of the employees Concerned and the screening agents involved are equally qualified. In the event that either or **both** of the employees fail to **work** the exchanged shifts, both employees shall lose their shift exchange privileges for thirty **(30)** days. Article 17.06 shall not apply to the hours an employee works in excess of the standard hours **as** the result of exchanging a shift with another employee.
- 17.11** An employee who reports for work as scheduled is entitled **to** four **(4)** hours' pay if no **work** is available and he has not been advised in advance except in cases beyond the Company's control or when an employee has been absent on his immediately preceding scheduled work day. "This article may be amended by mutual agreement."
- 17.12** All time spent in attendance at any proceeding, arising out of actions performed on behalf of the employer or the employers client, shall be paid **at** the applicable rate. Monies **from** the Court shall be reimbursed to the employer.

Time spent at Citizenship Court is limited to the day of swearing in only, and payment shall be straight time pay for those who are normally required to work on the day of swearing in.

- 17.13** **An** employee who leaves work due to a W.C.B. related **injury** or illness, which requires offsite treatment and prevents a return to work, shall be paid for the balance of their regular or scheduled shift on the day of the injury or illness.

ARTICLE 18 - VACATION WITH PAY

- 18.01** All employees shall be entitled to **an** annual vacation with pay based on continuous employment with the Company **as** of June 30th of every year, in accordance **with** the following:

- (a) **An** employee, with more than one **(1)** but less than five **(5)** completed years of service shall receive a two **(2)** week vacation with pay equivalent to four per cent **(4%)** of his **gross** earnings for the preceding vacation year, pursuant to his employment with the Company;
- (b) **An** employee, upon completion of five **(5)** years of service, shall receive a three **(3)** week vacation with pay equivalent to six per cent **(6%)** of his gross earnings for the preceding vacation year, pursuant to his employment with the Company.
- (c) **An** employee, upon completion of eight **(8)** years of service, shall receive a four **(4)** week vacation with pay equivalent to eight percent **(8%)** of his **gross** earnings for the preceding vacation year, pursuant to his employment with the Company.
(This sub-article becomes effective April 1, 1999)

- 18.02** "Vacation year" means the twelve **(12)** month period between July 1 and June 30. For the purposes of vacations in a year, calculations of continuous employment with the Company and gross earnings shall be made **as** of June 30th of that year.

- 18.03** All employees shall receive their vacation pay on their first regular pay day in July of each year, calculated up to and including June 30.

Employees who request Vacation pay in writing two **(2)** weeks prior to their scheduled Vacation shall receive their Vacation pay prior to leaving work on the last regular shift prior to Vacation.

- 18.04** Vacations will be granted and taken at such times **as** the Company finds most suitable considering the efficiency of its operations, the wishes of the employees **and** their seniority. However, an employee will be granted his vacation not later than ten **(10)** months following June 30 of the year for which the vacation **was** given.

ARTICLE 19 - PAID HOLIDAYS

19.01 For the purposes of the Agreement, the following days are recognized as paid holidays for employees who have completed their first thirty (30) days of employment with the Company:

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

19.02 The parties may agree to designate a day other than the calendar day for the observance of a paid holiday provided that when an alternative day is so designated the provisions of Article 19 shall apply to the alternative day and not the calendar day of the holiday.

19.03 An employee, who qualifies for holiday pay and is not required by the Company to work on any of the above holidays, shall be paid the equivalent of the wages he would have earned at his regular basic hourly rate for his normal hours of work.

19.04 An employee, who qualifies for holiday pay and is required by the Company to work on any of the above holidays, shall be paid one and one-half (1 1/2) times his regular basic hourly rate for time worked on such holiday in addition to his pay under Article 19.03.

19.05 If any of the above holidays are observed by the Company while an employee is on a scheduled vacation or on his regular day off, the Company shall compensate the employee on the following basis:

- (a) Payment for the equivalent of the wages he would have earned at his regular basic hourly rate for his normal hours of work; or
- (b) A day off with pay, in accordance with (a) above, in lieu of the holiday. Such day may be taken in conjunction with his vacation or at some other mutually agreeable time.

19.06 No employee is entitled to be paid for a holiday on which he did not report for work after having been scheduled or called to work for that day, unless their absence occurred for a legitimate reason.

ARTICLE 20 - WAGES

20.01 The Company and the Union agree that the wage formula, as set out in Appendix "A" attached hereto, shall be maintained during the term of the Agreement.

ARTICLE 21 - FRINGE BENEFITS

- 21.01** Provincial Security Guard Licenses (if applicable) employees at ratification date • the Company will pay the cost of obtaining and renewing the employee's Provincial Security Guard License (if applicable) which will include the renewal fee in addition to direct expenses related to the necessary courses and exams required by the licensing body.

The employee will take required courses and exams on an unpaid basis. The Company will make every effort to accommodate the employees to change shifts in order to minimize earning loss.

The Company will arrange courses and exams so as to minimize their direct costs, with due consideration to the availability of the employee.

Employees hired subsequent to ratification date • The Company will pay the cost of renewing the employee's Provincial Security Guard License (if applicable). The employee will pay all costs associated with obtaining the license on their own time and at their own expense.

- 21.02** The Company will provide at its own expense, complete properly fitting uniforms except regular footwear and underwear.

The minimum uniform issue shall be as follows:

Full Time (24 hours or more Per week)

- 2 pairs of pants or skirts
- 3 shirts or blouses
- 2 sweaters or jackets
- 1 tie or scarf

Part Time (less than 24 hours per week)

- 1 pair of pants or skirt
- 2 shirts or blouses
- 1 sweater or jacket
- 1 tie or scarf

Furnished uniforms shall be cleaned and maintained by the employee. The Company will reimburse, upon presentation of receipts, to the employee dry cleaning expenses not to exceed \$8.50 per month. All receipts must indicate uniform items cleaned.

Employees agree that they will not wear items of their furnished uniform except while on the job or travelling to and from the job site.

The Company will make every effort to provide space for a staff facility.

The uniform remains the property of the Company and upon termination of employment must be returned in a clean state prior to issuance of final pay cheque.

21.03 All employees will accrue an annual sick leave as follows:

- no accrual in their first year of employment.
- 0.4% of regular hours worked during their second year of employment.
- 0.8% of regular hours worked during their third and each subsequent year of employment.

Regular hours worked excludes vacations, stats not worked and overtime. Year of employment refers to the period between an employee's anniversary dates.

Employees will be permitted to accrue up to a maximum of eighty (80) hours of sick leave.

Sick leave accrued is intended to be used for illness only. Medical certificates/doctor's notes may be required in support of a sick leave-and payout. This will be done at the Company's expense.

Employee's existing seniority will apply, with an effective starting date of April 1, 1997 for earning sick leave.

ARTICLE 22 - BULLETIN BOARD

22.01 All Union notices when received at the Company office will be distributed through payroll mailouts to individual employees.

ARTICLE 23 - NOTICES

23.01 Any notice in writing which either party gives to the other shall be by registered mail, postage prepaid, addressed **as** follows:

To The Company

General Manager/Business Manager
Aeroguard Company Ltd.
977 Century Street
Winnipeg, Manitoba **R3H 0W4**
Telephone: **(204) 694-8989** FAX: **(204) 694-7225**

To The Union

International Association of Machinists
& Aerospace Workers
Lodge **1857**
7418 - 6th Street
Burnaby, B.C. **V3N 3L6**
Telephone: **(604) 522-3991** FAX: **(604) 522-7844**

23.02 Any notice provided in the Agreement to be mailed by registered mail shall be deemed given **as** of the next day after the date of mailing. The registration receipt shall establish **the** date **of** mailing.

23.03 The Company or the **Union** may change its address for service of notice at any time by notice **as** set out in Article **23.01**.

ARTICLE 24 - INTERPRETATION

24.01 Unless otherwise stated, the word "day" or "days" wherever used herein, shall be deemed not **to** include Saturdays, Sundays, and paid holidays observed by the Company.

24.02 For the purpose of interpreting the Agreement, the masculine gender, wherever used herein, shall **mean** and include the feminine gender.

ARTICLE 25 - TERM

25.01 The Agreement shall become effective **as** of April **1, 1998** and shall remain in effect until March **31, 2001**, inclusive.

25.02 Either party, during four (4) months prior to the expiry of the Agreement shall give notice in writing to the other part of its desire to commence negotiations for the renewal of the Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement at

Burnaby, British Columbia, this 2 day of July 1998.

FOR THE COMPANY:

AEROGUARD COMPANY LTD.

David Thorsen

FOR THE UNION:

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, LODGE 1857

[Signature]

APPENDIX "A"

PAY GRIDS

B.C. MAINLAND SITES

Hours Worked	April 1/98 to March 31/99	April 1/99 to March 31/00	April 1/00 to March 31/01	
0 - 520	\$ 7.95	\$ 8.00	\$ 8.10	
521 - 2080	\$ 8.75	\$ 8.80	\$ 8.90	
2081 - 4160	\$ 9.25	\$ 9.30	\$ 9.40	
Over 4160	\$ 9.70	\$ 9.75	\$ 9.85	

The starting wage at all locations shall be a minimum of the (Provincial Minimum Wage Rate). Plus (\$0.10) tea cents.

An employee who is required by management to serve in the capacity of in-charge screening agent for two consecutive hours or longer will be paid an hourly premium of \$.75.

Dated At Burnaby this 2 day of July, 19 .

FOR THE COMPANY

David Dromon

FOR THE UNION:

[Signature]

LETTER OF UNDERSTANDING

Between:

AEROGUARD COMPANY LTD.

B.C. MAINLAND SITES

And:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
LODGE #1857

1. Flu Shots

The Company is prepared to contribute up to \$10.00 per employee towards arranging and providing an annual flu vaccination for all employees.

2. Medical Certificates/Doctor's Notes

An employee will be required to provide a medical certificate/doctor's note **in** the case **of** a third or subsequent illness absence in a six (6) month period, or any individual illness absence of four (4) consecutive days or more, at their **own** expense. Medical certificates/doctor's notes may be required in other circumstances but the Company will pay for obtaining said **form** in those instances.

3. Health and Safety Committee

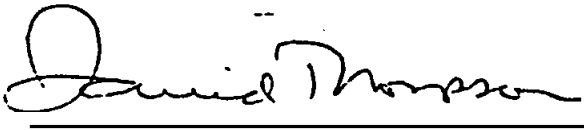
A Health and Safety Committee shall be established in accordance with Federal and Provincial regulations.

Committee Membership

- (a) not fewer than four regular members, employed **at** the operation and experienced in the types of **work** carried on at the operation, and

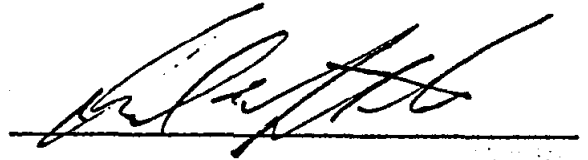
- (b) membership chosen by and representing the workers and the employer. In no case shall the employer's representatives outnumber those of the workers, and
- (c) a chairman and secretary elected from and by the members of the committee. Where the chairman is an employer member the secretary shall be a worker member and vice versa.

FOR THE COMPANY;



A handwritten signature in cursive script, appearing to read "David Thompson", written above a horizontal line.

FOR THE UNION:



A handwritten signature in cursive script, appearing to read "Robert H. [unclear]", written above a horizontal line.