

COLLECTIVE AGREEMENT

Between

HITACHI CONSTRUCTION MACHINERY CANADA LTD.
Machinerie de Construction Hitachi Canada Ltee.
DEERE HITACHI SPECIALITY PRODUCTS DIVISION

and

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 115

and

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692

DURATION: July 16, 2012 to July 15, 2015

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BY AND BETWEEN:

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DEERE HITACHI SPECIALTY PRODUCTS DIVISION

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, VANCOUVER LODGE NO. 692

WITNESSETH: that the Parties hereto agree as follows:

ARTICLE 1 - OBJECTS

- 1.01 (a) The objects of this agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this agreement.
- (b) For the purposes of this agreement, the masculine shall be considered to include the feminine and the singular to include the plural.

ARTICLE 2 - BARGAINING AGENCY

- 2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company employed at the place(s) set out in the certificate(s) of bargaining authority and at any other premises opened or taken over by the Company in British Columbia.
- 2.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.
- 2.03 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit, except in the instruction or training of employees, or for the purpose of inventory or audit.

ARTICLE 3 - UNION SECURITY

- 3.01 UNION SECURITY The Company agrees that as a condition of continued employment, all employees who are or may be covered by the Certificate of Bargaining Authority issued to the Union by the Labour Relations Board of British Columbia must become Members of the Union(s) within thirty (30) days of commencing employment and remain Members during the life of this Agreement. Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.
- 3.02 All present and new full-time employees of the Company who are or may be covered by the Certificate of Bargaining Authority issued to the Union(s) by the Labour Relations Board of British Columbia shall pay to the Union(s), as a condition of employment, and not later than thirty (30) calendar days after the commencement of his employment, dues, initiation and reinstatement fees by payroll deduction, as may from time to time be established by the Union(s) for its Members, in accordance with the respective Constitution and/or By-Laws.
- 3.03 Notwithstanding the provisions of Article 3.02 preceding, the Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of five (5) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to that check-off; if the month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.04 All deductions as required under Article 3.02 and 3.03 shall be made in each calendar month the employee is employed by the Company.

The monies so deducted shall be forwarded by the Company to the Secretary(s) of the Union(s) not later than the 15th day of the following month, accompanied by a statement listing the names of the employees and their Social Insurance Number, for whom deductions were made and the amount of each deduction.

All other remittances required for the negotiated Benefits, or any other coverage, required under this Collective Agreement, shall be remitted to the appropriate carrier not later than the 15th of the month following the month in which coverage is required.

The Company agrees that upon receiving a written request from the Union that the fees and dues may be sent electronically in a format acceptable to the Union

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for just cause, provided that a claim of discrimination against an employee in respect to any of these matters, or

a claim of violation, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.

- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union shall have the opportunity to provide the Company with suitable applicants.

ARTICLE 5 - DEFINITION OF EMPLOYEE

- 5.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Code of BC. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" and/or "B" attached hereto, and working at or from any premises opened or taken over by the Company in British Columbia.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

- 6.01 DAY SHIFT The standard work day shall consist of eight (8) hours **with day shift starting between 7.00 AM and 8.00 AM**. The standard work week shall consist of forty (40) hours, Monday to Friday.

Hours of work in the shop may be changed by mutual agreement between the Company and the Union.

6.02 AFTERNOON SHIFT

- (a) If a second shift is employed, the hours of work shall be seven and one-half (7 1/2) hours of work for which eight (8) hours will be paid. **The second shift shall have a start time between the hours of 3.00 PM and 5.00 PM.**

- (b) If a ten (10) hour shift is worked for which ten (10) hours straight time will be paid. Included in the ten (10) hours, will be two breaks one in each half shift and a thirty (30) minute lunch break.

Four shifts, Monday to Thursday inclusive shall constitute a regular week's work on this shift.

- (c) A premium of one dollar and fifty cents (\$1.50) shall be paid for all hours worked on either shift.

- (d) During weeks in which Statutory Holidays fall, employees on 10 hour shifts will receive ten (10) hours pay at their regular straight time rates for each Statutory Holiday.

- (e) Nothing shall detract from Management's right to operate a standard afternoon shift separate from or in conjunction with the shift outlined in (a) above,

- (f) Staffing for the second or third shift outlined above shall first be on a voluntary basis. If there are insufficient volunteers, then the most junior **qualified** nonprobationary employee in the required classification shall staff that shift.

Where there is insufficient qualified employees to staff the second shift then the most junior qualified employees will staff the second shift for a maximum of sixty (60) days to allow for training of the junior employee.

- (g) Any employee changing from a ten (10) hour shift onto an eight (8) hour shift shall receive ten (10) hours rest between shifts and all other conditions of that change shall be in accordance with Article 6.15.

- (h) ***Shift schedules will be posted; an employee must remain on their posted shift for a minimum of six (6) months. Shifts shall only be altered by mutual agreement of the parties based on operational needs and seniority. Resignation by the employee from any given shift will be considered with a minimum of thirty (30) days written notice. The notice period may be included in the six (6) month minimum period.***

6.03 NIGHT SHIFT If a third shift is employed, the hours of work shall be seven (7) hours of work for which eight (8) hours shall be paid and a shift premium of one dollar and fifty cents (\$1.50) shall be added on to the classified hourly rate. ***The third shift shall have a start time between the hours of 11.00 PM and 1.00 AM.***

6.04 LUNCH PERIOD Day shift shall have a half-hour unpaid lunch period at mid-shift.

6.05 NOTICE OF SHIFT CHANGE The Company shall give the employee forty-eight (48) hours notice prior to changing of shifts.

6.06 SHIFT - TRANSFER OF EMPLOYEE When it is necessary for an employee to be transferred from one shift to another shift, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply. Such overtime rates shall not apply where an employee requests and is granted return to his previous shift within the three (3) day period.

6.07 SHIFT - START AND STOP TIMES If an employee is working on the second or third shift and is unable to start the shift on time and/or to complete the shift, then the hourly rate for such an employee shall be computed by dividing the employee's total pay for a regular full shift by the applicable total number of hours he would be required to work to qualify for a full second or third shift, multiplied by the actual hours worked.

6.08 SHIFT ROTATION When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.

6.09 OVERTIME All hours worked outside of standard work hours, outside the established shift hours, and outside the standard work week shall be considered overtime and paid as follows:

First two (2) hours in excess of their scheduled shift shall be paid at the rate of time and one half to a maximum of eight (8) hours in a week. Any hours worked in excess of two (2) hours per day or eight (8) hours per week will be payable at double time rates.

Work performed on the first scheduled day off, and where the weekly maximum of eight (8) hours has not been met, the rate of pay shall be time and one half until the weekly requirement of eight (8) hours is worked.

Work performed on the second or third scheduled day off or statutory holidays shall be paid at double time rates. ***However, if an employee refuses or does not work their first scheduled day off and comes in to work on the scheduled second day off the employee shall be paid in accordance with Article 6.09.***

6.10 OVERTIME

- (a) Overtime will only be paid when employees have worked greater than their regularly scheduled shift hours. Regularly scheduled shift hours that are not actively worked must be covered with approved sick time, banked time, or vacation time prior to any overtime hours being paid. All such overtime will be paid at the applicable overtime rate.
- (b)
 - (i) The following premiums will compound with the regular hourly wage rate.
 - Lead Hand
 - Charge Hand
 - Shift Differential per Article 6.02 and 6.03
 - First Aid Attendant
 - (ii) The following premiums will not compound with the regular hourly wage rate.
 - Tuesday to Saturday Shift Differential

6.11 SCHEDULED OVERTIME It is understood that when production demands are high it may be necessary to schedule extended hours in order to meet customer commitments.

The company is required to give one (1) week notice prior to scheduling overtime for one or more ***workcenter(s)***. When less than one (1) week notice is given, overtime shall be on a voluntary basis.

The company shall give forty-eight (48) hours notice prior to cancelling previously scheduled overtime

Scheduled overtime ***will be offered by seniority to all employees in a workcentre that has been scheduled for overtime. Where insufficient workers are identified the Company may assign overtime to the most junior qualified employee.***

Expectations for attendance during scheduled overtime hours is the same as standard work week hours.

Scheduled overtime shall be limited to ***week days with*** a maximum of two (2) hours in excess of an employee's regularly scheduled shift to a weekly maximum of eight (8) hours and an annual maximum of ***eighty (80)*** hours per ***employee***. Overtime work in excess of two (2) hours per day, eight (8) hours per week, or ***eighty (80)*** hours per year shall be on a voluntary basis.

Scheduled overtime rate of pay shall be in accordance with section 6.09.

6.12 **OVERTIME NOT PART OF DAILY GUARANTEE** Where an employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only and will not be included in the computation of his daily guarantee as provided under this Agreement.

6.13 **REST BETWEEN SHIFTS** It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.

CLARIFICATION: Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

6.14 **WORK BEFORE REGULAR SHIFT** Employees called in before their regular starting time shall be paid at the applicable overtime rate for time worked prior to their regular starting time.

6.15 **WORK AFTER REGULAR SHIFT** Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.

6.16 **WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS** All hours worked on a Saturday, Sunday or on any General Holiday listed in Article 11, or day observed as such under the terms of this Agreement, shall be paid at the applicable overtime rates as per Article 6.09. Double time on General Holidays is in addition to any General Holiday pay an employee may be entitled to under other provisions of this Agreement.

6.17 **WORK THROUGH REGULAR LUNCH PERIOD** Where an employee is required to work through his regular established lunch period, such employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

6.18 **WORK WEEK - GUARANTEED**

- (a) An employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week. The forty-eight (48) hour notice of lay-off provided in the Seniority Section of this Agreement shall take precedence when an employee is laid off on a Thursday. He would work Friday and Monday and by working Monday is not entitled to full pay for that week.
- (b) If an employee of his own volition does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base 5.
- (c) Subject to the exceptions set out below, any employee reporting for work on his regular shift shall receive a minimum of eight (8) hours pay at his regular wage rate.

If eight hours is not available at his regular job, the employee shall perform such temporary work as may be assigned to him to qualify for such pay.

The provisions of this Section shall not apply in the event of:

- (i) An emergency such as fire, flood, power failure, etc., beyond the control of the Company, or if:
- (ii) He voluntarily leaves the work site, quits or is discharged for cause,
- (iii) He was previously given forty-eight (48) hours notice as required in Article 9.04(a).

and in any such event or circumstance occurring as outlined in (i), (ii) or (iii) above, he shall be paid for the actual time worked at regular wage rate.

6.19 WORK WEEK - TUESDAY TO SATURDAY

- (a) If business conditions warrant that a Tuesday to Saturday work week be considered, the Company and the Union will discuss the establishment of such a schedule. If such a work week is established, a premium of forty cents (\$0.40) per hour for all hours worked will apply.
- (b) Staffing for a Tuesday through Saturday work schedule shall first be on a voluntary basis, it being understood that employees hired after date of ratification of the 1994 Collective Agreement may be required to work the schedule.
- (c) Lay-offs and lay-off notice shall be in accordance with Article 9.04. However, lay-off notice shall be exclusive of Sundays, Mondays and General Holidays.

6.20 CALL TIME An employee called to work on a Saturday, Sunday, or on a General Holiday, (or days observed as General Holidays), shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner. Employees shall attempt to settle any differences, complaints, or disputes with their immediate supervisor before proceeding with the grievance procedure. Employees are encouraged to promptly bring forward any differences so that all problems can be clearly understood and resolved.

STEP A The employee or the Union, together with such person or persons as the employee or Union may wish, shall take the matter up with the Company within thirty (30) calendar days of the employee becoming aware of the dispute. Written grievances must be filed within thirty (30) calendar daytime period

Within fifteen (15) calendar days of taking the matter up with the Company, the Company will provide a response to the grievance.

STEP B Should a solution not be reached by Step A, then a business representative Of the Union, accompanied by the employee and/or the employee's shop steward shall discuss the matter with the Company. If a solution is reached, this shall be final. This meeting shall take place within fifteen (15) calendar days of the Company's response to Step A.

STEP C If an agreement is not reached under the provisions of Step B above, upon mutual agreement between the Union and the Company and at any time prior to the appointment of an Arbitration Board, or other body, another party may be requested to confer with the Union and the Company to assist in the settlement of any difference arising from an alleged violation of this Agreement. Within ten (10) days of appointment, the selected party will make inquiries which it considers adequate and will submit in writing recommendations for settlement of the difference which will not be binding upon either the Union or the Company or detract from their privileges under this Agreement. All expenses incurred by the appointed party will be paid equally by the Union and the Company. The parties may agree that the recommendation rendered at this Step will be binding on both parties. If a solution is reached, this shall be final.

Any time limits fixed in this article for the taking of action by either party or by an employee may at any time be extended by mutual agreement in writing. Such requests shall not be unreasonably denied. Any grievance not dealt with within the time limits contained in this article or not mutually agreed to extension shall be deemed to be abandoned.

It is agreed that either the Company or the Union may file policy grievances. Grievances of this nature shall include issues' which affect two or more employees, the rights of the Company or the rights of the Union. These grievances shall be submitted at Step B.

7.02 GRIEVANCE - TIME LIMIT Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays), in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, shall constitute cause.

7.03 SECTION 87 Grievances pertaining to discharge and suspension will not be processed under Section 87 of the Labour Relations Code of B.C. unless there is mutual agreement between the Parties.

7.04 By mutual agreement between the parties the outstanding grievances may be referred to the Canadian Joint Grievance Panel.

ARTICLE 8 - ARBITRATION

- 8.01 If the procedures set forth in Section 7.01, Step A and Step B, do not result in a solution being reached within seven (7) days of the first discussion between a business representative of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:
- (a) The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
 - (b) The Party receiving the notice shall within five (5) days appoint a member for the Board and notify the other Party of its appointment.
 - (c) The two (2) Arbitrators so appointed, shall confer to select a third person to be Chairman, and failing for three (3) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour of British Columbia to appoint such third member.
 - (d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman, provided the Parties may extend the time by agreement in writing.
 - (e) The Parties may mutually agree that a sole arbitrator be appointed in place of a three (3) person board. The decision of the sole arbitrator shall be deemed to be the decision of the Board and shall be final and binding. All expenses incurred by the sole arbitrator shall be paid equally by the Parties. Each Party shall pay its own costs.
- 8.02 If the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an ex-employee should have been re-hired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time provided, that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to re-hire and re-hiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, and provided that the Arbitration Board if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.
- 8.03 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.

- 8.04 If the award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.05 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.
- 8.06 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9 - SENIORITY

- 9.01 SENIORITY LIST On April 1st and October 1st, the Company shall post in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.

- 9.02 PROBATIONARY PERIOD When a new employee is hired, it is agreed that the employee shall be on probation for ninety (90) calendar days and during this period seniority will not be applicable.

During this probationary period the employee's supervisor will conduct a review at 30, 60 and 85 days to assess the employee's performance and clarify expectations. Copies of the performance review will be provided to the shop steward.

When the probationary period is completed seniority will commence from the date of hiring. In the event that the company requires an additional 30 days to evaluate performance, the union will be contacted for agreement.

- 9.03 EMPLOYEE - RE-EMPLOYMENT An employee re-entering the employ of the Company after his right to recall has expired shall be subject to another probation period of thirty (30) calendar days. In the event that the company requires an additional 30 days to evaluate performance, the union will be contacted for agreement.

- 9.04 LAY-OFFS

- (a) In the event of lay-offs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification. The Company shall give at least forty-eight (48) hours' notice on lay-offs, exclusive of Saturdays, Sundays and General Holidays.

If lay-offs occur, providing a senior man is capable of performing another job in the Plant, he shall be given the opportunity to take such a job.

If lay-offs are to take place out of seniority, the Company will discuss the matter with the Union during the forty-eight (48) hour notice period. If no agreement can be reached, the lay-offs will occur and the matter referred to the grievance procedure.

- (b) An employee laid off in one classification will be given the opportunity of displacing an employee in the same Plant with less seniority in a higher position provided the senior employee has the capability to perform the job.

Employees who bump to another job will be paid the wage rate for the new position.

Employees who accept a position under this Article shall have the right to reinstatement in their former position when such becomes available. The job, in such instances, shall not be posted and the employee will be reinstated in his former classification.

- (c) An employee on lay-off may "bump" a junior employee classified in a higher rated job in the same plant should an employee's lay-off exceed ten (10) consecutive working days. The "bump" will take place on the Monday or the Tuesday, depending on the shift the employee will be assigned to, following the ten (10) days.

Employees who bump into a higher rated job must remain in that classification, subject to the provisions of this letter, until the employee they displaced is recalled from lay-off or a vacancy occurs in the higher rated job.

The Parties agree that bumping under this Letter of Understanding shall be in accordance with the lay-off and work week provisions of the Collective Agreement.

Any employee who "bumps" another employee must be qualified and have previously demonstrated their ability to perform the job.

An employee will not qualify to "bump" another employee in any classification which the employee would not otherwise qualify for through the job posting procedures in the Collective Agreement.

9.05 SENIORITY RETENTION

- (a) A laid-off employee shall retain his seniority and recall rights with the Company for the following periods:

Period of Seniority

Less than 12 months	6 months retention
12 months to less than 60 month	12 months retention
60 months and over	18 months retention

- (b) If a laid-off employee is called back to work with the Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such lay-off.

9.06 RE-CALL When vacancies occur, the Company shall re-hire laid-off employees according to their seniority and the principle of last man off, first man on, shall prevail, subject to their classification.

The Company shall contact laid-off employees either personally, by mail or through the Union dispatcher at the address or at the telephone numbers supplied by the employee.

It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

- 9.07 LAY-OFF PAY If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this agreement and that employee has a minimum of two (2) years' service with the Company he shall be paid two (2) weeks' pay based on eighty (80) hours at his then applicable rate of pay. Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.
- 9.08 When a member of the bargaining unit (excluding a probationary employee) agrees to a transfer within the Company to a position outside the bargaining unit, he shall maintain but not accumulate seniority for a period equal to his right to recall entitlement, after which his seniority shall be terminated. The Union shall be notified of such transfer.

ARTICLE 10 - VACATIONS

- 10.01 VACATION SCHEDULE All employees hired prior to July 16, 2009 will receive vacations and be paid for the vacation in accordance with the following schedule:

<u>Years of continuous service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
Less than 1 year	1 day for each major fraction of a month worked (max. 10 working days)	4 1/2%*
1 year but less than 3 years	2 weeks	4 1/2% or 80 hrs*
3 years but less than 8 years	3 weeks	6 1/2% or 120 hrs*
8 years but less than 15 years	4 weeks	8 1/2% or 160 hrs*
15 years but less than 23 years	5 weeks	10 1/2% or 200 hrs*
23 years but less than 28 years	6 weeks	12 1/2% or 240 hrs*
28 years and over	7 weeks	14 1/2% or 280 hrs*

All employees hired after July 16, 2009 will receive vacations and be paid for the vacation in accordance with the following schedule:

<u>Years of continuous service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
Less than 1 year	1 day for each major fraction of a month worked (max. 10 working days)	4%
1 year but less than 4 years	2 weeks	4% or 80 hrs*
4 years but less than 10 years	3 weeks	6% or 120 hrs*
10 years and over	4 weeks	8% or 160 hrs*

- * pay at the employee's current classified rate, whichever is greater at the time the vacation is taken.

Vacation pay shall be on a separate cheque upon the request of an employee.

- 10.02 **CALENDAR YEAR** For the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay, the Parties agree that when an employee has earned a minimum of fifteen hundred (1500) hours for which wages are payable in an employee's calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

Employees who work less than fifteen hundred (1500) hours shall be paid at the appropriate percentage of their gross earnings for the work year immediately preceding the vacation period, as set out in Article 10.01 above.

For the purposes of computing the requisite hours, the time, not exceeding two (2) weeks, when receiving wage loss compensation from Workers' Compensation or Weekly Indemnity shall be considered as time worked provided that the employee returns to his employment.

- 10.03 **VACATION PAY ON TERMINATION** In the event of termination of service with the Company after an employee had his vacation he earned for the previous year, he shall receive the appropriate percentage as per Article 10.01, when applicable as the case may be, of his gross earnings he earned in the year in which he ends his employment for which no vacation has been paid.

- 10.04 **VACATION PAY - STATEMENT OF** An employee will be given their entitlement and rate of vacation pay within 3 weeks of their anniversary date. The Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated, and shall include all overtime payment, commissions, or anything of a monetary value on which the employee has to pay income tax, and also a cheque for the proportionate vacation pay the employee is entitled to.

10.05 **VACATION PERIOD**

- (a) If an employee so requests, the Company will provide three (3) weeks of the employee's vacation time in the summer months (May 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority. The Company will consider four (4) weeks' vacation during the summer months for those employees eligible for five (5) weeks or more vacation, if so requested.

If an employee requests vacation time during the summer months, requested time off must be in a minimum of one (1) week periods. (Monday to Friday)

- (b) Depending on the workload, the Company may limit the vacation period so that no more than ***ten (10%) percent*** of the workforce in any ***classification*** is on vacation at one time. However, nothing in this Article shall be used to supersede the entitlement of Employees to three (3) weeks of summer vacation as outlined in 10.05 (a) above.

(c) Vacation Scheduling

The Company, starting on January **2nd** each year, will post a notice to inform the employees that by **February 15th** all employees are to choose the date of their vacation. The Company shall grant their requests according to seniority (as per 10.05 [a]).

This schedule will be approved and posted by **February 28th**.

Employees requesting vacation after the Company has approved the vacation schedule shall be granted same on the basis of seniority but such employee shall not bump into vacation dates on the approved schedule.

- 10.06 VACATION ENTITLEMENT In any year that an employee becomes entitled to an additional vacation upon reaching his anniversary date of employment, he will be entitled to one (1) week's vacation with pay at that time.

(i.e.- An employee who reached his third (3rd) anniversary on October 1st would be entitled to one (1) weeks vacation at that time plus two (2) weeks vacation in the ensuing vacation period or he could save his newly achieved vacation time and take three (3) weeks vacation in the ensuing vacation period).

- 10.07 VACATION - ANNIVERSARY DATE An employee's anniversary of employment date will govern his attainment of vacation entitlement.

- 10.08 VACATIONS - SCHEDULE CHANGE An employee's scheduled vacation period shall not be changed by the Company within the two(2) month period immediately preceding the start of the vacation period without the consent of the employee concerned.

- 10.09 VACATIONS - REQUIREMENT TO TAKE Employees with four (4) weeks or less of vacation entitlement will be required to take the full annual holiday period that he/she is entitled to under the provisions of this agreement. Employees with greater than four (4) weeks vacation can elect to have a maximum of three (3) vacation weeks paid out to an Employees individual RRSP account.

- 10.10 VACATION ENTITLEMENT - RELATED TO STATUTES The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government legislation or any Orders or Regulations made thereunder.

- 10.11 VACATION ENTITLEMENT - ELIGIBILITY FOR VACATIONS SHALL BE MAINTAINED, BUT NOT ACCUMULATED DURING ABSENCE

- (a) due to temporary illness or non-occupational accident exceeding one year;
- (b) with authorized leave of absence;
- (c) due to lay-off in excess of three (3) months cumulative in a vacation year.

10.12 ELIGIBILITY FOR VACATIONS WILL BE MAINTAINED AND ACCUMULATED DURING ABSENCE DUE TO:

- (a) a compensable accident;
- (b) serving in the non-permanent Armed Forces of Canada;
- (c) temporary illness or non-occupational accident not exceeding one year.
- (d) lay-off up to three (3) months cumulative in a vacation year.

ARTICLE 11 - GENERAL HOLIDAYS

11.01 The Company shall give to each employee a holiday with pay on each of the designated general holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work. An employee shall receive such holiday pay even if the holiday falls on a Saturday, Sunday or an employee's weekly day off. The designated general holidays shall be:

- | | |
|----------------------|----------------------|
| 1. New Year's Day | 7. Canada Day |
| 2. Family Day | 8. BC Day |
| 3. Heritage Day | 9. Labour Day |
| 4. Good Friday | 10. Thanksgiving Day |
| 5. Easter Monday | 11. Remembrance Day |
| 6. Victoria Day | 12. Christmas Day |
| | 13. Boxing Day |

and any other holiday declared, proclaimed or celebrated by the Federal and/or Provincial Government will be paid for.

Should it be the choice of the majority of employees; December 24th may be observed as a general holiday by all employees, in place of Heritage Day, subject to the same terms and conditions for Heritage Day under Article 11.05.

11.02 GENERAL HOLIDAY - SATURDAY & SUNDAY When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the Holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday, respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

11.03 GENERAL HOLIDAY PAY WILL BE PAID General holiday pay provisions will prevail only where an employee has fifteen (15) calendar days employment with the Company and;

- (a) Where an employee is off work due to any circumstance for which he is eligible to receive compensation under the Workers' Compensation Act, provided such employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday.

- (b) Where an employee is off work due to sickness, quarantine, or an accident provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.
- (c) Where an employee is laid off or is on an approved leave of absence provided such an employee has earned wages from the Company during the fifteen (15) calendar days immediately preceding or following the week in which the holiday occurs
- (d) Where an employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.

11.04 GENERAL HOLIDAY - DURING VACATION When a general holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

11.05 The Company shall have the option of providing an alternate day(s) for those employees required to work Heritage Day and/or Easter Monday to provide customer service. The alternate day shall, by mutual agreement, be scheduled off within thirty (30) calendar days after the holiday banked, or paid out.

ARTICLE 12 - WAGES

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classification and applicable wage rates shall be those agreed upon and set out in Appendix "A", attached hereto, and forming part of this Agreement.

12.02 (a) PAY STATEMENT The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

(b) PAY STATEMENT The Company shall, every second Friday or another designated pay day, pay to each employee all wages earned by the employee to a day not more than five (5) working days prior to the date of payment provided that if a General Holiday falls on the regular pay day, payment will be made the preceding day.

Payment of wages will be made during working hours. Where a payroll is not met within the prescribed time and unless proper reasons for the delay are forthcoming, it shall not be considered a violation of this Agreement for the employees to cease work until the wages are paid or other arrangements are made.

In the event that an employee is laid off, the Company shall pay such employee not later than the next business day after he ceased to be an employee of the Company, all wages, salary, and holiday pay earned by such employee, excluding authorized deductions.

- 12.03 TIME RECORDING An employee shall be required, on Company time, to record his time, job and/or work reports daily if the Company so requests.
- 12.04 ACCIDENTS - PAY TO EMPLOYEES Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. If an employee is required to take time off while on the job to consult a Doctor with regard to any compensable injury he has received on the job, he shall be paid for such time off provided a Doctor's letter or note is supplied and he returns to complete the days work, if practicable.
- 12.05 WAGE RATE - HIGHEST DAILY RATE Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

ARTICLE 13 - BANKED OVERTIME

13.01 BANKED OVERTIME

The maximum in an employee's bank at any time is **500** straight time hours.

Employees may elect to bank overtime hours worked in accordance with the following:

- (a) Banking of all overtime shall be banked as per current practice.
- (b) All overtime banked by an Employee shall exclude all other premiums, including shift premiums. Such premiums applicable to the overtime hours worked will be calculated and paid out to the Employee at the end of the pay period in which the overtime was actually worked.

13.02 BANKED OVERTIME OPTIONS

An Employee who has banked overtime shall have the following options, in accordance with the provisions of this Article:

- (a) Elect to take the banked overtime off **with accordance of 13.03**.
- (b) Elect to defer banked time over from one (1) year to the next for use in slack work periods. This amount will not exceed the maximum allowable banked time as stated above.
- (c) Elect to be paid for all overtime banked by notifying the Company, in writing, of the request. **Such requests shall be limited to once per quarter on or before the following dates: March 15th, June 15th, September 15th, December 15th.**
- (d) Elect to transfer all overtime banked directly to the Employee's individual RRSP account by notifying the Company, in writing, of the request. Employees must provide RRSP account information at this time. **Such requests shall be limited to once per quarter on or before the following dates: March 15th, June 15th, September 15th, December 15th.**

13.03 BANKED OVERTIME OFF

- (a) An Employee who has banked overtime may request to take the equivalent of such banked time off in minimum periods of **eight (8) hours for slack work periods including shut downs or mutually agreed time off.**
- (b) Banked time cannot be taken or added to regular vacation during the summer months (May 15th to Sept 15th).
- (c) All requests for banked time off must, unless otherwise mutually agreed between the Company and the Employee, be presented in writing to the Company a minimum of fourteen (14) calendar days prior to the time requested off, and approval of such time off by the Company will **be** subject to operational requirements. **No bank time shall be unreasonably denied. Bank time can be used during slack work periods and/or plant shut downs. All vacation time must be scheduled prior to any bank time request being approved.**
- (d) Once the Company has approved banked time off for an Employee, such time off cannot be changed by either the Company or the Employee without a minimum of fourteen (14) calendar days notice by either party, except by mutual agreement.
- (e) In the event that two (2) or more Employees in a **classification** request banked time off for the same period, preference shall be given to the senior Employee making the request for the time off.

13.04 PAYMENT OF BANKED TIME

An Employee who is granted banked time off, requests that banked time be paid out, or requests that banked time be transferred to the Employee's RRSP account, shall be paid such banked time at the hourly rate of pay at which it was earned. This rate of pay does not include premiums or differentials, as they are paid out in the actual pay period when earned.

13.05 RETIREMENT OR TERMINATION

At the time an Employee retires, or is terminated for any reason, all accrued banked time shall be paid to the Employee at the rate of pay when the banked time was earned. The Employee may; however, request the Company in writing, to transfer such accrued banked time to the Employee's individual RRSP account (see 13.02(d)).

ARTICLE 14 - LEAVE OF ABSENCE

14.01 UNION SERVICE

- (a) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests

for time off are reasonable and do not interfere with the proper operation of the business.

- (b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY

- (a) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as he is medically fit to return to work.
- (b) When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

14.03 LEAVE OF ABSENCE - APPLICATION FOR If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED In any instances where an employee accepts other employment without the consent of Management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 15 - GENERAL PROVISIONS

15.01 INJURY REPORT An employee suffering injury while in the employ of the Company must report to the first aid department and/or attendant immediately, or as soon thereafter as practicable, and also report to that department and/or attendant on returning to work.

15.02 WASHROOM FACILITIES Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

15.03 (a) SAFETY AND PROTECTIVE CLOTHING.

The Company will provide the following:

- Prescription safety glasses subject to Article 15.03 (b).
- Safety boots subject to Article 15.03 (c).
- Rain gear
- Rubber boots
- Gloves for fitting and welding
- Welding aprons
- Safety goggles and shields
- Burning goggles
- Hard hats
- Hearing protection
- Dust masks

- Welder respirators
- Helmets of a reasonable fit and quantity as a tool crib item for shop, yard, and field use.
- Protective clothing when employees are engaged in cleaning equipment.

Note: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisor.

- (b) SAFETY GLASSES - Glasses will be supplied to all permanent employees in the following way:

Prescription safety glasses are available at no cost to the employee from an optometrist under the DHSP plan (BCOA). Frames with permanent side shields and lenses can be replaced once every two (2) years to a maximum of two hundred and eighty-five dollars (\$285.00). On request, the Company will supply, at no cost to employees, standard safety frames.

Exception(s): Lenses can be replaced more frequently when there is substantial pitting or scratching; damaged frames should be repaired if possible or replaced as required at no cost to the employees.

All employees must obtain prior approval to purchase or repair as per DHSP plan. Glasses will be obtained through the registered DHSP plan, which designates the frames and services available through the registered local optometrist.

- (c) SAFETY BOOT ALLOWANCE Employees will receive ***two hundred (\$200.00) dollars*** per year for the life of the contract for the purpose of purchasing safety boots. Employees are expected to have metatarsal safety boots in good condition. Receipts are not required, however it is recommended that employees retain receipts. ***The allowance shall be paid out on the first pay period in February.***

- 15.04 PROTECTIVE CLOTHING The Company shall supply protective clothing when employees are engaged in cleaning equipment.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisors.

- 15.05 WATERLESS HAND CLEANER Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.

- 15.06 ***Smocks shall be supplied and cleaned by the Company at no expense to the employees involved upon request. Any smocks supplied shall be of the proper sized to fit the employee. There shall be at least two (2) smocks to the employee involved.***

Coveralls may be distributed to employees at the Company's discretion as part of their Personal Protective equipment. No unreasonable requests for coveralls shall be denied.

15.07 LUNCH ROOM The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.

15.08 REST PERIODS

- (a) An employee shall be granted two (2) fifteen minute breaks during the course of each shift - one (1) in each half of the shift. If an employee is working off the Company's premises, these periods shall be increased to twenty (20) minutes.
- (b) Where overtime is required, the employee may elect to take a ten (10) minute break during the last ten (10) minutes of his scheduled shift.

15.09 CLEAN-UP Employees shall be allowed a minimum of five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.

15.10 SHOP TEMPERATURE With the cooperation of employees, the Company will attempt to maintain comfortable shop temperatures during cold weather.

When performing repair work outside in severe winter conditions and the length of the job warrants protection, protection and/or heat will be provided where practical.

15.11 SHOP STEWARD

- (a) The Union may elect or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
- (b) When the Company for any reason finds it necessary to layoff or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
- (c) Upon informing Management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
- (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.

15.12 PICKET LINE It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.

15.13 SUB-CONTRACTING The Company and the Unions share the common goal of maximizing the value of the Company for the benefit of all stakeholders in the Company. The Company accepts that employees are significant stakeholders in the Company and that the Unions have a legitimate role to play in representing its membership. The provisions that follow are deemed essential by both the Company and the Unions to grow the business.

Where the Company's facilities, space and trained personnel are available, the Company will endeavour to continue to have all work, which is presently performed by its employees, performed by members of the bargaining unit.

- (a) It is the understanding of the Parties that sub-contracting and contracting out may be necessary
- (b) The Company reserves the right to contract out work during the life of this agreement provided it does not result in the displacement of the 24 most senior bargaining unit employees. This language does not prevent the Company from laying off Employees due to reduced work volumes.
- (c) The Company agrees to meet with the Union representatives to present and review the business case supporting the proposed outsourcing of work and possible alternatives.
- (d) A committee composed of equal management and union representatives shall be established. The union representative shall be comprised of 1 shop steward from each of the unions or their designates. The Company shall appoint 2 representatives, which shall meet on an as-needed basis for the purpose of discussing issues that may arise from subcontracting bargaining-unit work.

15.14 NOTICE BOARD

- (a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
- (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
 - 1. Seniority list
 - 2. Copy of the Agreement
 - 3. Welfare Plan Provisions

Any employee requiring such information shall contact the Shop Steward for same.

15.15 SEVERANCE In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company.

Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:

One and one-half (1 1/2) week's pay for each year of service with the Company to a maximum of twenty four (24) years

In the event that part of the plant remains open or that an employee has lost his employment because of amalgamation or automation, an employee eligible to receive severance pay may elect to remain on the seniority list for possible recall. The Company shall hold the severance pay for such an employee for the period of his right to recall but during such period the employee may, subject to the same forfeiture provisions of Article 9.07 of this Agreement, request and receive payment of such pay.

NOTE: An employee on lay-off shall receive the greater of severance pay under this Article or lay-off pay should the conditions under this Article occur during his right to recall period.

Where a Plant is closed for whatever reason within 12 months of opening, or an employee is laid off for a period exceeding sixty (60) consecutive calendar days during such twelve (12) month period, then such employee having taken employment at that plant shall have the right to return to the previous plant where he/she was employed with full recognition of seniority. In such event, neither severance pay under this Article nor lay-off pay under Article 9.07 shall apply.

Where a Plant in the Greater Vancouver Regional District is permanently closed for whatever reason after twelve (12) months of opening, affected employees shall be given the opportunity subject to job classification to displace a less senior employee in another Plant in the GVRD providing the senior employee affected is capable of performing the job. In such event, neither severance pay under Article 15.18 nor lay-off pay under Article 9.07 shall apply.

- 15.16 BEREAVEMENT PAY If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for **four (4)** days. Immediate family means: spouse, mother, father, brother, brother-in-law, sister, sister-in-law, children, step-children, adopted children, mother-in-law, father-in-law, grandparents and grandchildren. If the employee affected does not attend or arrange services then he shall only be entitled to **two (2)** days as provided under this Section.

If the funeral is outside the province and the employee attends, he, upon request, will be granted up to two (2) additional days. Banked overtime or vacation days may be used, otherwise the additional time is without pay.

15.17 JURY DUTY

- (a) All time lost by an employee due to necessary attendance on jury duty or acting as a witness or any court proceedings arising out of his employment, or subpoenaed as a witness, shall be paid for by the Company at the rate of pay applicable to said employee.
- (b) When an employee returns from serving on jury duty or from participating as a witness, he will be returned to the job held prior to serving.

- (c) If an employee is employed on an afternoon or graveyard shift and attends upon jury duty or if an employee is attending upon jury duty or acting as a witness and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall not be required to work such shifts and shall receive pay for time loss pertaining to jury duty or acting as a witness as provided in this Subsection. All jury duty pay received by an employee for the days he received pay from the Company shall be paid over to the Company. Any employee on jury duty shall, subject to this Section, make himself available for work before or after being required for such duty whenever practicable during his regular shift.

15.18 DISMISSED OR IMPROPER CHARGES When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend him-self, he shall consult the General Manager of the Company to determine which legal firm should be used.

15.19 ARTICLE HEADINGS The article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.20 EDUCATION FOR UPGRADING

- (a) The Company agrees to consider the reimbursement of fees to an employee where he is improving or upgrading himself in his line of work. The cost of Tradesmen Qualification Examinations will also be considered. The Company will be consulted prior to the employee incurring the obligation.
- (b) The Company shall pay for all authorized industrial first-aid courses as well as all required refresher courses for designated first-aid attendants. Where an employee cannot attend weekend or evening classes, due to shift scheduling, then the Company shall pay the employee for all hours missed while attending First Aid courses.
- (c) From time to time off site training and factory visits will be available. Attendance will not be mandatory. Those attending will be paid their regular wage rate for all hours including transportation. Overtime rates and off property premiums shall not apply. Where possible all travel will take place during the regular work week. All reasonable travel expenses, including food and accommodations, shall be paid by the Company; employees shall be required to submit a travel expense form related to such expenses.
- (d) In offering training opportunities in (c) above, the Company will normally post the opportunity for such training for five (5) working days, outlining the requirements for the training. Seniority, qualifications and ability shall be the determining factors in selecting applicants. Seniority shall be the governing factor if there is more than one qualified applicant.

- (e) To the extent that the above opportunities are available, they will be distributed in a fair and equitable manner.

ARTICLE 16 - TECHNOLOGICAL OR PROCEDURE CHANGES

16.01 A technological change is defined as:

- (a) a change in the manner an Employer carries on his work related to the introduction of equipment or material in the workplace.
- (b) It is, however, agreed that "technological change" does not include normal layoffs resulting from a decrease in the amount of work to be done.

16.02 In the event of a pending technological change, the Company shall advise the Union of such change at least sixty (60) days in advance of such occurrence.

Upon notice of a pending change, a joint committee shall be established, composed of two (2) persons representing the Union and two (2) persons representing the Company. It shall be a function of the committee to study the effect of the change on employment. The committee shall make recommendations to the Company and the Unions to ensure the interests of the Company and the employees are fairly and effectively protected.

16.03 When such change occurs, the Company shall provide adequate retraining arrangements for the employees displaced so that the employees can fill other jobs within the Company that are commensurate with their ability, qualifications and seniority.

16.04 Employees who are displaced from their jobs as a direct result of technological change shall be given an opportunity to fill a vacancy in another classification for which they have the necessary seniority, skill and ability.

16.05 Where an employee was displaced as a direct result of a new technology and does not fill another position as set out above, then that employee may elect to either be laid off or to be terminated, and to receive severance pay in accordance with Article 15.18.

ARTICLE 17 - JOB POSTING

17.01 TEMPORARY VACANCY

- (a) In the event that a temporary vacancy is created the company may select a willing volunteer of its choice from internal candidates.
- (b) Temporary vacancies do not require a job posting.
- (c) Employee's rate of pay shall be the higher of his current classification rate or the applicable rate for the temporary job

17.02 JOB POSTING

- (a) In the event that a new job is created or a vacancy which is not believed to be temporary occurs, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job.

- (b) Employees who wish to be considered for the job vacancy must apply, in writing, within thirty-six (36) hours of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return.
- (c) The Company reserves the right to select the applicant of its choice; however, preference shall be given to internal candidates with suitable qualifications and ability as well as a history of good work performance. In the event that two or more applicants have equivalent qualifications, ability and history of good work performance preference shall be given to the senior employee. Should there not be a successful applicant within the Company, the Company may search for external applicants.
- (d) The successful applicant on a job vacancy shall be subject to the probationary period defined in section 9.02. During this probationary period, the employee must demonstrate that he can satisfy the requirements of the work performance criteria for the job to the satisfaction of the Company.
- (e) During the probationary period, an employee who fails to demonstrate the ability to perform the job or who chooses not to retain the position shall be returned to their former position, without a loss of seniority. In such cases, the Company shall have the right to require all employees who changed job positions in consequence of the promotion, to move back into their job positions and wage rates, which they occupied prior to the promotion.
- (f) The vacancy may be temporarily filled until a permanent replacement is decided through the application of this Article.

17.03 NEW JOB CLASSIFICATION

- (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 18 - MEDICAL - INSURANCE - DENTAL - PENSION

- (a) The Company shall provide and maintain the following coverage for their employees at no cost, except for Long Term Salary Continuance, to such employees. At no time will coverage be less than that currently in place as indicated in Appendix "C".

- (b) The benefits provided under this Article will be firstly subject to the terms of the Collective Agreement and secondly to the terms of the insurance contracts between the Company and the Insurance Carrier.
- (c) The Parties recognize that the Plan may contain restrictions, exceptions, qualifications, and other terms affecting entitlement to benefits. Questions of entitlement and eligibility will be determined by clause "b" firstly and then by the terms of the insurance plan and the insurer's contract.

18.01 MEDICAL The medical coverage will be that supplied by the Medical Services Plan of British Columbia.

18.02 EXTENDED HEALTH BENEFITS - Unlimited maximum, including out of country emergency coverage.

Eyeglasses: **three hundred dollars (\$300.00)** per twenty-four (24) months

18.03 GROUP INSURANCE COVERAGE

- LIFE INSURANCE 2x annual base earnings
(Maximum **\$125,000.00**)
- ACCIDENTAL DEATH INSURANCE Matches Life benefit (24 hour cover.)
- WEEKLY INDEMNITY **\$600.00 (1-3-26)***

- *- 1st day of disability due to an accident and,
- **3rd** day of disability due to sickness, for a maximum period of twenty-six (26) weeks.

(The UIC rebate shall belong to the Company).

HEALTH & WELFARE

The Company shall supply a copy of the Health & Welfare Policy document on request of the Union.

18.04 DENTAL PLAN

- A - BASIC DENTAL 100%
- B - PROSTHETICS
(CROWNS, BRIDGES AND DENTURES) 60%

(A & B combined annual maximum \$2,500 per person/per year)

- C - ORTHODONTICS FOR ALL MEMBERS OF
THE FAMILY (LIFETIME MAXIMUM - **\$2500.00**) 50%

18.05 ELIGIBILITY An employee will be eligible for all coverage outlined above on the first (1st) day of the month following completion of his probationary period. Current employees on recall shall be re-enrolled on all benefits on the first (1st) day of the month following return to work. Those former employees rehired shall be enrolled at the earliest possible date according to individual plan requirements.

18.06 INSURED BENEFIT COVERAGE - ON LAY-OFF An employee who is laid off will be eligible for continued Medical and EHB coverage, paid for by the Company, for one month after the end of the month in which lay-off occurs. Coverage will continue for the period stated as long as the employee is unemployed and not receiving income from another Company. An employee on temporary lay-off, may continue his coverage for a period of three (3) months by paying the full amount of the Insurance, Medical and Dental premiums. The Company agrees to remit same with their regular group billing returns. In order for an employee to be eligible for the provisions of this subsection an employee must apply and remit payment to the Company prior to their billing date.

All benefit coverage under Article 19, shall be maintained for all employee's on Weekly Indemnity or Long Term Disability for a period not exceeding one (1) year. Employees on W.C.B. shall have benefits maintained for eighteen months.. Long Term Disability premiums remain payable by the employee while on Weekly Indemnity or Workers' Compensation. Such an employee may continue his coverage for an additional period of six (6) months by paying, at the start of each month, the full amount of insurance medical and dental premiums.

All employees on Workers' Compensation shall receive Workers' Compensation plus a supplemental amount paid by the Company that will guarantee the employee ninety percent (90%) of his regular net earnings for up to a maximum of fifteen (15) weeks.

18.07 PENSION PLAN The Machinists, Lodge 692 Pension Plan and the Operating Engineers, Local 115 Pension Plan will be made available to all employees in the bargaining unit. Participation in a Pension Plan is a condition of employment and new employees shall participate upon completion of their probationary period.

(a) UNION PENSION PLANS - The Company shall make contributions at the rate of three dollars and ninety-three cents (\$3.93) per hour for which wages are payable on behalf of eligible employees. Pension contributions will not apply to sick time hours.

For new employees serving a probationary period, contributions will be made retroactively to the Union Pension plans upon successful completion of their probationary period.

The Company is required to report on the forms provided by the Pension Plans.

Contributions must be forwarded by the Company to the respective Union plan by the fifteenth (15th) day of the month following that in which contributions occur.

The Pension Plan's Auditor may inspect during regular business hours, the Company's record of time worked by employees and contributions made to the Plan.

(b) Pension contributions shall be paid for on all vacation hours as per 10.01.

18.08 **LONG TERM DISABILITY** An employee paid plan is provided for all employees. The benefit is up to sixty percent (60%) of monthly earnings to a maximum of two thousand two hundred and fifty dollars (\$2,250.00) per month. The waiting period is twenty-six (26) weeks. The benefit period is twenty-four (24) months unable to perform own regular occupation. If the employee continues to be disabled according to definition, beyond twenty-four (24) months, benefits can continue to a maximum of age 65.

The insurance policy on this benefit prevails. Please review the details as described in the **benefit** booklet. If you do not have a copy, request one from your supervisor.

The cost of the plan to the employees shall be determined annually by Request for Proposal through the Company's benefit provider.

18.09 **HEALTH SPENDING ACCOUNT** The Company agrees to establish a **seven hundred and fifty (\$750.00) dollars** per year health spending account for each employee. ***Any unused portion of the spending account may be carried over into the following year, however the carry over must be used in the carry over year.***

2012 health spending account will be prorated from **July 16, 2012** till January 1, **2013**.

18.10 Effective July 16th, 2010, each employee will be deducted ten (10) cents per straight time hour, which includes sick time, banked time, vacation time and statutory holidays. This deduction will be used to help cover healthcare benefit costs.

ARTICLE 19: PLANT SHUTDOWN

19.01 (a) ***In the event of a plant shutdown for vacation, maintenance or production curtailment, the Company will notify the Union and the Employees in writing of the dates no later than four (4) weeks prior to plant shutdown. Such plant shutdown shall be limited to six (6) weeks per year with a minimum duration of one (1) week.***

(b) ***Should the Company find it necessary to schedule a vacation shutdown it will be scheduled during peak season or during Christmas and New Year's, and shall be limited to two (2) weeks per year.***

(c) ***Employees are required to exhaust all available vacation first to cover vacation shutdown. Where the employee has exhausted all vacation time he may then choose to use bank time or time off without pay however, if a vacation has been scheduled and cannot be changed then bank time can be applied.***

(d) ***Should the Company find it necessary to schedule a shut down for non-routine maintenance or production curtailment it shall be scheduled as per the needs of production.***

(e) ***During a plant shutdown, should it be necessary to keep a reduced workforce at work, the most senior employees shall have the first***

opportunity to work within their classification, provided they are immediately competent to perform the work available.

- (f) Where a plant shutdown has been announced under Section (a) above, an employee's scheduled vacation shall not be changed by the Company without the consent of the employee concerned. Unscheduled vacation, banked time or time off without pay may be used to cover the period of the shutdown.***

ARTICLE 20 - SAVINGS CLAUSE

- 20.01** No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.
- 20.02** If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- 20.03** In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 21 - DURATION

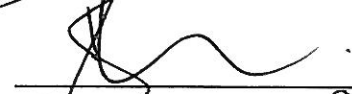

- 21.01** This Agreement shall be in full force and effect from and including July 16, 2009, to and including July 15, 2012 and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding July 15, 2012 or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.
- 21.02** Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union goes on strike, or the Company locks out, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.
- 21.03** By agreement of the Parties hereto, the provisions of Section 50 (2) and (3) of the Labour Relations Code of B.C. are specifically excluded.

Signed this 3 day of AUGUST, 2012.

DEERE HITACHI SPECIALTY PRODUCTS

INTERNATIONAL UNION OF
OPERATING ENGINEERS - LOCAL 115



INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692




APPENDIX "A" - WAGE SCHEDULE

<u>CLASSIFICATION</u>	<u>July 16, 2012</u>	<u>July 16, 2013</u>	<u>July 16, 2014</u>
JOURNEYMAN FABRICATOR/ WELDER	31.53	32.40	33.39
PAINTER	27.12**	27.86**	28.63**
ASSEMBLYMAN	27.12	27.86	28.63
WAREHOUSEMAN	27.12	27.86	28.63
PAINT/PREP PERSON	24.76	25.44	26.14
HELPER	20.13	20.13	20.13

**** This applies to employees promoted or hired into the Painters classification after July 16, 2012**

Current employees in the Painters classification shall be grandfathered as per Letter of Understanding which shall include wage increases.

Company contribution to Union Pension Plan: \$3.93

Employees currently in the Journeyman Mechanic classification shall be dove-tailed into the Assemblyman classification effective September 22, 2006.

Employees currently in this classification shall be grandfathered as per Letter of Understanding which shall include wage rates.

PREMIUMS

CHARGE HAND	\$3.25 premium
LEAD HAND	\$1.85 premium
FIRST AID ATTENDANT	Level 2: \$1.00 Level 1: \$0.50

ASSEMBLYMEN AND WAREHOUSE CLASSIFICATIONS

New employees hired into the assembly or warehouse classifications shall be subject to a wage progression schedule as follows:

0 to 1350 hours	80% of the classified rate
1351 to 2700 hours	90% of the classified rate
2701 to 4100 hours	95% of the classified rate
Thereafter, top rate	

Hour thresholds are based on actual hours worked.

Performance reviews will be conducted at each wage progression. Management, Chargehand and Employee shall participate in the review.

PAINT/PREP PERSON

Effective September 22, 2006, new uncertified employees hired into the Paint/Prep Person classification, a wage progression applies as follows:

0 to 875 hours	90% of the classified rate
876 to 1750 hours	95% of the classified rate
Thereafter,	top rate

Duties to include: Masking, Decaling, Tacking, Caulking and Fluid Filming

Hour thresholds are based on actual hours worked.

Performance reviews will be conducted at each wage progression. Management, Chargehand and Employee shall participate in the review.

It is the intent of the Parties to develop a formal in-house training program as well as to investigate provincial standards for certification.

- A.01 Students shall be paid ten dollars (\$10.00) per hour and will accumulate no seniority. They shall also be exempt for coverage under the Medical - Insurance - Dental - Pension provisions of this Agreement.

APPENDIX "B"

- B.01 **LEAD HAND** A worker who takes the lead and gives direction to workers within his area of responsibility while performing the same duties as the workers. Receives instructions from Charge Hand and/or Production Supervisor and transmits them to workers. Recommends and carries out measures to improve methods, equipment performance and suggests changes in working conditions and use of equipment to increase productivity. May record information such as time and production data, may train new workers. May investigate quality non-conformances and help identify root causes and recommend corrective actions. May investigate safety incidences and help identify root causes and recommend corrective actions. May confer with other Lead Hands to coordinate activities of his area of responsibility. Is expected to be adept in the activities of the area in which they take the lead role.
- B.02 **CHARGE HAND** Supervises and coordinates activities of workers in his area or responsibility. Report directly to the Production Supervisor. Studies production schedules and collaborates with the Production Supervisor regarding the utilization of all resources to achieve production goals. With authorization from the production supervisor may allocate overtime in accordance with the provisions of the collective agreement. Relays and carries out company policies to workers and enforces safety regulations, policies and procedures. Establishes and adjusts work priorities to meet schedules using knowledge of capacities of man power, machines, equipment and tools. Assists workers in solving work problems, initiates, approves and or recommends plans to motivate workers to achieve production goals. Recommends and carries out measures to improve methods, equipment performance and suggests changes in working conditions and use of equipment to increase productivity. May record information such as time and production data. May train new workers. May investigate quality nonconformances and help identify root causes and recommend corrective actions. May investigate safety incidences and help identify root causes and recommend corrective actions. May confer with other Charge Hands to coordinate activities of departments. Is expected to be adept in the activities of the workers supervised.

It must be understood that these descriptions are general in nature because it would be impossible to list all situations which might arise during the work day. However, it is important that any Employee working as a Charge Hand or Lead Hand is not management and shall not be directly involved in the formal disciplinary process.

On the other hand, the other Employees must realize that they are expected to do a fair day's work and should not act in a manner which might tend to provoke a Charge Hand or Lead Hand to exceed his responsibility.

- B.03 **SICK TIME** The Company shall grant sick leave credits to each employee. These credits shall be granted on the following basis.

At the beginning of each anniversary year of the Collective Agreement, an employee will receive credit for forty (40) hours sick leave to apply to the service year which is just commencing. Before reaching the anniversary date at which time sick credits will be received, a new employee will receive during the interim period, sick leave credit based on three and one-third (3-1/3) per month which will be accumulative to a maximum of

forty (40) hours. A new employee shall not receive sick leave credits until he has passed the probationary period as defined in section 9.02.

The Company shall, to the extent that sick leave credits are available, pay to an employee who reports sick on a regular work day the equivalent of one hundred (100) percent of the wages he would have earned at his classified rate of pay for his normal hours of work and reduce his sick leave credits by the number of hours that correspond with the number of hours that he received sick pay for. Any unused sick leave credit will be paid out annually at a rate of one hundred (100) percent of the classified rate of pay.

Sick time shall be subject to the following provisions:

1. Sick leave shall be granted for an employee's personal use only.
2. An employee who reports sick during any day will have his sick leave allotment reduced by the number of hours he received sick pay for that day.
3. Sick time is not to be used for any purpose other than legitimate illness.
4. All absence due to illness of a duration of more than three (3) consecutive scheduled work days shall require a doctor's certificate to an employee's department manager. Where a doctor's certificate is required by the Company, the cost of such certificate shall be borne by the Company.
5. It is the responsibility of an employee to immediately notify his department supervisor of absence due to illness. If there is no notification, absence may be considered absence without pay.
6. In computing time service with the Company for the purpose of determining eligibility for sick time with pay, it will be governed by an employee's commencement date with the Company.
7. To the extent that they are available, sick leave credits up to a maximum of three (3) days will be used prior to going on Weekly Indemnity.
8. Any unused sick leave credit at the end of an employee's be transferred anniversary year may to the employees banked time. **Sick time is paid out on July 16 each year, not the employee's anniversary date. Change to "at the end of the collective agreement anniversary year"**

APPENDIX "C"

Health & Welfare Policy Brochures outlining Benefit coverage will be distributed with the Collective Agreement and will be made available at the request of an Employee or the Union within 30 days after ratification.

BENEFITS

GROUP INSURANCE BENEFITS

Life

Schedule 2 x Annual Base Earnings to the next \$1,000

Maximum..... **\$125,000**

Termination Age Retirement

AD&D

Schedule Matches Life Benefit

24 Hour Coverage

Weekly Indemnity Schedule Flat Benefit of **\$600.00** per week

Benefits Begin 1st day of accident

3rd day of sickness

Benefit Period..... 26 weeks

Termination Age Retirement

Long Term Disability Schedule 60% of monthly earnings

Maximum..... \$2,250 per month

Non-Evidence Maximum \$2,250 per month

Elimination Period 26 weeks

Benefit Period..... To age 65 or prior recovery

Extended Health Care

Maximum..... Unlimited

Co-insurance 80% for the first \$1,000 (not including the deductible) of eligible health expenses per person, thereafter 100% co-insurance within the calendar year.

Deductible \$25 single/\$50 family

Hospital	Private or Semi-private
Prescription Drugs	Prescription required
	Oral contraceptives are not covered.
Prescription Eyeglasses	Employee & Dependents \$300.00/24 months
Chiropractor & Naturopath	\$300.00/calendar year
Podiatrist	\$300.00/calendar year
Speech Therapist	\$300.00/calendar year
Psychologist	\$300.00/calendar year
Physiotherapist	\$300.00/calendar year
Massage Practitioner	\$300.00/calendar year
Acupuncturist	\$300.00/calendar year
Private Duty Nursing	30 days/calendar year - in hospital nursing only
Hearing Aids	\$400/5 years/dependent children
Orthopaedic Shoes	\$400/adult/calendar year and \$200/dependent child/calendar year
Out-of-Country Coverage	100% co-insurance
	Travel Assist Card included

Dental Care

Deductible	Nil
Basic Services	100% }
Major Restorative Services	60% } combined maximum of \$2,500/person/year
Orthodontic Services	50% - Maximum \$2500.00/lifetime/all family members
Termination	Retirement

LETTER OF UNDERSTANDING #1

BY AND BETWEEN:

HITACHI CONSTRUCTION MACHINERY CANADA LTD.
Machinerie de Construction Hitachi Canada Ltee.
DEERE HITACHI SPECIALTY PRODUCTS DIVISION

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692

RE: GRANDFATHERED JOURNEYMAN MECHANICS

Employees in this classification prior to July 15, 2006 shall be dove-tailed into the classification of Assemblyman.

Employees in this classification shall receive wage increases as follows:

July 16, 2012 \$31.67

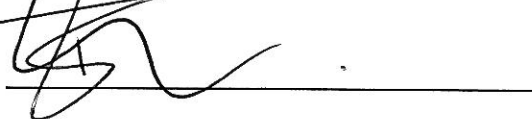
July 16, 2013 \$32.54

July 16, 2014 \$33.43

Signed this 3 day of August, 2012.

DEERE HITACHI SPECIALTY PRODUCTS

INTERNATIONAL UNION OF
OPERATING ENGINEERS - LOCAL 115



INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692



LETTER OF UNDERSTANDING #2

BY AND BETWEEN:

HITACHI CONSTRUCTION MACHINERY CANADA LTD.
Machinerie de Construction Hitachi Canada Ltee.
DEERE HITACHI SPECIALTY PRODUCTS DIVISION

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692

RE: NON-TRADITIONAL WORK ASSIGNMENTS

Employees covered by this Agreement will be permitted to be assigned to certain functions which they traditionally have not performed or have not exclusively performed. Examples of these functions are:

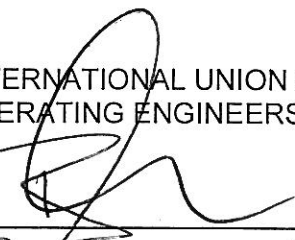
- a) Identifying training needs, developing training materials, conducting and delivering such training.
- b) Leading or participating in project teams where subjects studied may cover a wide range of functional areas.
- c) The Company reserves the right to NOT POST for employees they are considering for Non Traditional Assignments.
- d) The Company reserves the right to issue Non Traditional Assignments to employees to accommodate temporary or long term medical restrictions.
- e) The Company reserves the right to have several employees on Non Traditional Work assignments at any one period.
- f) The term of the Non Traditional Assignments is mutually agreed upon between the employee and the Company and may be un-disclosed. At any time the employee may leave his Non Traditional Assignment and return to his previous classification and job title. Should the Company want to terminate the Non Traditional Assignment with the employee the Company will issue the employee two weeks notice or less time if it is mutually agreed upon.
- g) During the Non Traditional Assignment work period the employee will be covered by the Collective Agreement. The employee's status does not change.

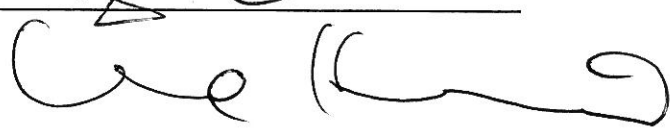
Signed this 3 day of AUGUST, 2012.

DEERE HITACHI SPECIALTY PRODUCTS

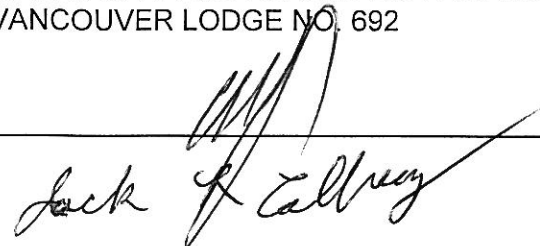
INTERNATIONAL UNION OF
OPERATING ENGINEERS - LOCAL 115







INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692



LETTER OF UNDERSTANDING #3

BY AND BETWEEN:

HITACHI CONSTRUCTION MACHINERY CANADA LTD.
Machinerie de Construction Hitachi Canada Ltee.
DEERE HITACHI SPECIALTY PRODUCTS DIVISION

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692

RE: GRANDFATHERED PAINTERS

Employees in this classification prior to July 15, 2012 shall be grandfathered and receive wage increases set out below:

Employees in this classification shall receive wage increases as follows:

July 16, 2012 \$29.04

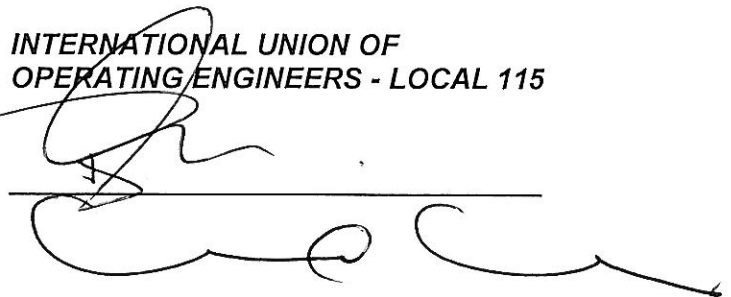
July 16, 2013 29.84

July 16, 2014 30.67

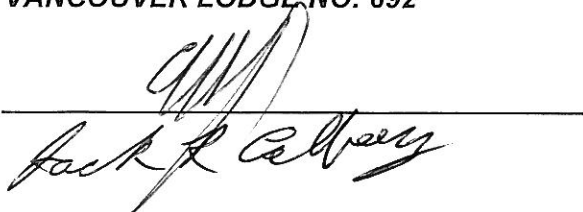
Signed this 3 day of AUGUST, 2012.

DEERE HITACHI SPECIALTY PRODUCTS

INTERNATIONAL UNION OF
OPERATING ENGINEERS - LOCAL 115



INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692



LETTER OF UNDERSTANDING #4

BY AND BETWEEN:

HITACHI CONSTRUCTION MACHINERY CANADA LTD.
Machinerie de Construction Hitachi Canada Ltee.
DEERE HITACHI SPECIALTY PRODUCTS DIVISION

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

AND:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692

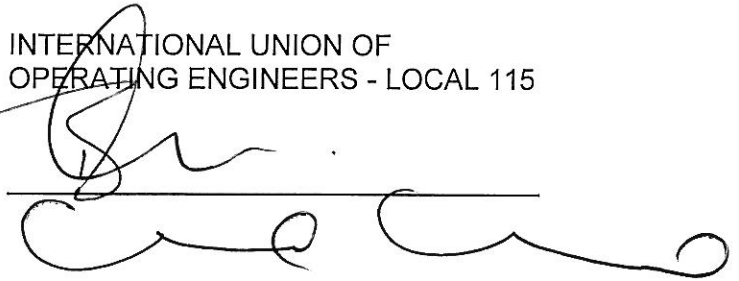
RE: WAREHOUSEMAN CLASSIFICATION

In the event of a reduction of warehouse jobs due to the implementation of third party logistics during the life of this agreement any displaced employees may bump into the Assembly or Paint Prep classifications with no restrictions or may elect to receive severance as per article 15.17.

Signed this 3 day of AUGUST, 2012.

DEERE HITACHI SPECIALTY PRODUCTS

INTERNATIONAL UNION OF
OPERATING ENGINEERS - LOCAL 115



INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692



