

COLLECTIVE AGREEMENT

BETWEEN:

AEROGUARD INC.

977 CENTURY STREET
WINNIPEG, MANITOBA
R3H 0W4

SASKATOON, SASKATCHEWAN INTERNATIONAL AIRPORT

(Hereinafter referred to as the Company)

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

As represented by Transportation District Lodge 140
Suite 2131 – 11871 Horseshoe Way
Richmond, B.C. V7A 5H5

(Hereinafter referred to as the Union)
(Local Lodge 2734)

April 1, 2004 to March 31, 2007

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PREAMBLE

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.

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

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 sole Bargaining Agent for all Screening Agents, security and baggage agents working in Saskatchewan, at the Saskatoon International Airport and governed by federal jurisdiction, excluding Supervisors and above.

Management may perform bargaining unit work in the event of short staffing or excessive passenger volumes and training assignments.

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** The Company shall deduct Union dues from the earnings of each Employee bi-weekly, which shall be paid to the Union no later than the tenth (10th) day of the following month in which they are deducted.
- 3.03** 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.
- 3.04** All employees covered by this Agreement must become members of and maintain membership in good standing in the Union as a condition of employment. They shall maintain membership as a continuing condition of employment. The potential employee must fill out a Union application form and pay any fees associated with it.

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 schedules of work; the rotation of shifts; the hours and days of work and the number of employees required at any time.
- (d) The Company will be reasonable and fair in the Collective Agreement.

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.

- (a) The waiver of any of the provisions of this Agreement or the breach of any of its provisions by any of the parties shall not constitute a precedent for any further breach.
- (b) It is understood and agreed that all previous Agreements, whether oral or written, by and between the Company and the Union are superseded by this Agreement.

4.03 Written discipline will only be issued by Supervisors and 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 at least 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 Shop Committee comprised of at least three (3) Stewards, of whom one (1) shall be Chief Steward, selected by the Union, to assist in the presentation of any grievance that may arise.
 - (c) The Union will be given access to meet with new hires prior to training to explain Union procedures and membership. The Company will provide notice to the Union of new hires.
- 5.02** The members of the negotiating, Shop Committees, Health and Safety and Industrial relations committee shall be members in good standing and promote good order and shop discipline while in the workplace.
- 5.03** The Union shall notify the Company in writing of the names of the Employees who are members of the Negotiating and Shop Committees and the Company shall not be required to recognize them until so notified.
- 5.04** The Union acknowledges that each member of the Shop Committee has regular work to perform and that he shall only absent himself from such work with the permission of, Management, and, upon resuming his regular duties, he shall again report to Management. Each member of the Shop Committee shall not lose pay for time spent during his regular scheduled working hours performing the functions set out in Article 5.01(b).
- 5.05** An employee will have a Union representative present when being presented with any discipline that will be noted in his file. Every effort will be made to present discipline during the employees' regularly scheduled shift and within five (5) days of the incidents giving rise to the discipline. If it is not possible to be present in the foregoing time period, the discipline will be presented to the employee with Management and a fellow employee as a witness.

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 Management 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 ten (10) 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 Manager and if, within ten (10) 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 Shop Committee shall present the written grievance to the Manager, or a person or persons designated by him to handle such matters at Step Two. The 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 Manager, or his designate, may be accompanied by the Director of Operations or his designate, and such other assistants, as he so desires. While the General Chairperson of the Union may be present at the meeting, the Chief Steward has the right to require his presence at the meeting. The 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 Manager, or his designate, shall schedule a meeting between the Shop Committee plus the General Chairperson 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 will notify the Union in writing of the names of the Company Representatives and designated alternates appointed for purposes of the grievance procedure.
- 6.09** The parties may waive any step in this procedure and/or extend the time limits by written agreement, which will not be unreasonably withheld by either party. The extension must be for a fixed time. Should either party exceed the time limits, set out in this article or fail to request an extension of time limits in writing, within the time limits, the party exceeding the time limits must concede the grievance.
- 6.10** Prior to any discipline except in the case of physical violence or immediate safety hazard, the Company agrees to meet with the Union and discuss the matter. Any employee, who has been dismissed, will be given an opportunity to have a private interview with his steward.
- 6.11** If an Employee, who has acquired Seniority, believes that he has been 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 Chief Shop Steward. If a discipline 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.
- 6.12** If an Employee is dismissed such dismissal will take effect immediately upon the Employee receiving notice thereof.

6.13 The Company agrees that after a grievance has been initiated by the Union, the Company's representative will not enter into any discussions or negotiations with respect to grievance either directly or indirectly with the aggrieved employee without consent of the Union representative.

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 Arbitrator provided below:

**David Jones
Dan Ish
Vince Ready**

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 named Arbitrator. Where the first person named on the list is unable to hear the matter within thirty (30) calendar days, or such other times as the parties may agree, the next person will be selected and so on.

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 to all parties concerned. However, 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, 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 witnesses. No costs of arbitration shall be awarded to or against either party.

- 7.08** The decision of the Arbitrator shall be final and binding upon the parties hereto and upon any employee concerned in or affected by the said decision and shall be acted upon no later than fifteen (15) working days after receipt of the Award. The parties hereto will jointly share the fee and expense of the Arbitrator.
- 7.09** The parties hereto will jointly share the fee and expense of the Arbitrator.
- 7.10** Multiple Hearings
The Arbitrator may hear and determine only one (1) grievance at a time without the express agreement of the Company and the Union.

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.

However, it is understood that District Lodge 140 has a policy that reads: *“Work normally performed by a member of District Lodge 140 deemed to be struck work as a result of an authorized strike under the Machinists’ Union Constitution will not be done by another member of District Lodge 140.”*

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** (a) The seniority of an Employee means the length of his continuous service with the Company, commencing with the first day training.
- (b) Saskatoon International Airport location shall maintain a seniority list for all members.

(c) **Same Day Hiring**

The seniority of employees hired on the same day (relative to the other employees hired on the same day) will be determined by a numbers draw. There will be double the numbers from which to draw as there are employees drawing. The highest number will be the most senior, etc. This draw will be done right after hiring during training with all involved employees present. The Union will be responsible for administering the draw and providing the Company with a copy of the results. If a Union Representative can not be present, any IAM&AW member in good standing can conduct the draw. Union membership applications will be given out as part of the hiring package. Article 5.01 (d) will be applicable.

- 9.02** The seniority of an Employee shall be completely lost and his employment shall be automatically terminated if he/she:
- (a) Quits; or
- (b) Is discharged and not reinstated in accordance with the provisions of the Agreement; or
- (c) An Employee is absent from work for three (3) consecutive scheduled working days without notice to the Company, except when physically impossible to give such notice.
- (d) Is laid off for a period in excess of twelve (12) months; or
- (e) Fails to notify the Company of his intention to return to work within seven (7) calendar 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
- (f) Works for another Employer while absent from his employment with the Company except while on layoff; or
- (g) Uses an unauthorized leave-of-absence for a purpose other than that for which the leave was granted; or

- (h) Fails to return to work upon the expiration of an authorized leave-of-absence or vacation unless a reason satisfactory to the Company is given.
- (i) When an Employee accepts a permanent position in the Company that is outside the scope of the Agreement, the Employee will not to continue to accrue seniority.

9.03 Within thirty (30) days after the signing of this Agreement, the Company shall post the Airports 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.

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 three hundred and twenty (320) worked hours 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 just cause.

ARTICLE 11 - REDUCTION IN FORCE / LAYOFF AND RECALL

- 11.01** In any case of reduction in force the Company shall use seniority in determining which employee shall be laid off or recalled.
- 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.
- 11.04** Should cause such as a fire, flood, explosion, or Act of God, or any unforeseeable work stoppage by Employees of an airline serviced, by the Company, or circumstances beyond the control of the Company make it necessary to reduce the working force, the employees affected thereby shall be laid-off according to seniority with notice given in an appropriate manner. In the event of a partial resumption of operations, the Employees affected shall be recalled by seniority.
- 11.05** The Company has the right to lay-off Employees to the extent it determines to be necessary.
- 11.06** The Company shall notify the Union as soon as possible prior to any lay-off. All employees shall receive at least fourteen- (14) day's notice of any lay-off, except in the case of lay-off as defined in 11.04.
- 11.07** Recall shall be by double registered mail to the address last filed by the employee with the Company, or by personal interview. The Union shall receive a copy of each letter of recall and notification of each recall made by personal interview. A previous employee with seniority must keep the Company informed of any change of address by double register mail.
- 11.08** If within three (3) working days after the date of receipt of notice of recall an employee shall have failed to notify the Company that he intends to return to work or if within ten- (10) working days of the same date an employee shall have failed to return to work or to have satisfied the Company that he is unable to return because of accident or illness or other sufficient cause, he shall lose all seniority and his name shall be removed from the seniority list.

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 assigned to a position outside the bargaining unit that is not a management position i.e.: working at another base, shall be retained for a period not longer than 180 days.
- 12.03** Employees may submit a Letter of Preference, which will be kept on file with the Company for a period of one (1) year, which states the site to which the employee would like to transfer.

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 Company 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) Leave of absence without pay in excess of thirty (30) calendar days may be granted only where there is a mutual agreement amongst all parties involved.

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 a first-come basis, but will not precede vacation requests, except in a case of an emergency.
3. In the event that leave requests are submitted on the same day, Seniority shall govern.

ARTICLE 14 - BEREAVEMENT LEAVE

14.01 An Employee who has been employed by the Company for 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. The Company may grant an additional leave-of-absence of nine (9) days without pay if the funeral occurs outside of a nine hundred (900) km 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.

Note: For further clarity, immediate family means, in respect of the employee:

- (a) the employee's spouse or common law partner;
- (b) the employee's father and mother and the spouse or common law partner of the father or mother;
- (a) the employee's children and the children of the employee's spouse or common law partner;
- (b) the employee's grandchildren and the grandchildren of the employee's spouse or common law partner;
- (c) the employee's brothers and sisters and the brothers and sisters of the employee's spouse or common law partner;
- (d) the grandfather and the grandmother of the employee and the grandfather and the grandmother of the employee's spouse or common law partner;
- (e) the father and mother of the spouse or common law partner of the employee and the spouse or common law partner of the father or mother;
- (h) any relative of the employee who resides permanently with the employee or with whom the employee permanently resides.

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 Shop 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 / PARENTAL LEAVE

- 16.01** Maternity Leave / Parental 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, based on seniority. Shift preferences will be based upon the Employee's seniority in the case of posted open, and general shift 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.

The Company will arrange shift schedules to meet its contractual commitments and to cater to fluctuations and changes to airline schedules, airport schedules or CATSA requirements. The Company will provide the Union with the shift schedules as established for the purpose of the Union to conduct and administer the shift bids. The Union will have ten (10) calendar days upon receipt of the schedule to return the completed shift bids to the Company. The Company will post shift awards three (3) days prior to the schedules effective date. Should the Union fail to return the completed shift bids to the Company within the ten- (10) calendar days, the Company will assign the shifts. The Company will conduct and administer the current allotted and all future shift bids.

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 12:00 midnight on Sunday.

17.03 An Employee who works more than six (6) 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 or twelve (10 or 12) hour shifts shall be entitled to a total of 1 hour and fifteen minutes paid meal period and coffee breaks on each ten (10 or 12) hour shift.

17.04 The Company does not guarantee to provide work for any Employee or to maintain the workweek 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.
- 17.07** Time allowed as overtime in any workday, shall not again be allowed as overtime in the workweek. 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 and the Union agree that all overtime will be voluntary except when employees are requested to work overtime beyond their normal shift, it shall not exceed four (4) hours without mutual agreement.

All employees shall be compensated for all authorized overtime hours worked at one and one-half (1-1/2) times their regular rate for hours worked in excess of regular scheduled hours per day. In addition, anytime an employee is called in for overtime, they shall receive one and one-half (1-1/2) their rate of pay for their entire shift.

The overtime or extra hours required shall be offered in order of seniority to those employees on shift. Should all senior employees refuse the overtime or extra hours, the junior employees on shift will be required to work until a replacement is found. A replacement employee will only be required for overtime or extra hours in excess of four (4) hours.

- (a) The Company will distribute voluntary overtime on a seniority basis and post a weekly summary of overtime hours worked on the bulletin board. Employees shall have the right to refuse overtime, but such a refusal will be recorded as four (4) hours against an employee as overtime worked in accordance with the agreed timetables by the Union Shop Committee and management.
- (b) Overtime will be recorded on a monthly basis.
- (c) The present practice of offering overtime shall be maintained for this Agreement. Should an employee be by-passed for overtime, the onus of

proof to be provided by said employee and the Company would be required to pay the overtime hours missed.

- (d) In order to accelerate the selection for voluntary overtime, employees will indicate their availability for overtime by signing, as appropriate, in the daily overtime book in the Managers office.

Day of Overtime

1. Employees on shift in book
2. Sign up book - employees RDO
3. On shift employees
4. Seniority list

This is the order to be called in for day of overtime.

Next Day Overtime

1. Sign up book
2. Seniority list

This is the order to be called in for next day overtime.

- (e) Employees shall be compensated for all authorized overtime. Authorized overtime shall not mean work by mutual agreement between employees for their convenience.

17.10 An Employee may away a shift to another Employee provided that the Company is given at least twenty-four (24) hours' notice in writing by both of the Employees concerned. In the event that an Employee fails to work the exchanged shift, the Employee shall lose their shift give-a-way privileges for sixty (60) days. Article 17.0 6 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 or as outlined in Article 11.04

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.

Employees subpoenaed as a crown witness or for jury duty shall be paid by the Company.

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 December 31st of every year, in accordance with the following:

- (a) An Employee, with more than one (1) but less than nine (9) completed years of service, at the agent level, shall receive a three (3) weeks 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;
- (b) An Employee, upon completion of Nine (9) years of service, at the agent level, shall receive a four- (4) week vacation with pay equivalent to eight per cent (8%) of his gross earnings for the preceding vacation year, pursuant to his employment with the Company.

18.02 "Vacation Year" means the twelve (12) month period between January 1st and December 31st. For the purposes of vacations in a year, calculations of continuous employment with the Company and gross earnings shall be made as of December 31st of that year.

18.03 All Employees shall receive their vacation pay via direct deposit so as not to interrupt their regular pay cycle provided the Company is given sufficient advance notice of vacation timing.

Vacations will be granted and taken at such times as to which the Company finds most suitable, considering the efficiency of its operations, the wishes of the Employees and their seniority.

18.04 The Company agrees to pay all vacation pay on a separate stub to all employees.

18.05 Employees will advise Management of their preferred vacation dates(s) in writing between April 1 and April 15 of each year. By April 30, Management will notify the employees in writing of the approved date(s). Vacation dates will be allocated based upon the employee's seniority and operational requirements. Subsequent to April 30, an employee may advise Management of a preferred vacation date(s) in writing and it will be approved or denied within ten (10) days. Requests will be evaluated on a time of submission basis (i.e. first come first served). At any time, vacations may be altered upon mutual agreement of the Employer and Employee.

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
Good Friday
Victoria Day
Canada Day
Labour Day

Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day
Civic Holiday

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 – BENEFITS

21.01 The Employee will take required courses and exams on a paid basis. The Company will accommodate the Employees to change shifts in order to benefit both parties.

The Company will arrange courses and exams and pay the affected employee a minimum four (4) hours at the regular rate of pay for the exams.

- a) Sufficient supply of latex gloves will be provided at all screening points.
- b) Parking will be paid 100% by the Company for all employees covered under this agreement. (\$0.17 per hour) 1.4%
- c) The Company will provide a lunch room facility complete with an adequate number of tables, chairs, a fridge, microwave, water-cooler, and coffeepot. Where available to conform to the Canada Labour Code.
- d) Employees will be paid at the applicable rate for any time spent on training testing re-testing certification or re-certification
- e) The Company will contribute up to fifteen (15) dollars towards annual flu vaccinations.
- f) The Company will provide a reasonable amount of Antibacterial Lotion for use at the Screening Point.

All employees will accrue annual sick days as follows:

- a) Effective from the date of ratification, Employees shall earn paid sick leave at the rate of two (2) days in year one (1), three (3) sick days in year two (2), and four (4) sick days in year three (3). Sick days can be carried over from year to year to a maximum of (15) fifteen sick days.
- b) A doctor's note may only be required if an employee is sick for more than (3) consecutive days.

Health Benefit Funding:

Effective from the date of ratification,

- a) the Employer will contribute one dollar (\$1.00) per hour worked per employee towards a health and benefit package.
- b) the International Association of Machinists and Aerospace Workers will administer and provide for the benefits to the employees.
- c) The Company will provide a one-time five-thousand dollar (\$5,000) cash contribution to the plan upon ratification.

21.02 The Company will issue, complete properly fitting uniforms at no cost to the employee as provided by CATSA.

Furnished uniforms shall be cleaned and maintained by the employee.

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 the proper storage of coats, boots, etc. Providing there is space the Company will provide lockers for employees on duty.

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.

ARTICLE 22 - BULLETIN BOARD

22.01 All Union notices when received at the Company office will be distributed through payroll mail-outs to individual Employees.

22.02 The Company will provide a separate lockable bulletin board for Union memos at each location. The Bulletin Board will be maintained by the Shop Committee.

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

President and Chief Executive Officer
Aeroguard Inc.
Suite 340 - 530 Kenaston Boulevard
Winnipeg, Manitoba R3N 1Z4
Telephone: (204) 694-8989
Facsimile: (204) 694-7225

To The Union

International Association of Machinists
& Aerospace Workers
Transportation District 140 (Local Lodge 2734)
Suite 2131-11871 Horseshoe Way
Richmond, B.C. V7A 5H5
Telephone: 604-448-0721
Toll Free Telephone: 1-877-426-3140
Facsimile: 604-448-0710
Toll Free Facsimile: 1-888-310-1688

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 – HUMAN RIGHTS

24.01 The Company and the Union recognize the right of employees to work in a harassment free environment and are committed to providing a workplace that is supportive of the dignity, self-esteem and contribution of all employees.

Workplace harassment is conduct that is unwanted or unwelcome and unnecessary and is known or ought reasonably be known to be unwelcome, and that can be related to any of the grounds of discrimination prohibited by law, the Collective Agreement and/or Company Policy.

(a) **Discrimination/Harassment Prohibited**

The Employer and the Union agree that discrimination and/or harassment of any employee because of sex, colour, national origin, religion, age, marital status, sexual orientation or disability is absolutely prohibited. Every employee has the right to work in an environment of mutual respect, free from discrimination and harassment based on any of the above categories. Action contravening this policy may constitute grounds for discipline.

(b) **Sexual Harassment**

Sexual harassment means any deliberate and/or repeated, unwelcome behaviour, comment, gesture or contact of a sexual nature that might, on reasonable grounds, be perceived by that employee as creating an uncomfortable working environment, or placing a condition of a sexual nature on employment or any opportunity for training or promotion.

24.02 Complaint Procedure

Any complaint involving allegations of discrimination or harassment, as defined in Article 25.01 may be reported in confidence directly to the on site Manager and the Union. The complainant will fill out the harassment complaint form. Once a complaint(s) is brought forward, both the Company and the Union must be made aware of the complaint in writing. A Union representative will be present while the complaint is investigated in a fair and impartial manner that protects the privacy interest of all involved - the accused offender as well as the complainant. The name of the complainant or the accused offender or the circumstances related to the complaint will not be disclosed except where disclosure is necessary for the purpose of investigating the complaint or taking related disciplinary measures. The individual accused of harassment has the right to know and respond to all allegations. The Employer will take actions it considers appropriate to resolve the complaint.

24.03 Nothing in this Article shall be considered to negate the right of an employee to seek compensation through civil action or other legal means for any damages arising from a bona fide complaint of harassment, including but not limited to filing a Human Rights Complaint.

24.04 The strict prohibitions referred to in Article 25.01 are to be interpreted and applied in accordance with the notion of a reasonable duty to accommodate.

24.05 Right of Arbitrator

- (a) an arbitrator hearing a complaint or grievance under this article shall have jurisdiction to:
 - (i) dismiss the complaint or grievance;
 - (ii) determine the appropriate redress regarding the complaint or grievance.

24.06 Transfer of Harasser

Where the discrimination or harassment is proven and results in the transfer of an employee, it shall be the offender who is transferred. The complainant shall only be transferred with the complainant's consent.

ARTICLE 25 - TERM

25.01 The Agreement shall become effective as of April 1st, 2004 and shall remain in effect until March 31, 2007, 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:

Saskatoon, Saskatchewan, this 24th day of March, 2005

at Richmond, B.C.

FOR THE COMPANY	FOR THE UNION
AEROGUARD INC.	International Association of Machinists and Aerospace Workers, Transportation District 140 (Local Lodge 2734)
Jane Greene	Mike Clegg
Bill Brown	Tony Didoshak
Rick Townsend	Susanne Carriere
	Valerie Friesen
	Patricia Markowsky

APPENDIX "A"

HOURLY PAY RATES

CATSA Level (1)	Hours Worked	April 1, 2004 3%	April 1, 2005 2%	April 1, 2006 2%
1		\$ 9.50	\$ 9.69	\$ 9.88
2		10.53	10.74	10.95
3.1	0 – 2080	11.56	11.79	12.03
3.2	2081 – 4160	11.92	12.16	12.40
3.3	4161 – 6240	12.28	12.53	12.78
3.4	6240 +	12.64	12.89	13.24

If an agent is designated to serve as an Acting Supervisor by the Supervisor, or above, for one (1) hour or more, the Agent will be paid a premium of \$1.50 per hour for all such hours worked.

The above wages are retroactive to April 1, 2004 to be provided on a separate cheque and pay stub.

BENEFITS to be paid by the Company on behalf of all employees **retroactive** to October 4, 2004.

YEAR 1	YEAR 2	YEAR 3
\$1.00 per hour	\$1.00 per hour	\$1.00 per hour

for **all hours** worked minus overtime for all employees. **Plus, a \$5,000.00 cash contribution to the plan upon ratification (8%).**

SICK DAYS

YEAR 1	YEAR 2	YEAR 3
2 days	3 days	4 days