

COLLECTIVE AGREEMENT

BETWEEN

FINNING (Canada) a Division of Finning International Inc.

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AND THE

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS
LOCAL LODGE 99

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Effective May 1, 1999 to April 30, 2002

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Dues Information

COLLECTIVE AGREEMENT

Between:

FINNING (Canada) A Division of Finning International Inc.

hereinafter referred to as the "Employer",

OF THE FIRST PART

-AND-

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, LOCAL LODGE 99**

hereinafter referred to as the "Union"

OF THE SECOND PART

WHEREAS the Union is certified as Bargaining Agent under Alberta Labour Relations Board Certificate Number 322-93 for the following:

"All Employees except office, clerical, sales and security personnel."

AND WHEREAS the Union is Certified as Bargaining Agent under Canada Labour Relations Board certificate No. 555-1194 for the following:

"All Employees of Finning Ltd. employed in the Northwest Territories, excluding salesmen-in-charge, operations manager, foreman, and those above."

AND WHEREAS the Employer and the Union desire to establish and maintain conditions covering the hours of work, rates of pay and other working conditions in order to maintain a harmonious relationship between the Employer and Employees covered by the terms of this Agreement and desire to provide a method of fair and amicable adjustment of disputes which may arise between them.

NOW THEREFORE THE EMPLOYER AND THE UNION MUTUALLY AGREE AS FOLLOWS:

ARTICLE 1 - BARGAINING AGENCY

1.01 The Employer agrees to recognize the Union as the sole and exclusive bargaining agent for purposes of collective bargaining on behalf of the above noted Employees.

1.02 The Employer agrees to deal only with the Executive Officers of the Union in matters relating to changes of any terms or conditions of this Agreement.

1.03 If a bargaining unit Employee is required to perform the duties of

an Employee normally excluded, for a period of thirty (30) calendar days or longer, that Employee shall be excluded from the bargaining unit until he/she returns to their former duties.

ARTICLE 2 - UNION SECURITY

- 2.01 All Employees for whom the Union is recognized as the sole bargaining agency in accordance with Article 1 shall be required to become a member of the Union immediately, and the Union agrees to accept into membership all those who are so employed.
- 2.02 In the event any Employee refuses to join or fails to maintain membership in the Union, the Employer shall, upon being notified by the Union, dismiss that Employee. Provided, however, that the Employer is not bound to dismiss any Employee who is expelled from the Union for other than reasonable cause.
- 2.03 An Employee shall not be discharged while absent on approved leave or while covered by Worker's Compensation or Long Term Disability benefits for a period of up to twenty-four (24) months, except where the prognosis of the Employee suggests his/her return to the workplace is imminent and therefore he/she shall not be terminated from employment, except that layoff due to lack of work is excluded from this provision.
- 2.04 An Employee who has become incapacitated by injury or illness which causes him/her to be unable to perform his/her present job will be given preference for a position for which he/she can do or can reasonably be trained to do. Upon return, if the Employee does not work in the position he/she held prior to the injury or illness, the wage will be protected for one year. After one year the person will be paid the wage rate for the position assigned and worked.
- 2.05 Notwithstanding any other provision of this contract, the failure or refusal of any Employee to pass through or work behind any picket line lawfully established shall not be deemed a breach of this contract, and the Employer shall not discharge, discipline or otherwise discriminate against any such Employee.

ARTICLE 3 - DUES, DEDUCTIONS AND INITIATION FEES

- 3.01 The Employer agrees to deduct from the wages of each Employee, upon written authorization from the Employee (which the Employer shall submit to the Employee for signature at the time of hire), such monthly dues or assessments as are provided therein. This authorization will be forwarded to the Union Office.
- 3.02 Notification of any change in dues or assessment shall be given by the Union to the Employer at least thirty (30) days in advance of

a change in deduction.

- 3.03 The money deducted each month shall be forwarded to the Union Office not later than two (2) weeks following the date of deduction, together with a statement of Employee's names and the amount and purpose of each deduction.

ARTICLE 4 - SENIORITY

- 4.01 A current seniority list by layoff classification per branch will be provided to the Union every six (6) months (January and June).
- 4.02 Employees who have only held positions outside of the departments relating to the bargaining unit shall not hold bargaining unit seniority.
- 4.03 Any Employee reverting to bargaining unit status after ninety (90) days has elapsed since the date of transfer shall be classified no higher than the "A" wage rate of any category.
- 4.04 Seniority shall be held only in the Branch where the Employee is currently employed. However, if an Employee transfers to another Branch seniority shall be retained from the date of hire. For the purpose of this Agreement, a Branch is defined as one or more places of business operated by the Employer in a geographical locality or municipality.
- 4.05 **Permanent Employees:** shall serve a probationary period of ninety (90) consecutive calendar days. Seniority shall become effective when an Employee completes the probationary period and shall be dated retroactively to the date of hire.

Permanent Part Time Employees: Is any Employee who works less than a full shift or week on a regular basis. An Employee who works twenty (20) hours or more will have benefits and statutory holidays paid on a prorated basis.

The ratio of part time to full time in Branches with twenty-four (24) or more Employees will not exceed one (1) part time Employee, to three (3) full time Employees. The ratio of part time to full time in branches with less than twenty-four (24) Employees will not exceed one (1) part time Employee, to two (2) full time Employees.

Temporary Employees: Part time or full time to a maximum of ninety (90) days. Summer students to a maximum of the University break.

Temporary and part time Employees will not be employed to displace full time Employees.

Temporary Employees and Students employed during their vacation period shall not acquire seniority.

Any Temporary Employee who becomes a permanent Employee will have his/her seniority dated retroactive to the date of hire upon completion of the probation period as a permanent Employee outlined above.

4.06a Seniority shall be considered as time worked in the bargaining unit.

Seniority shall be maintained and accumulated during an occupational accident, illness or while on sick leave benefits, maternity, parental and adoption leave.

Seniority will be maintained but not accumulated during an authorized leave of absence.

If an Employee transfers to a position outside of the bargaining unit, seniority shall be maintained but not accumulated.

4.06b Seniority shall be broken by:

- (a) voluntarily quitting the job.
- (b) over-extending an authorized leave-of-absence.
- (c) discharged for just cause.
- (d) if an Employee fails to return to work within two (2) weeks notice requiring him/her to do so following layoff.

4.07 Seniority shall be considered to end when an Employee has been discharged or voluntarily leaves the service of the Employer, or has been laid off for a period exceeding fifteen (15) months. In the event it is found that an Employee is wrongfully discharged, that Employee shall not suffer any loss of seniority if reinstated.

4.08 Employees listed in the top 10% of the Union seniority list, not holding a position normally defined as day shift, shall have the option of working straight day shift. Employees holding a normal day position who fall in the top 10% of the list shall not be considered in determining this top 10%. Adjustments to the number of Employees who are so entitled shall be made on May 1st and November 1st of each year.

ARTICLE 5 - VACANCIES, POSTINGS, PROMOTION AND LAY-OFF

5.01 Where a vacancy occurs or a new job is created, notice will be posted on bulletin boards for a minimum of three (3) working days.

The notice shall set out the job classification, location and qualification required. When the manpower level is not being increased, a posting will include the notation "Restricted to applicants from within the Branch."

5.02 Applications for vacancies shall be directed to the Human

Resources Department via the applicant's immediate Supervisor, or via the Service Clerk. The Employer may reject an application for a posting to another Branch from an Employee who has less than one (1) year seniority or from an Employee who was transferred less than one (1) year prior to the posting.

- 5.03 Where reasonably possible applicants will be notified of their application status, so that applicants may have an opportunity to bid for any other vacancy that may occur pending award of the original vacancy.
- 5.04 When no suitable applicant is found within the Branch where the vacancy occurs, the position may be awarded to an applicant from another Branch or to an outside applicant.
- 5.05a In filling new positions or vacancies, including promotions, the job shall be filled on the basis of seniority, training, experience, and the ability to perform the duties required for the position.
- 5.05b A vacancy created by the first posting, and subsequent vacancies will not necessarily be posted. To facilitate the filling of vacancies by job preference, the Employer encourages a job and or location preference system whereby the Employees should indicate job and/or location preferences to their managers and the Human Resources Department through the job discussion process.

The Employer will review these preferences taking into consideration the seniority, skill, ability and quality of work of the Employee. When an opening occurs in any of the branches, the Employer will look first to those Employees who have indicated a preference.

- 5.06 Lay-off criteria will be in reverse order to seniority, which means the least senior Employee of a classification in a Branch affected will be laid-off first, except as noted herein.
- 5.07 Employees in the Edmonton and Calgary Power Systems Divisions, Material Handling Division and Used Parts Division will be separated from the main shops for the purpose of lay-off.
- 5.08 Recall of laid off Employees will be carried out in order of seniority. The most senior Employee of a classification in a Branch affected shall be recalled first by means of telephone contact and a letter. Where an Employee is not contacted by telephone, a registered letter shall be sent to their last known address. The Employee must respond within seven (7) postal days from the date such letter is mailed.
- 5.09 The mandatory recall period will be effective for twelve (12) months following layoff. Anyone recalled selectively between the three hundred and sixty-sixth (366th) day and fifteen (15) months after layoff shall also have their original seniority reinstated and will be entitled to benefits accordingly.

- 5.10 Providing an Employee is not working, Alberta Health Care premium sharing and Extended Health Insurance benefits found in clause 15.01, will be provided to the laid off Employee for up to four (4) months on the same premium share/pay basis.
- 5.11 Job classifications for the purpose of layoffs, and job transfers allowed within those classifications due to a lack of work, are identified in Schedule "B" which is attached hereto.
- 5.12 If there are no Employees on lay-off status at a Branch where a vacancy occurs Employees on lay-off status at other Branches will be given an opportunity to fill the vacancy, provided the Employee has the qualifications and demonstrated ability to perform the job (of which the Employer shall be the sole judge), before the Employer hires from outside.
- 5.13 When business conditions exist, an Employee on layoff may be recalled to perform work for a short term or temporary nature. The nature and duration of the work will be discussed with the Employee prior to the Employee returning to work.

If an Employee refuses a recall for short term or temporary work, the Employee's recall rights per 5.09 will not be affected.

5.14 **BRANCH CLOSURE**

- (A) Employer will advise Union Executive
- (B) Employer will advise affected Employees.
- (C) Employer will advise all other branches.
- (D) Employer will make a reasonable effort to place affected Employees in vacancies in other Branches within their job classification.
- (E) The Union will waive the posting requirements of this collective agreement for any affected Employees of the Branch that closed.

5.15 **Temporary Transfers**

Any active Employee who accepts a temporary transfer to another branch will receive transportation, travel time at applicable rates, meals and accommodation for the duration of the assignment. The living expenses, hours of work and rates of pay will be discussed and agreed to prior to the start of the assignment. When the temporary transfer assignment is completed the Employee will return to the position from which he/she left.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

- 6.01 This Article, where it defines the normal hours of work and workweek, shall not be construed as a guarantee of hours of work per day or per week, but merely provides the basis for the calculation of overtime. Neither shall it serve as a restriction on the scheduling of a longer or shorter day or workweek.
- 6.02 The Employer agrees to notify and meet with the Union before making a change in the normal hours of work or shift rotation schedules, and further agrees that seven (7) days notice shall precede the effective date of any changes. Establishment of a new or different shift which requires modification or signing-off of any provision in this Agreement shall be subject to mutual agreement between the Union and the Employer. The Union will reasonably consider all requests by the Employer to add new or different shifts.
- 6.03 The normal workday consists of eight (8) hours, and the normal workweek consists of forty (40) hours, Monday through Friday. Hours worked in excess of eight (8) hours per day or forty (40) hours per week will be paid at the overtime rate of one and a half (1.5) times the regular hourly rate, unless the Employee is working on an approved shift in excess of those hours. Overtime hours worked on Sunday and General Holidays will be paid at two (2) times the regular hourly rate, unless the Employee is working on an approved shift on those days. (For Employees working on continuous shift see Letter of Understanding).
- 6.04 A day shift shall be considered any shift commencing between the hours of 6:00 AM and 11:00 AM; an afternoon shift will be any shift commencing between the hours of 11:01 AM and 5:00 PM. The ratio of day shift versus afternoon shift worked shall be no less than 2 to 1, respectively, wherever possible.
- 6.05 The hours of work shall be consecutive with the exception of a ten (10) minute rest break during the first four (4) hours of the shift, an unpaid lunch break not to exceed one (1) hour, and a ten (10) minute rest break during the last four (4) hours of the shift.
- 6.06 When overtime work of more than one (1) hour but less than two (2) hours is to be performed, immediately before or after a regular shift, the Employee shall be given a ten (10) minute rest break adjacent to the shift.
- 6.07 When overtime work of two (2) hours or more is to be performed, immediately before or after a regular shift, the Employee shall be given a ten (10) minute rest break adjacent to the shift and is entitled to a sandwich and beverage without charge.
- 6.08 When overtime work of four (4) hours is to be performed, immediately before or after a regular shift, the Employee shall be given a thirty (30) minute unpaid rest break adjacent to the shift. Where practical the Employee will be provided a meal and beverage without charge and if not practical or possible the

Employee will be eligible to claim \$13.00. The Employee will also be given a fifteen (15) minute paid rest break and a beverage after each consecutive two (2) hours of overtime work.

- 6.09 Overtime shall be distributed as equitably as possible. First among all Employees within the department, and then amongst Employees capable of performing the work within the branch or division.
- 6.10 Unscheduled call-in at the end of a regularly scheduled work day will be paid at a minimum of three (3) hours overtime pay. When a person is called in on a scheduled day off or a statutory holiday and is required to work, that person will be paid a minimum of four (4) hours at the regular overtime rates in addition to any statutory holiday pay. However, the Employer may require the Employee to work the three (3), or four (4) hour period.
- 6.11 Parts Countersales Employees assigned to scheduled standby duty shall receive \$4.00 per hour for each hour of standby duty.
- A) if a phone call is received at home and no order is placed, the time is considered covered by the standby pay.
 - B) if an order is placed from home via telephone or Personal Computer then the Employee will be compensated at one and a half (1.5) hours at the applicable overtime rates. Only one call-in shall be paid each one and a half hour (1.5) period.
 - C) if an Employee is required to go to the Employer's premises as a result of the call, the Employee shall be compensated at three (3) hours at the applicable overtime rates or the actual hours worked, whichever is greater. Only one (1) call-in shall be paid in each three (3) hour period.
 - D) where appropriate and practical, those Employees assigned to scheduled standby duty will rotate.
- 6.12 No other Employee shall be scheduled or required to be on standby. Where standby may be agreed to by the Employee and the Employer, the Employee shall receive standby pay at \$4.00 per hour for each hour of standby.
- 6.13 It is intended that every Employee should have a full shift break between shifts. In the event that an Employee is recalled to work before a full shift break occurs, he/she shall be considered as still working on his/her previous shift and shall be paid the appropriate overtime rates for work performed after recall.

No Employee shall be permitted to resume work of his/her own accord until a full shift break occurs without permission of his/her supervisor.

Clarification of Shift Break: Employees working overtime will not lose the time taken from their next shift to make up the eight (8) hour break.

- 6.14 TRAINING

Any travel time for required training will be paid at straight time rates. Any appropriate expenses incurred to travel to and attend training courses will be reimbursed by the Employer.

ARTICLE 7 - SATURDAYS, SUNDAYS AND HOLIDAY PAY

7.01 Where an Employee is not regularly scheduled to work Saturday, the rate of pay for work performed on such days shall be one and a half (1.5) times the regular hourly rate. Where an Employee is not regularly scheduled to work Sunday, the rate of pay for work performed on such days shall be two (2) times the regular hourly rate.

7.02 When an Employee is required to work on a designated Holiday the rate of pay for work performed on a Holiday shall be two (2) times the regular hourly rate, in addition to regular pay for the Holiday.

ARTICLE 8 - PAID HOLIDAYS

8.01 All holidays currently recognized in the Collective Agreement will be taken as follows:

- (a) If the holiday falls on a normally scheduled work day, then it will be taken on that day.
- (b) If the holiday falls on a scheduled day off, it will be taken on the next scheduled work day.

Holidays will be observed on the following dates:

8.01 statutory holiday schedule

	1999/2000	2000/2001	2001/2002
Victoria Day	May 24(M)	May 22(M)	May 21(M)
Canada Day	July 1(TH)	July 3(M)	July 2 (M)
Citizens Day	August 2(M)	August 7(M)	August 6(M)
Labour Day	Sept. 6(M)	Sept.4(M)	Sept. 3(M)
Thanksgiving	October 11(M)	October 9(M)	Oct.8(M)
Remembrance	Nov.11(TH)	Nov. 13(M)	Nov. 12(M)
Christmas Eve	Dec. 24(FR)	Dec. 27(W)	Dec. 24(M)
Christmas Day	Dec.28(T)	Dec. 25 (M)	Dec. 25(T)
Boxing Day	Dec 27(M)	Dec. 26(T)	Dec. 26(W)
New Years Day	Jan. 3/00(M)	Jan.1/01(M)	Jan. 1/02(T)
Family Day	Feb. 21/00(M)	Feb. 19/01(M)	Feb18/02(M)
Good Friday	April 21/00(F)	April 13/01(F)	Mar.29/02(F)

8.02 In order to receive pay for a Holiday the Employee must work on his/her last scheduled shift preceding and the first scheduled shift following the Holiday, unless failure to work on those days is accounted for by a letter in writing from a qualified medical practitioner to the effect that the Employee was unable to work

due to illness, or if in the opinion of the Employer the Employee had a reasonable excuse for failing to work.

- 8.03 Notwithstanding 8.02 an Employee is eligible for this payment provided that a regularly authorized leave of absence has been approved for the date preceding and/or following the Holiday. Such leave must be approved in advance of the Holiday by the Employee's Supervisor.
- 8.04 A limited banking of overtime hours will be permitted. The terms and conditions of this will be covered in a letter of understanding between the Employer and the Union.

ARTICLE 9 - VACATION WITH PAY

- 9.01 Employees shall earn and receive vacation with pay subject to terms and conditions set out as follows:
- 9.02 Preference for vacation shall be based on seniority, provided that in order to maintain an efficient Branch the Employer may change scheduling of vacation periods if necessary.
- 9.03 During the months of July and August a minimum of two (2) weeks continuous scheduled vacation is available. Longer periods may be approved at the Supervisor's discretion if the workload allows. During the remaining months all entitled vacation may be scheduled in a continuous period.

Vacation requests submitted prior to April 15th of the current vacation year will be governed by seniority preference. Requests after April 15th will be considered on a first come first serve basis.

Vacation period requests of less than five (5) days are subject to workload conditions and require express approval of the Supervisor.

- 9.04 When a designated Holiday occurs during a vacation period, the Employee may take an extra day at the beginning or end of the vacation period. The immediate Supervisor must be notified concerning the Employee's intention prior to commencement of vacation.
- 9.05 Employees who have been employed continuously for specified periods are eligible for paid vacation as follows:

Employment Period	Vacation Entitlement
1 year or more	2 weeks
2 years or more	3 weeks
7 years or more	4 weeks
14 years or more	5 weeks
19 years or more	6 weeks

- 9.06 Where an Employee is absent from work for any reason, other than STD, LTD or WCB, for a period exceeding ninety (90) consecutive days, vacation credit accumulation will cease between the ninety first (91) day to the date when the Employee returns to work. Employees who are off work on STD, LTD, or WCB will continue vacation credit accumulation for up to one year only.
- 9.07 An Employee is not allowed to work in lieu of taking annual vacation.
- 9.08 The basis of the calculation for the vacation pay will be 2% of the gross wages for every week of vacation to which the Employee is entitled. The Employee will be paid his/her regular pay for every week of vacation to which he/she is entitled. The variance between the regular pay and the 2% of the gross wages per week can be paid at any time by regular pay cheque upon a written request of seven (7) days notice. Any residual variance will be paid on or before January 31st.

Definition: Gross Wages

For the purpose of this agreement, gross wages will mean all straight time pay, overtime pay, (including that banked), vacation pay (including vacation adjustment), premiums, shift differentials, field pay, regional wage adjustment, holiday pay, call in and standby.

ARTICLE 10 - APPRENTICESHIP ASSISTANCE

- 10.01 Apprentices attending school shall be paid at their normal rate of pay (8 hours per day straight time) while attending apprenticeship technical training. UIC cheques will be assigned to the Employer.
- 10.02 Pay rates applying to the four year apprenticeship program will be: 60% first year; 70% second year; 80 % third year; 90% fourth year; of the Journeyperson "A" rate. For a three year program the applicable rates will be: 65% first year; 75% second year; 85% third year of the Journeyperson "A" rate. If the Employer does not allow the apprentice to attend school, the normal increased rates of pay will be paid to that apprentice retroactively to the anniversary date, upon successful completion of the test for the applicable year.
- 10.03 An apprentice having served his/her required time and having passed government examinations will be classified as Journeyperson "A".

ARTICLE 11 - GENERAL PROVISIONS

- 11.01 It is agreed between the parties hereto that, except as provided

herein, time off shall not be given in lieu of overtime unless in the discretion of the Employer it is deemed necessary or advisable to do so and the Employee agrees.

11.02 Without limiting the Union's recognition of Management as found in Clause 14 hereof, the Employer agrees that no member of the Union shall be in a position to exercise any function of management relating to discipline or discharge of any Employee.

11.03 Foremen, Supervisors and other Employees outside the bargaining unit shall not perform bargaining unit work, except in the case of instruction or emergency.

11.04 Service Department Protective Clothing:

(A) Coveralls will be supplied and cleaned without charge to those who normally wear coveralls. There will be sufficient number to insure clean coveralls are available.

(B) Immersion suits and fireproof coveralls will be made available as a tool room item for those required to wear them on job assignments.

(C) Field Serviceperson Uniforms. For those Employees in this classification sixty (60) days prior to and still employed on date of issue, two (2) pairs of uniforms will be issued in May and one (1) pair in November.

(D) Field servicepersons will be provided without charge three pairs of arctic coveralls and cold weather protective gloves. Replacement coveralls and gloves will be supplied upon surrender of an unserviceable pair of coveralls and gloves.

(E) Arctic coveralls and cold weather protective gloves will be available in each branch for other servicepersons on temporary field assignments.

(F) Welders will be provided, without charge, protective gloves. Replacement will require surrender of unserviceable gloves.

11.05 Parts department Employees who are required to wear uniform shirts shall have them supplied by the Employer without charge. Cleaning of the shirts shall be the Employee's responsibility. The Employer agrees to supply and clean smocks or coveralls without charge for Parts department Employees and tool room attendants where required. Arctic coveralls and cold weather protective gloves will be available for parts department Employees where the work assignment dictates the need.

11.06 All Employees whose regular work involves repairing or warehousing activities are required to wear CSA approved safety footwear; whether in the shop, warehouse or performing these activities in other locations.

Employees are eligible for an \$90.00 (May 1, 2000, \$95.00; May 1,

2001,\$100.00) allowance towards the cost of new safety footwear. New Employees will become eligible after six (6) months of service. The allowance is restricted to a once in any twelve (12) month period and will be payable on the first(1st) pay period in November of each.

11.07 All Employees attending Parts or Service meetings will be paid their regular pay, during normal working hours.

11.08 If an Employee chooses, he/she may review their Branch personnel file with their Supervisor on an annual basis. Any disciplinary notice older than one (1) year will be removed from the file provided there has been no further discipline imposed during the period.

11.09 A tool allowance will be paid to Employees in the groups listed below:

Fieldperson	\$420.00
Mechanics/apprentices	\$420.00
Benchhands	\$205.00
Machinists/welders/apprentices	\$90.00
Licensed maintenance persons	\$90.00
Component Rebuild Specialists	\$320.00
Component Rebuild Prod. Mechanics	\$170.00
Component Rebuild Prod. helpers	\$90.00

This tool allowance account will be provided to all eligible employees effective May 1 of each year. To qualify, the Employee must have completed the three (3) month probationary period. The tools purchased will be for the purposes of the employees employment and will be made from the Caterpillar Tools and Shop Products Guide. Upon purchase of the tools the account will be debited for the amount. The employee will be responsible for any amount purchased over the applicable allowance. The allowance must be used in the contract year it is credited. The Employer agrees to repair or replace (with the same brand of available, or a brand of equal quality) if necessary, Employee owned air tools used for employer business. Once repaired or replaced the employee will take their personal air tool home and the employer will supply an employer owned tool.

11.10 Employees called for jury duty or as a Crown witness will receive their regular rate of pay for the time spent in this service when it occurs on regular scheduled workdays.

11.11 When work is required to be performed in temperatures below -30 Celsius adequate protection and some form of heat will be provided to Employees. Both the Employer and Employee agree to cooperate to make certain the work can be completed in a safe and timely manner.

11.12 Employees will submit expense reports within one (1) week of

incurring expenses when possible and payment of expenses will then be made within two (2) weeks of submission of the report.

ARTICLE 12 - NO DISCRIMINATION

- 12.01 An Employee will not be transferred, dismissed or discriminated against for any lawful Union activity, or for serving in a responsible capacity with the Union, or for reporting to the Union any violation of the provisions of this Agreement.
- 12.02 Any Employee alleging wrongful transfer, dismissal or discrimination, may place his/her alleged complaint before Union representatives and if it is merited the complaint shall become a grievance and be subject to the grievance procedure as established in this Agreement.
- 12.03 The Employer and the Union agree there will be no discrimination, intimidation or coercion exercised or practiced by the Employer or by the Union, or by any of the representatives, with respect to any person because of race, color, religious beliefs, sex, age, marital status, ancestry, or place of origin of that person, or to a person having a mental or physical handicap.

ARTICLE 13 - RATES OF PAY

- 13.01 The Employer agrees that during such times as this Agreement is in force it will pay all persons covered by the terms of this Agreement who are hourly Employees the rates set forth in Schedule "A" - WAGE CATEGORIES, which is attached hereto and made part of this Agreement, and if any Employee is receiving a wage rate in excess of the rates herein contained such wage shall not be reduced by reason of the signing of this Agreement.
- 13.02 In the event that work classifications other than those set forth in Schedule "A" are instituted, the Employer and the Union shall meet and negotiate a rate of pay for such work.
- 13.03 The Employer agrees to hold job discussions twice annually prior to January 1st and July 1st for all Employees who are covered by this Agreement and are Class "B" rate in any category.
- 13.04 The job discussion will consist of an evaluation of the Employee's performance and a personal interview with the Department Supervisor. The Supervisor conducting the interview shall state, in writing, on the job discussion form, the developmental action required of the Employee to attain the Class "A" rate. An Employee not satisfied with the results of the interview may discuss the matter with the next level Supervisor or Manager.
- 13.05 Payday shall be every second week on Friday. All accumulated earnings and work hours reported in a two (2) week period shall be remitted on the payday of the week following the pay period. Any

errors or omissions shall be corrected by the next normal payday.

13.06 Employees at PDC in Edmonton whose normal workweek includes regular hours of work on Saturday or Sunday, will earn a weekend premium as outlined in Schedule "D" for all hours worked on that shift.

13.07 All Parts and Service Employees filling in a premium position get the premium rate of pay for the number of hours spent in that position. A minimum time of two (2) weeks is required and this would not apply to Apprentices on rotation.

Parts persons scheduled to cover for instore sales will receive the premium wage rate for the time spent in the position.

ARTICLE 14 - MANAGEMENT RIGHTS

14.01 The Union recognizes the right of the Employer to exercise the functions of management including, without limiting the generality thereof, the right to hire new Employees and to direct the working force, to promote and demote, transfer, lay-off due to lack of work, suspend or otherwise discipline or discharge for just cause any Employee, subject to the right of the Employee to lodge a grievance in the manner and to the extent herein provided. The Employer agrees to give to the Union reasonable notice of discharge for cause of any Employee.

14.02 The Union also recognizes the right of the Employer to operate and manage its business in all respects in accordance with its obligations and to make and to alter from time to time reasonable rules and regulations, to be observed by Employees, which shall not be inconsistent with the provisions of this Agreement.

14.03 The Employees and the Union agree that the foregoing enumeration of Management's rights shall not exclude any other recognized function of management not specifically covered by this Agreement.

ARTICLE 15 - GROUP INSURANCE, SICK BENEFITS AND BEREAVEMENT LEAVE

15.01 Entitlement to benefits in this clause commence as follows: after three (3) months of employment eligibility for Alberta Health Care premium share, Extended Health insurance plan coverage, and Long Term Disability insurance; after completing six (6) months of employment an Employee is eligible for Dental Plan coverage, Accidental Death & Dismemberment Insurance, Life Insurance and Dependent Life Insurance.

15.02 Employees, and/or their dependents, in the Northwest Territories required to fly to other locations for referred medical care will be provided with a \$125.00 to partially compensate for the deductible for a medically approved plane ticket. After the first flight, any subsequent flights in a year would be

paid at the rate of \$200.00 towards the deductible for referred medical care.

15.03 Group Insurance - The Employer agrees to share premiums for Alberta Health Care insurance coverage. The Employer will pay seventy(70%) percent and the Employee will pay thirty(30%) percent (May 1,2000; the share will be 75% employer, 25% employee)of the cost for all current premiums. Premium arrears for coverage prior to employment with the Employer is the Employee's responsibility. The Employer agrees to maintain an Extended Health Insurance plan, with the Employer paying seventy(70%) percent and the Employee paying thirty(30%) percent of the premium cost.(May 1, 2000; the share will be 75% employer, 25% employee)
The Employer agrees to maintain a Life Insurance plan and shall pay the premium costs thereof, except that the portion of the premium assessed for Dependent Life Insurance is payable in total by the Employee.
The Employer agrees to maintain an Accidental Death and Dismemberment plan and shall pay the total premium cost thereof.
The Employer agrees to continue to administer the Long Term Disability plan for hourly Employees.
It is agreed that in addition to administering plan benefits the Employer and the Union agree that an objective of the plan is to encourage an early return to a workplace assignment. The Employer agrees to maintain a Long Term Disability Protection plan and the Employee shall pay the total premium cost thereof.
The parties agree to meet with the insurance carrier to explore some plan options which may include consideration of the plan dealing with limited retraining or educational alternatives.

15.04 Dental Plan - The Employer agrees to maintain a Dental benefits program providing coverage with limits and conditions set forth in the plan for group dental insurance.
Unless modified by mutual agreement between the Employer and the Union, the plan shall cover dental expenses in accordance with the current Alberta Fee Guide.
The Employer shall pay seventy - five (75%) percent and the Employee shall pay twenty - five (25%) percent of the premium cost.
A booklet describing benefits under the plan shall be available to Employees at all the branches.

15.05 SHORT TERM SICKNESS & DISABILITY BENEFITS - The Employer agrees to maintain an Employer sponsored Short Term Sickness plan, and all Employees covered by this Agreement shall be entitled to benefits subject to the following provisions and conditions:

- Employees must report to their immediate Supervisor or person in charge, and claims will be calculated from the time a report was made.
- Telephone or personal contact must be maintained on a weekly basis.
- The sickness or disability must not be self inflicted through misuse of drugs, alcohol, or

recklessness.

- Sickness or disability lasting five (5) days or more must be substantiated with an insurance form completed by the claimant and a qualified doctor indicating that the claimant is unable to work.
- If it is necessary for the Employee to provide additional written information to satisfy the claims adjudicator with respect to the Employee's claim and there is a charge for obtaining that information the Employer agrees it will pay the cost to a maximum of \$50.00.

The following scale of benefits is applied each time a claim is made. The scale covers a maximum of sixty four (64) working days in a ninety (90) calendar day period, and claims exceeding ninety (90) calendar days in duration will be submitted to the L.T.D. benefit plan.

LENGTH OF SERVICE	#FIRST WORK DAYS NOT PAID	WORK DAYS AT FULL PAY	WORK DAYS AT % OF PAY
0-3 Mths	UIC benefits only during probationary period		
3-12 Mths	3	0	61-75%
1-2 Yrs	2	10	52-75%
2-3 Yrs	1	30	33-85%
3-5 Yrs	0	45	19-90%
5 Yrs +	0	64	N/A

At the time a claim is made, an Employee's sick leave record for the preceding thirty (30) days will be reviewed. One extra day without pay will be deducted from the second and subsequent sick pay claims made within the preceding thirty (30) calendar day period, except in the event of recurring illness.

When hospitalization is necessary in case of sickness or accident, the first days of no pay may be waived.

15.06 BEREAVEMENT LEAVE - without loss of pay will be provided upon the death of a member of an Employee's immediate family. The maximum amount of bereavement leave with pay allowed will be three (3) days. The Employee's immediate family shall be defined as an Employee's spouse, parents, grandparents, spouse's grandparents, mother-in-law, father-in-law, brother-in-law, sister-in-law, plus sons, daughters, brothers, sisters, or their spouses.

15.07 The Employer has established an Employee Assistance Program to assist Employees in dealing with personal and family issues (of distress). Information on the program may be obtained at each branch.

15.08 When an Employee requests a personal leave of absence without pay, the Employer, taking into consideration the needs of the business, may grant the leave. The Employee will provide the reasons for

the requested leave.

ARTICLE 16 - HEALTH & SAFETY

- 16.01 The Employer agrees to make reasonable provisions for the maintenance of acceptable health and safety standards in the workplace and shall comply with the Occupational Health and Safety Act.
- 16.02 Joint safety committees shall be constituted and make monthly inspections of the workplace and equipment. Inspection reports shall be forwarded to Department Supervisors, Union Stewards and the Manager Health and Safety for required action.
- 16.03 Employees who are required by the Employer to take either a defensive driving course or a first aid course will be paid for such time and the course. The Employer agrees to schedule courses during regular working hours.
- 16.04 Any Employee covered by this agreement who obtains a First Aid Certificate acceptable to the Employer will be paid an honorarium of \$150.00 for this upon attainment and subsequent renewals. Where the Employer requires an Employee to obtain a First Aid Certificate, clause 16.03 applies.
- 16.05 Glasses, goggles and face shields will be worn as per the Finning Health and Safety Handbook. These eye protection items will be supplied by the Employer at no charge to the Employee. Prescription safety glasses may be obtained through the registered plan between Finning and the Optometrist's Association.

ARTICLE 17 - PENSION RIGHTS

- 17.01 All Employees covered by this agreement shall participate in a pension plan as set forth in an agreement between the Employer and the Canada Trust Company and outlined in 17.02. (The Defined benefit plan - registration no. C-40016, and the defined contribution plan - registration no. C-44803)
- 17.02 A defined contribution plan was introduced December 31, 1988 for all Employees under the age fifty (50), and the Employer will make contributions equal to 5.25% (effective May 1, 2001, 5.50%). For Employees age 50 and over the defined benefit plan will continue, with an upgrade for past years of plan membership and the Employer will make contributions equal to 3.5% of an Employees eligible income up to Yearly Maximum Pensionable Earnings (YMPE) and 5% of income in excess of YMPE. The Company agrees to provide for an unreduced pension for the members of the Defined Benefit plan who retire after May 1, 1999 having reached the age of 61 with 20

years of credited service.

17.03 Eligibility for Pension Plan membership will commence after an Employee completes six (6) months of employment. An annual statement by March 31st of the following year shall be given to each Employee participating in the pension plan stating the value of the pension credits earned. Booklets describing benefits provided under the plans shall be made available from the branch Human Resources contact. The official Pension plan document provides a full description of the governing terms and conditions.

ARTICLE 18 - NO STRIKES AND LOCKOUTS

18.01 There shall be no lockouts by the Employer and no interruption, strike, work stoppage, sit-down or slow-down by any Employees during the term of this Agreement.

ARTICLE 19 - UNION RIGHTS

19.01 The Union shall keep the Employer advised in writing with up to date lists of names of Executive Officers and Stewards who are authorized to act on behalf of the Union with the Employer. The Employer agrees to recognize only those representatives whose names have been submitted in writing. It is understood that members of the Union's Executive and Business Representatives are also designated to act as Stewards.

19.02 Stewards shall be regular full-time Employees with at least six (6) months seniority and may be selected in any manner determined by the Union.

19.03 Stewards shall be appointed to represent each department at all Branches as may be required from time to time.

19.04 Stewards shall meet with representatives of the Employer monthly, if required by either party, in order to discuss problems which may arise.

19.05 In the event of suspension or termination, the Employee is entitled to Union Steward representation, when available, at his/her request.

19.06 Stewards will be allowed a reasonable amount of time per month, up to four (4) hours without loss of pay, to present grievances to representatives of the Employer under Steps 1 and 2 of the Grievance Procedure, provided they first obtain permission from their Supervisor to leave their work assignment.

19.07 Employees having grievances shall not discuss them with Stewards during working hours unless they have first obtained permission from their Supervisor. The Employer agrees such permission will

not be unreasonably refused.

- 19.08 The Employer agrees to permit Union representatives a reasonable amount of time off, without pay, to attend to the necessary business of the Union.
- 19.09 Members of the bargaining committee, not to exceed five (5) in number, shall be paid at regular rates for a period of time not to exceed eighty (80) hours per person for time spent in negotiating meetings with the Employer, provided such meetings occur during the individual's regular scheduled working hours.
- 19.10 Bulletin boards will be reserved for the purpose of posting official Union notices and papers. The Union agrees that such notices and papers will not contain references detrimental to the maintenance of a harmonious relationship between the Employer and the Union.
- 19.11 if a member of the bargaining unit is elected to a full time position representing Local Lodge 99, the Employer will grant an unpaid leave of absence. The seniority for the member will continue to be accumulated during the length of the leave. Upon return the member will be eligible for their previous position or equal position.

ARTICLE 20 - GRIEVANCE PROCEDURE

- 20.01 The Employer and the Union both agree that the settlement of any dispute or grievance arising out of the terms of this Agreement should, so far as possible, be arranged between the Employer's representative and the Employee or the Union's grievance committee. A difference between the Employer and the Union as to the meaning and application of the provisions of this Agreement shall be considered a policy grievance. All policy grievances will be processed by the Union, and shall be submitted to the Manager, Human Resources Department under Step 3 of the Grievance Procedure.
- 20.02 A grievance concerning the discharge of an Employee may be submitted into Step 2 of the Grievance Procedure.
- 20.03 Unless a grievance of an Employee or a policy grievance is presented to the Employer within ten (10) working days from the date when the grievance first arose, or in the case of dismissal of Employees within ten (10) working days of notification to the Union of such dismissal, the grievance is waived and the Employee or the Union shall not be permitted to present the same to the Employer thereafter. Failure of the Employer to respond within its allotted times indicates that it is in agreement with the grievor.
- 20.04 Any complaint, disagreement or difference of opinion between the parties hereto concerning interpretation, application, operation,

or any alleged violation of the terms of this Agreement shall be considered a grievance and the procedure of settlement shall be as follows:

STEP 1: If the complaint or grievance is not satisfactorily resolved in discussion between the Employee and/or the Union Steward and his/her immediate Supervisor, the grievance shall be set out in writing citing the alleged violation of the Collective Agreement including the Clause(s) affected. It shall be submitted in this form to the immediate Supervisor within the time limits specified in Clause 20.03 (ten days). A decision will be forwarded to the Union steward from the supervisor within 5 days of receiving the grievance

STEP 2: If the grievance is not satisfactorily resolved at step 1, the Union steward shall submit the grievance to the Department Head or Branch Manager in writing with a copy of the original grievance, within ten (10) days of receiving the reply at Step 1. A meeting will be held at the Branch within 10 days of receiving the grievance at step 2. The Company will make their decision known in writing to the union within 5 days of the meeting being held.

STEP 3: If the grievance is not satisfactorily resolved in Step 2, the Union Office shall submit the grievance to the Human Resources Manager within five (5) days of receiving the reply in Step 2. The Human Resources Department will arrange for the management to meet with the Union Executive to hear the grievance and render a decision within five (5) working days.

STEP 4: If the Step 3 decision of management is unsatisfactory to the Union, the Union Executive may then submit the grievance to arbitration within ten (10) working days of receiving the decision. The notice of submission to arbitration must be given in writing.

20.05 The time limits expressed in the foregoing shall exclude Saturdays, Sundays, designated Holidays and normal time off. The time limits set out above may be adjusted in exceptional circumstances by mutual agreement. The time limits set out are considered mandatory and not directory.

ARTICLE 21 - BOARD OF ARBITRATION

21.01 The Board of Arbitration shall consist of a single arbitrator, being one of the following persons:

1. Allan Beattie
2. Phyllis Smith
3. Andrew Sims
4. Bill McFetridge

who shall be selected as follows:

(a) The person who has the number 1 beside his/her name shall hear and decide the first arbitration case held after the effective date of this Agreement.

(b) The person who has the number 2 beside his/her name shall hear and decide the second arbitration case and so on until the last person named has heard and decided an arbitration case. Thereafter the person who has the number 1 beside his/her name shall hear and decide the next case, and so on.

(c) In the event that the person whose turn it is to be arbitrator is unwilling or unable to hear and decide the case within thirty (30) days after he/she is contacted, or in the event that such a person cannot be contacted by the parties with reasonable effort within a reasonable time, or in the event that such person is directly interested or involved in the outcome of the case under consideration, then in any such event that person shall be passed over in favour of the next person next named.

21.02 It is understood and agreed that the time limits set forth herein may be altered by mutual agreement between the Employer and the Union.

21.03 Grievances submitted to arbitration shall be governed by the provisions of this Agreement. The Arbitrator shall not be vested with the power to change, modify or alter this Agreement in any of its parts, but may, however, interpret its provisions. The expense of the Arbitrator shall be borne equally by the Employer and the Union, unless otherwise provided by law. The findings and decision of the Arbitrator shall be binding and enforceable on all parties.

21.04 The Arbitrator shall have the power to ameliorate any penalty or disciplinary measure and in the case of any grievance involving a discharge he/she shall be entitled to substitute lesser disciplinary penalty than was imposed by the Employer.

ARTICLE 22 - SEVERANCE PAY

22.01 Severance Pay shall be paid to an Employee in the event of lay-off along with the final earnings paycheck, according to the following schedule:

- 1 week's pay for seniority - 3 mths up to 1 yr.
- 2 week's pay for seniority - 1 yr up to 3 yrs.
- 3 week's pay for seniority - 3 yrs up to 4 yrs.
- 4 week's pay for seniority - 4 yrs up to 6 yrs.
- 6 week's pay for seniority - 6 yrs up to 8 yrs.
- 8 week's pay for seniority - 8 yrs up to 10 yrs.
- 12 week's pay for seniority - 10 yrs or more.

22.02 Severance Pay is due to an Employee immediately upon lay-off. If an Employee is recalled within the period for which Severance was

paid, the Employer is entitled to recover the balance. (This is intended to avoid the possibility of double pay in the case of an early recall.)

- 22.03 Severance pay entitlement occurs only once in any twelve (12) month period. If an Employee was laid-off, recalled, and again laid-off within twelve (12) months of the first instance, he/she is not entitled to Severance Pay on reoccurrence.
- 22.04 Notwithstanding 22.03, in the event the Employer recovers the balance of initial Severance Pay entitlement as specified in 22.02, an Employee is eligible to receive the amount of that balance should a lay-off recur within twelve (12) months of the first instance.
- 22.05 If a laid-off Employee is called back after the recall period and is subsequently laid-off after more than twelve (12) months has elapsed since the first instance, then Severance Pay entitlement is determined by the Agreement.
- 22.06 If the Employer rehires anyone when more than fifteen (15) months has elapsed since lay-off, that person would be treated as a newly hired Employee.

ARTICLE 23 - DURATION & RETROACTIVITY OF AGREEMENT

- 23.01 It is understood and agreed between the parties hereto that they will commence bargaining for a new collective agreement to follow this one on or about January 31, 2002 and if they fail to conclude a new collective agreement before April 30, 2002 the Employer agrees to pay the Employees the rates of pay established by the new agreement for one-half of the actual hours worked from April 30, 2002 until the date of the making of the new collective agreement.
- 23.02 This agreement shall be effective from May 1, 1999 until April 30, 2002 and thereafter to the date when a new collective agreement comes into force or until a strike or lockout occurs, whichever is first.

ARTICLE 24 - TECHNOLOGICAL CHANGE

Both the Employer and the Union agree that it is important to discuss the introduction and implications of technological change in the workplace where that change will affect Employees. Where the Employer intends to introduce technological or procedural change in the workplace, it will meet with the Union to discuss the implications of the change 60 days prior to implementation.

Technological change will be considered the introduction of new or modified equipment, or work processes, which will displace several Employees in a branch. The Employer will provide information about

the new technology and the impact on the Employees.

Where jobs are made redundant, the Employees will be given an opportunity to move to other positions provided there are openings and they are capable of performing the job functions.

Where an Employee needs some skills upgrading to assume another position within the department, the Employer and the Union will encourage the Employee to participate in the skills upgrading. This may involve attending a course inside or outside the Employer. The Employer will assume the cost of any agreed to course.

If an Employee is not able to be placed in a suitable position, the severance pay provisions of the Agreement will apply.

Any changes to wage categories, rates or layoff classifications necessitated by the introduction of the change will be negotiated by the Union and the Employer.

IN WITNESS WHEREOF the parties hereto have caused these present to be executed on the day and year first above written.

FINNING LIMITED

Per

Horace Ho, Executive Vice President, Human Resources, Finning. Int. Inc.

Larry Holm, Manager, Human Resources, Finning (Canada)

Dave Fehr, General Manager, Customer Services

Paul Gour, Industry Customer Services Manager, Alberta

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
LOCAL LODGE 99**

Per

Robert MacKinnon, President/Business Representative

Neil Rudiger, Council Chairperson

Audrey Petruck, Council Vice-Chairperson

Maurice Caron, Recording Secretary

Len Loza, Council Member

Dave Russel, Council Member

SCHEDULE "A"

WAGE CATEGORIES

CERTIFIED TRADES, SERVICE DEPARTMENT

May 01/99 May 01/00 May 01/01

Field Servicepersons

Journeyperson	\$25.28	\$25.79	\$26.56
Probationary	\$24.37	\$24.86	
\$25.61			

Machinist:

Chargehand	\$26.38	\$26.91	\$27.72
Leadhand	\$25.20	\$25.71	\$26.48
Journeyperson	\$23.98	\$24.46	\$25.20
Probationary	\$23.17	\$23.64	
\$24.34			

Welder, Mechanic, Lift Truck Mechanic, Warranty Technician, Power Generation Electrician, Estimator

Chargehand	\$26.13	\$26.65	\$27.45
Leadhand	\$24.96	\$25.46	\$26.22
Journeyperson A	\$23.77	\$24.25	\$24.98

Journeyperson B	\$23.08	\$23.54	\$24.25
Probationary	\$22.58	\$23.04	
\$23.73			

Apprentice Mechanic

4th Year	\$21.39	\$21.83	\$22.48
3rd Year	\$19.02	\$19.40	\$19.98
2nd Year	\$16.64	\$16.98	\$17.49
1st Year	\$14.26	\$14.55	\$14.99

Apprentice Welder

3rd Year	\$20.20	\$20.61	\$21.23
2nd Year	\$17.83	\$18.19	\$18.74
1st Year	\$15.45	\$15.76	\$16.23

A Labourer is a person employed to perform limited skill work. Examples of limited skill work are: Guard Removal and Installation, General clean up of shop, yard and machines, Lube and oil changes

They will not be employed to displace any of the other mechanical classifications.

MAINTENANCE DEPARTMENT:

	May 01/99	May 01/00	May 01/01
<u>Maintenanceperson - Licensed:</u>			
Chargehand	\$27.07	\$27.61	\$28.44
Leadhand	\$25.86	\$26.38	\$27.17
Journeyperson A	\$24.63	\$25.13	\$25.88
Journeyperson B	\$23.74	\$24.22	\$24.94
Probationary	\$23.01	\$23.47	
\$24.17			

Maintenanceperson - Unlicensed:

Class A	\$19.43	\$19.82	\$20.41
Class B	\$18.80	\$19.17	\$19.76
Probationary	\$18.16	\$18.52	
\$19.08			

COMPONENT REBUILD CENTRE:

	May 01/99	May 01/00	May 01/01
<u>Service Functions</u>			
<u>Mechanic, Welder</u>			
Chargehand	\$26.13	\$26.65	\$27.45

Leadhand	\$24.96	\$25.46	\$26.22
Journeyperson A	\$23.77	\$24.25	\$24.97
Journeyperson B	\$23.08	\$23.54	\$24.25

Machinist:

Chargehand	\$26.38	\$26.91	\$27.72
Leadhand	\$25.20	\$25.71	\$26.48
Journeyperson	\$23.98	\$24.46	\$25.20
Probationary	\$23.17	\$23.64	
\$24.34			
*Production Specialist	\$22.12	\$22.56	\$23.24
*Production Mechanic	\$19.17	\$19.56	\$20.15
Production Helper	\$16.21	\$16.53	\$17.03
Probationary	\$15.04	\$15.34	
\$15.80			

Note: The "*" postions include employees hired prior to May 1, 1999 and are grandfathered at the rate for the position. It is not intended to use these categories after this date

Apprentice Mechanic

4th year	see note		
3rd Year	\$19.02	\$19.40	\$19.99
2nd Year	\$16.64	\$16.98	\$17.49
1st Year	\$14.26	\$14.55	\$14.99

Note: an apprentice must post to a full service branch to complete the apprenticeship.

Labourer/Janitor

Class A	\$13.56	\$13.83	\$14.25
Class B	\$12.84	\$13.10	\$13.49
Probationary	\$12.13	\$12.37	
\$12.74			

Undercarriage Functions

Trackpress operator			
Class A	\$19.59	\$19.98	\$20.58
Class B	\$18.84	\$19.22	\$19.80
Probationary	\$18.17	\$18.53	\$19.09
Auto Welder and Roller/Idler Rebuild			
Class A	\$16.21	\$16.53	\$17.03
Class B	\$15.63	\$15.94	\$16.42
Probationary	\$15.04	\$15.34	
\$15.80			

Unlicensed mechanic Position

	\$19.02	\$19.40	\$19.99
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Parts Functions

Material Supply Specialist	\$19.51	\$19.90	\$20.50
Material Supply Assistant	\$16.69	\$17.02	\$17.53

Parts Department Trades

May 1, 1999

Categories	#1	#2
Chargehand	\$23.07	\$21.46
Leadhand	\$22.04	\$20.48
Journeyman A	\$20.96	\$19.51
Journeyman B	\$20.21	\$18.74
Probationary	\$18.69	\$17.22

Parts Apprentice

3rd year	\$17.82
2nd year	\$15.72
1st year	\$13.62

Material Supply Assistant

Categories	#2	#3
Warehouseperson	\$16.69	\$15.92
19 - 24 months	\$15.72	\$14.99
13 - 18 months	\$14.75	\$14.05
0 - 12 months	\$13.79	\$13.12

Parts Department Categories

1. Instore / Counter sales, Service Supply Clerk 1
2. Warehouse person(includes used parts warehouse, can perform all parts functions except those in category #1.)
3. Parts Picker/Stocker.
(note: Category 2 Journeyman will only include those grandfathered Employees and temporary apprentice graduates)

Used Parts Department Categories

1. Instore/Counter Sales
2. Used Parts Warehouse

Parts Department Trades

May 1, 2000

Categories	#1	#2
Chargehand	\$23.53	\$21.89
Leadhand	\$22.48	\$20.89
Journeyyperson A	\$21.38	\$19.90
Journeyyperson B	\$20.61	\$19.11
Probationary	\$19.06	\$17.57

Parts Apprentice

3rd year	\$18.17
2nd year	\$16.03
1st year	\$13.90

Material Supply Assistant

Categories	#2	#3
Warehouseperson	\$17.02	\$16.24
19 - 24 months	\$16.04	\$15.29
13 - 18 months	\$15.05	\$14.33
0 - 12 months	\$14.07	\$13.39

Parts Department Categories

1. Instore / Counter sales, Service Supply Clerk 1
2. Warehouse person(includes used parts warehouse, can perform all parts functions except those in category #1.)
3. Parts Picker/Stocker.
(note: Category 2 Journeyyperson will only include those grandfathered Employees and temporary apprentice graduates)

Used Parts Department Categories

1. Instore/Counter Sales
2. Used Parts Warehouse

Parts Department Trades

May 1, 2001

Categories	#1	#2
Chargehand	\$24.24	\$22.55
Leadhand	\$23.15	\$21.52
Journeyyperson A	\$22.02	\$20.50
Journeyyperson B	\$21.23	\$19.68
Probationary	\$19.63	\$18.10

Parts Apprentice	
3rd year	\$18.72
2nd year	\$16.52
1st year	\$14.31

Material Supply Assistant		
Categories	#2	#3
Warehouseperson	\$17.53	\$16.73
19 - 24 months	\$16.52	\$15.75
13 - 18 months	\$15.50	\$14.76
0 - 12 months	\$14.49	\$13.79

Parts Department Categories

1. Instore / Counter sales, Service Supply Clerk 1
2. Warehouse person(includes used parts warehouse, can perform all parts functions except those in category #1.)
3. Parts Picker/Stocker.
(note: Category 2 Journeyperson will only include those grandfathered Employees and temporary apprentice graduates)

Used Parts Department Categories

1. Instore/Counter Sales
2. Used Parts Warehouse

SKILLED/SEMI SKILLED:

May 01/99 May 01/00 May 01/01

Category A: Painter, Benchhand, Heavy Truck Driver (Over 3 Ton), Track Press Operator, Auto-Welding Machine Operator:

Chargehand	\$21.55	\$21.98	\$22.64
Leadhand	\$20.56	\$20.98	\$21.61
Class A	\$19.59	\$19.98	\$20.58
Class B	\$18.84	\$19.22	\$19.80
Probationary	\$18.17	\$18.53	\$19.09

Category B: Hydraulic Hose Press Operator, Yardperson, Tool Room Attendant, Lab Technician, Shipper/Receiver (Service Department):

Chargehand	\$21.16	\$21.59	\$22.24
Leadhand	\$20.20	\$20.60	\$21.22
Class A	\$19.23	\$19.62	\$20.21
Class B	\$18.53	\$18.90	\$19.47
Probationary	\$17.83	\$18.19	

\$18.74

Category C: Wash Bay Attendant, Lab Assistant

Class A	\$16.24	\$16.56	\$17.06
Class B	\$15.58	\$15.89	\$16.37
Probationary	\$14.82	\$15.12	
	\$15.57		

Category D: Labourer, Janitor

Class A	\$13.56	\$13.83	\$14.25
Class B	\$12.84	\$13.10	\$13.49
Probationary	\$12.13	\$12.37	
	\$12.74		

All rates of pay in the May 1 1996 - April 30 1999 collective agreement are adjusted by:

1.50% general increase effective May 1, 1999, plus \$300.00, lump sum - effective the date of ratification

2.00% general increase - effective May 1, 2000

3.00% general increase - effective May 1, 2001

SCHEDULE "B"

LAYOFF AND TRANSFER CLASSIFICATIONS

Lay-off due to a lack of work is determined by the criteria set out in Clause 5.06, and job classifications for the purpose of lay-off and transfer of Employees are as described in this Schedule.

When there is a shortage of work in an area of a department the Employer may transfer an Employee to another area within that department in the same job classification. The Employee with the shortest length of service shall be transferred first, provided the Employee has the qualifications and demonstrated ability to perform the job.

Parts and Service Employees must have been in the classification for a minimum of ninety (90) days in order to qualify for lay-off in that classification. If less than ninety (90) days the previously held position will be used. This would include posted positions where applicable.

SCHEDULE "B"

SERVICE DEPARTMENT LAYOFF CLASSIFICATIONS

- A. Apprentice Mechanic
- B. Auto Weld Machine Operator/Track Press Operator
- C. Chargehand
- D. Field Serviceperson/Heavy Duty Mechanic/Warranty Technician,
Estimator
- E. Lab Assistant
- F. Lab Technician
- G. Labourer/Janitor
- H. Machinist/Apprentice
- I. Maintenance Technician Licensed
- J. Maintenance Technician Unlicensed
- K. Painter
- L. Power Generation Electrician
- M. Resident Field Serviceperson
- N. Toolroom Attendant
- O. Washbay Attendant
- P. Welder/Apprentice
- Q. Yardperson
- R. Gas compression mechanic

Add the following note-" employees who post into the above category (gas compression mechanic) will be eligible to bump back to their previous position in the event of a layoff during the term of this agreement.(May 1, 1999 - April 30, 2002)

MATERIALS HANDLING LAYOFF CLASSIFICATIONS
(EDMONTON AND CALGARY)

- A. Apprentice Lift Truck Mechanic
- B. Benchhand
- C. Chargehand
- D. Countersalesperson/Parts Journeyperson/Apprentice
- E. Heavy Duty Truck Driver
- F. Labourer
- G. Lift Truck Mechanic/Field Lift Truck Mechanic
- H. Material Supply Assistant
- I. Painter
- J. Welder/Apprentice

SCHEDULE "B" (CONTINUED)

PARTS DEPARTMENT LAYOFF CLASSIFICATIONS

- A. Chargehand
- B. Countersalesperson/Service Supply Clerk I/
Parts Journeyperson/Special Duty Warehouse/Apprentice
- C. Hydraulic Hose Press Operator
- D. Material Supply Assistant

SCHEDULE "B" (CONTINUED)

COMPONENT REBUILD CENTRE LAYOFF CLASSIFICATIONS

- A. Chargehand
- B. Production Helper
- C. Labourer/Janitor
- D. Material Supply Specialist
- E. Material Supply Assistant
- F. Mechanic/leadhand
- G. Welder
- H. Machinist/leadhand
- I. Apprentice
- J. Track press op./autoweld/roller - idler rebuild
- K. Unlicensed mechanic
- L. Grandfathered production Mechanic
- M. Grandfathered production Specialist

CLASSIFICATION "B"

PARTS SKILLED POSITION TRANSFERS

- If it is necessary to transfer Employees due to work shortage, transfers will be made to their previously held position.
- The transferring Employee must have more experience in the

position than any Employee currently holding the position.

- If bumping occurs this procedure will apply progressively to other affected positions.

- An Employee being transferred from a non-bargaining unit position would be assessed on the same criteria and would be transferred to a position no higher than "A" rate as per Clause 4.03.

- Counter and Field sales experience are considered in total regarding sales positions.

It is understood that Leadhand positions are included in each of the above classifications.

SCHEDULE "C"

SPECIAL PROVISIONS

I. TRAVEL ALLOWANCE of \$25.00 for each day of work shall be paid to Employees who are required to travel from Fort McMurray to the Mildred Lake shop and back.

II. LOCATION ALLOWANCE shall be paid to Employees maintaining a residence in the community of the Branch where they are employed, where surveyed costs are higher by 10% or more than Edmonton at any time during the term of this Agreement according to a mutually acceptable price comparison survey. Unless otherwise negotiated between the parties, Location Allowance for the term of this Agreement or subsequent Agreements is as follows:

	<u>Effective</u>	<u>May 1, 1999</u>		
	Fort McMurray	\$300.00/mth		
	Inuvik	Free Accommodation		
			<u>May 1, 1999</u>	<u>May 1, 2000</u> <u>May 1, 2001</u>
Hay River	\$350/mth	\$400/mth	\$400/mth	\$400/mth
Yellowknife	\$500/mth	\$500/mth	\$550/mth	\$550/mth

III. COMPONENT REBUILD CENTRE:

Licensed Mechanics/Benchhands employed in remanufacturing areas on May 1st, 1990 are grandfathered.

In the event the Component Rebuild Centre closes or layoff occurs, the grandfathered Employees will be attached to the main Edmonton seniority list.

GENERAL:

Benefits and Premiums
Banked Overtime
Notification of Layoff or Termination For Cause
Tuesday to Saturday Shift
Continuous Shift
Regional Wage Adjustment
Benefit Entitlement
Union Management Relationship

SERVICE RELATED:

Customers Working in Employer Shops
Benchhand - Materials Handling

PARTS RELATED:

Material Supply Assistant
Midnight Shift PDC Edmonton
Material Supply Assistant (training)

COMPONENT REBUILD CENTRE:

Component Rebuild Centre Layoff Classification
Component Rebuild Centre
Chargehand /Leadhand

FT. MCMURRAY/MILDRED LAKE

Syncrude and Syncrude Contractors Continuous Shift

LETTER OF UNDERSTANDING

Reference: Benefit Premiums

This constitutes a Letter of Understanding between Finning (Canada) and The International Association of Machinists and Aerospace Workers, Lodge 99.

The Union and the Employer agree if benefit premiums are found to be insufficient the Employer shall approach the Union's Executive to request premium increases. The Union Executive reserves the right through consultation with the Employer and the Insurance Company to refuse the increase if the Union does not agree with the reasons for the increased premium.

LETTER OF UNDERSTANDING

REFERENCE: Banked Overtime

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Lodge 99.

(1) Overtime hours may be paid in wages or accumulated as follows:

(2) For time off during slow periods a maximum of one hundred and sixty (160) hours may be banked. A maximum of eighty (80) hours may be used in any calendar year under terms set out below. The additional eighty (80) hours may be used in the event of an Employer instigated layoff.

(3) Banked hours cannot be taken in the prime vacation period or added to regular holidays during the prime period. Under no circumstances can banked time be used as sick pay. The prime vacation period is defined as June 15th to September 15th and December 15th to December 31st.

(4) Working for a second Employer at any time during banked time off will be construed as moonlighting and will be subject to disciplinary action or dismissal.

(5) Banked hours can only be taken at a time acceptable to Management. If the Employer and an Employee cannot agree on a mutually acceptable time, either party may demand payout of the amount owing and close out the banked account.

(6) Banking of overtime may be inappropriate in locations of high overtime on a constant basis. In these cases Management should advise the Finning Human Resources Department who will advise the Union.

(7) Banked overtime cannot be accumulated on temporary transfers.

(8) Banked time will be one hour banked at straight-time pay for each overtime hour worked, with the balance of the appropriate overtime (1/2 or 1 hour) rate to be paid on current paycheque.

(9) All shift, field and isolation differentials will be paid to the Employee on the paycheque for the pay periods during which the hours were actually worked.

(10) Retroactive pay adjustments for hours banked during retroactive period will be made in a lump sum on one paycheque. The hours and amounts in the bank will not change.

(11) If the hours in the bank are at a rate that was last used two (2) years ago all the hours at that rate will be paid out.

(12) Straight time cannot be banked, only overtime can be banked.

(13) Banked time may be used for appointment time when pre-arranged with their supervisor.

LETTER OF UNDERSTANDING

REFERENCE: Notification of Layoff or Termination For Cause.

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Lodge 99.

The parties agree that in the event of layoff or termination for cause of a member of the bargaining unit, the Employer will notify the Union Office, in writing, within three (3) working days.

LETTER OF UNDERSTANDING

REFERENCE: Tuesday to Saturday Shift

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Lodge 99 effective January 01st, 1991.

The parties agree that a Tuesday to Saturday shift will be implemented and the following conditions apply.

- 1) A premium of \$1.25/ hr will apply to Employees while working this shift, for all hours worked.
- 2) All Employees hired up to and including December 31, 1990 are not required to work this shift. However, Employees may volunteer or post to this shift if they choose.
- 3) New hires on or after the effective date will be required to work this shift, where required, and will be informed at the time of hire.
- 4) Job postings will reference a Tuesday - Saturday shift only where the shift is currently in place or where the Employer has the need to implement the shift, within sixty (60) days.
- 5) Where there are four (4) or more Employees in a department on this shift, the ratio of Tuesday - Saturday vs. Monday - Friday shifts will be no less than 2 - 1 respectively , wherever practical.
- 6) This Tuesday - Saturday shift is currently a dayshift position. Should the Union and Employer agree an afternoon shift may be required in a department, both the Tuesday - Saturday and afternoon premiums will apply.

LETTER OF UNDERSTANDING

REFERENCE: FOR CONTINUOUS SHIFTS

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

A continuous shift would be a shift configuration to satisfy customer requirements where the customer operates twenty-four (24) hours per day, seven (7) days per week, less scheduled maintenance, if applicable. Guidelines for this shift are listed below:

1) This shift may be used where the Employer engages in a contractual commitment where the majority of the work would take place on the customer's site. Where this is not so, an appropriate explanation will be discussed with the Union.

2) The classifications required to fulfil positions for the contract will be discussed with the Union. The continuous shift positions will be posted except as per Mildred Lake Letter of Understanding. Parts classifications will not normally be included except where, there is an on site parts requirement.

3) For Field Servicepersons field rate, shift premium and field bonus in the current Collective Agreement will apply to all shift Employees for all hours worked. These premiums allow for working scheduled shifts in excess of eight (8) hours per day and Saturday and Sunday at straight time rates up to a maximum of 2080 hours per year. Any hours in excess of scheduled shifts and/or over 2080 per year will be paid at the applicable overtime rates per the Collective Agreement. Hourly rates may be converted to an annual salary.

4) The calculation for entitlement to vacation, sick leave, other benefits etc. will be made using an hourly equivalent; eg. vacation, if entitled to 2 weeks vacation X 40 hours = 80 hours equivalent; sick leave, if entitled to 10 days X 8 hours = 80 hours equivalent, etc. It is intended that Employees neither gain or lose any benefit entitlement while working on a continuous shift.

5) Shift configurations will be established by the Employer and be explained on the posting. Where shift configurations may need to be changed, mutual agreement between the Employer and the Union will be required prior to the establishment of a different shift configuration.

6) When an Employee wishes to return after one (1) year on this shift to a shop position in the Branch, the Employer will post the position with the notation "Restricted to Applicants Within the Branch". If there is not any requirement to increase the staff level and there is not any suitable applicant available within the Branch, the Employee will retain the current shift position.

7) Seniority and layoff for these Employees will be attached to the currently assigned Branch. EG: Syncrude - Mildred Lake Branch.

These continuous shift Employees will be in a separate layoff

classification until the Employer's contractual commitment is complete.

LETTER OF UNDERSTANDING

REFERENCE: Regional Wage Adjustment

This constitutes a Letter of Understanding between Finning (Canada) and The International Association of Machinists and Aerospace Workers, Local Lodge 99.

The parties agree that a "Regional Wage Adjustment" apply to all Employees covered by the collective agreement, at the designated locations.

The adjustment to be 15% of the hourly rate and apply to both standard and overtime hours.

It is understood that the purpose of the adjustment is an attempt to attract and retain qualified Employees at the location. The Regional wage adjustment is not payable for temporary transfers.

As such, the Regional Wage Adjustment will be in force for the duration of the collective agreement.

Designated locations: Fort McMurray, Mildred Lake, Inuvik, Hay River, Yellowknife.

LETTER OF UNDERSTANDING

REFERENCE: Benefit Entitlement

This constitutes a Letter of Understanding between Finning (Canada) and The International Association of Machinists and Aerospace Workers, Local Lodge 99.

During the term of this agreement, it is intended that the benefit plan coverage provided in Article 15 will be maintained. The details of the benefits are covered in various contracts and agreements which will be made available to the Union. Benefit brochures and other information produced by the Employer will outline plans in brief and are intended to answer generic Employee questions.

On an annual basis the Employer and Union will meet to discuss questions and concerns about benefit coverage and arrangements.

LETTER OF UNDERSTANDING

REFERENCE: Union Management Relationship

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

As part of our joint understanding to work to improve the quality of the

relationship between the Union and the Employer, it is agreed to hold quarterly meetings with agreed upon agendas and pre - determined dates. The topics for the agendas will be provided to each other no later than 1 week prior to the meeting. Generally it is intended for each party to have one-half of the one day session to cover their agenda. The meetings will commence within three (3) months after the signing of the collective agreement and will take place in Edmonton.

The objective is to provide both the Union and the Management with a better understanding of current business conditions. Examples of agenda items could be, economic conditions in the workplace, a review of strategic plans, employment relationship issues, the Employer operating results update, branch Employee requirement updates and potential technological change, etc.

- the company agrees to pay for the time lost from work for up to 4 employees as committee members to a maximum of 8 hours on the day of the meeting.

- The management group individuals attending will be available to provide information and make commitments for their area of responsibility.

The minutes of the meeting will be taken and distributed by the Union.

LETTER OF UNDERSTANDING

REFERENCE: Customers Working in Finning Shops or Adjoining Yards

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Lodge 99.

To provide guidelines for the above, we provide the following:

(1) Customer Employees working in Employer shops will be employed by the customer on a permanent basis.

(2) The ratio of Finning Employees to Customer Employees will not exceed one to one per machine or major component.

(3) The time period for a Customer Employee working in Employer premises would not exceed ninety (90) days.

(4) Customer Employees must provide their own tools.

(5) Customer Employees must be under the direction of a Finning Employee.

(6) Customer Employees will not displace Finning Employees.

(7) Customer Employees will adhere to Finning Health and Safety Policies.

(8) A log book will be maintained and available for Union review. The log book will record the hours worked by Customer Employees on a machine or major component covered by this Letter of Understanding.

LETTER OF UNDERSTANDING

REFERENCE: Benchhand

This constitutes a Letter of Understanding between Finning (Canada) and The International Association of Machinists and Aerospace Workers, Local Lodge 99.

These positions within the Service Department of the Materials Handling Divisions are considered non-ticketed positions within the Shop only.

Some examples of the activities for this classification are:

Benchhand

- A. Removal and installation of components
- B. Removal and installation of attachments
- C. Running repairs ie. Hydraulic hose replacement, masts, chains and rollers.

It is agreed between the parties that any Employees employed before May 1, 1994 by the Employer as ticketed Journeypersons or indentured Apprentices will not be displaced by any Employees hired to work in this classification within their Branch.

LETTER OF UNDERSTANDING

REFERENCE: Material Supply Assistant

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

During the 1992 negotiations it was agreed by the Employer and the Union that the classification of Material Supply Assistant would be included in the layoff and wage classifications. This is a position in the Parts Department which is considered a non ticketed position.

It is agreed between the parties that any Employees employed before May 1, 1992 by the Employer as ticketed Journeypersons or indentured Apprentices will not be displaced by any Employees hired to work as Material Supply Assistants.

LETTER OF UNDERSTANDING

REFERENCE: MIDNIGHT SHIFT - P.D.C. EDMONTON

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

The parties above agree that a "midnight" shift commencing at 10:00 P.M. and finishing at 6:30 A.M., Sunday through Thursday, will be implemented with a shift differential as outlined in Schedule D. This shift will be staffed by volunteers of the Parts Distribution Centre. These volunteers will be required to commit to the shift for the balance of the Collective Agreement and until such time as a subsequent Collective Agreement is in place.

All new hires after March 5, 1991 in the categories affected by the midnight shift will be required to work the said shift as needed. This would be a condition of hire.

A shift rotation will be in effect.

Those Employees hired prior to March 5, 1991 who do not volunteer will be considered exempt.

LETTER OF UNDERSTANDING

REFERENCE: Material Supply Assistant

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

Material Supply Assistants who apply will be allowed an unpaid leave of absence (with adequate notice) to attend parts apprenticeship school providing:

- a) they have completed 2 years service as a full-time Employee
- b) they have the current Finning prerequisites for the Parts Apprenticeship Program upon completion of year two of the apprentice, prior to commencement of year three.

It is understood that they will remain at the Material Supply Assistant rates until a vacancy exists for an Apprentice/Journeyman Countersales.

It is understood that work schedules may need to be adjusted to make certain the needs of the business and the individuals may be accommodated. This may mean limiting the number of people who can attend apprenticeship school at any one time from any one location.

Finning (Canada) is prepared to assist the Employees to obtain the necessary prerequisites through the Educational Assistance Program.

This apprenticeship program for the Material Supply Assistant is

conditional upon an application to the apprenticeship Branch for any necessary variance from the Act and appropriate approvals being received.

This application will be supported by both the Employer and the Union.

LETTER OF UNDERSTANDING

REFERENCE: Component Rebuild Centre Layoff Classification

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

In the event of a layoff in the Component Rebuild Centre which affects the Material Supply Specialist category, all Material Supply Assistants will be laid off first. If there is a further need to layoff, those Employees currently employed as Material Supply Specialists will be attached to the main Edmonton Parts seniority list, category Special Duty Warehouse.

LETTER OF UNDERSTANDING

REFERENCE: Component Rebuild Center

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

Production Employees will be allowed an unpaid leave of absence (with adequate notice) to attend heavy duty apprenticeship school providing:

- a) they have completed 2 years service as a full time Employee.
- b) at the end of year 2 in the apprenticeship program they must have the current Finning prerequisites in order to proceed further in their apprenticeship with Finning.
- c) these Employees will be eligible to complete the first two years of the apprenticeship program under this agreement, reflecting the scope of the work performed in the Component Rebuild Center.

It is understood that they will remain in their existing wage category until a vacancy exists for a heavy duty apprenticeship and they become the successful candidate.

It is understood that the work schedules may need to be adjusted to make certain that the needs of the business and the individuals are accommodated. This may mean limiting the number of people who can attend apprenticeship school at any one time.

Finning (Canada) is prepared to assist the Employees through the Educational Assistance Program to obtain the necessary prerequisites.

This apprenticeship program for the Production Employees in the

Component Rebuild Center is conditional upon an application to the apprenticeship Branch for any necessary variance from the Act and appropriate approvals being received.

This application will be supported by both the Employer and the Union.

NOTE: THIS PROGRAM IS DISCONTINUED FOR APPLICATIONS AFTER MAY 1, 1999

LETTER OF UNDERSTANDING

REFERENCE: Component Rebuild Center Chargehand /Leadhand

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

The parties agree that grandfathered Employees in the Component Rebuild Center, working in or posting to a chargehand or leadhand position in the Component Rebuild Center, will receive the service department wage rates contained in Schedule "A". After May 1, 1998 grandfathered Employees posting to the Chargehand or Leadhand positions will receive the Component Rebuild Center wage rates contained in Schedule "A".

LETTER OF UNDERSTANDING FOR CONTINUOUS SHIFTS SYNCRUDE OR SYNCRUDE CONTRACTORS

This constitutes a Letter of Understanding between Finning (Canada) and the International Association of Machinists and Aerospace Workers, Local Lodge 99.

A continuous shift would be a shift configuration to satisfy customer requirements where the customer operates twenty-four (24) hours per day, seven (7) days per week, less scheduled maintenance, if applicable. Guidelines for this shift are listed below:

1) This shift may be used where the Employer engages in a contractual commitment where the majority of the work would take place on the customer's site. Where this is not so, an appropriate explanation will be discussed with the Union.

2) The classifications required to fulfil positions for the contract will be discussed with the Union. The continuous shift positions will be posted except as per Mildred Lake Letter of Understanding. Parts classifications will not normally be included except where, there is an on site parts requirement.

3) For Field servicepersons field rate, shift premium and field bonus in the current Collective Agreement will apply to all shift Employees

for all hours worked. These premiums allow for working scheduled shifts in excess of eight (8) hours per day and Saturday and Sunday at straight time rates up to a maximum of 2080 hours per year. Any hours in excess of scheduled shifts and/or over 2080 per year will be paid at the applicable overtime rates per the Collective Agreement. Hourly rates may be converted to an annual salary.

4) The calculation for entitlement to vacation, sick leave, other benefits etc. will be made using an hourly equivalent; eg. vacation, if entitled to 2 weeks vacation x 40 hours = 80 hours equivalent; sick leave, if entitled to 10 days x 8 hours = 80 hours equivalent, etc. It is intended that Employees neither gain or lose any benefit entitlement while working on a continuous shift.

5) Shift configurations will be established by the Employer and be explained on the posting. Where shift configurations may need to be changed, mutual agreement between the Employer and the Union will be required prior to the establishment of a different shift configuration.

6) The positions for these shifts will be filled from a list of volunteers from the Mildred Lake Branch.

7) If there is an insufficient number of volunteers the Employer and the Union agree to publish a rotation of Mildred Lake Employees to cover the contractual requirements.

8) These Employees will be part of the Mildred Lake Seniority list.

**LETTER OF UNDERSTANDING
RE: EKATI MINE OPERATION**

This agreement deals with the specific conditions and modifies the collective agreement for those employees who are employed to work on site at the Ekati Diamond Mine

1. The employees assigned to work at the mine site will be on a separate seniority list.
2. The shift schedule for the site will be 2 weeks in/2 weeks out working 12 hour shifts based on the agreement with the NWT government. Overtime rates will apply to all hours worked beyond the 160 hours in a 4 week schedule. There may be an opportunity to work other shifts as agreed between the union and management.
3. Employees living in the Northwest Territories and working at Br 55

will receive the Yellowknife location allowance. New employees hired after May 1, 1999 into Br. 55 living outside of the NWT, will not receive the regional wage adjustment.

4. The marshalling point will be Yellowknife. Any employee who lives in Hay River will be provided with flights to the marshalling point. All other employees will report to the marshalling point at their own expense. Travel time paid at straight time rates will be provided for as follows: Edmonton to Yellowknife - 2.5 hours; Hay River to Yellowknife - 1 hour; Yellowknife to Ekati - 2 hours. Return time will be the same. Any employee travelling beyond Edmonton, the Edmonton travel time shall apply.
5. Employees who find themselves in Yellowknife and weathered out on a day they are to travel in to the site will be paid their straight time hourly rate for the normal shift schedule of that particular day based on the flight manifest, up to a maximum of 12 hours per day (including the travel time). This time will be classified as time worked. Employees who are weathered in at the site are paid for time worked as per the collective agreement to a maximum of 12 hours per day.
6. The statutory holidays that are recognised by the NWT Labour Standards Act will be paid as per the Act. The other statutory holidays that are recognized by the collective agreement, and not the NWT Act, will be paid as per the collective agreement (8 hours). All statutory holidays will count as 8 hours worked toward the work week.
7. Employees will be paid the appropriate overtime rates for working on a statutory holiday as per the collective agreement.
8. Vacation time will be converted to hour entitlement and they will have the option of taking vacation in blocks of hours vs. weeks (1 week vacation time = 40 hours) The parties recognise the distinct nature of working at this remote site on a continuous shift arrangement. As a result the parties agree that employees may have the opportunity of utilising their vacation time on their 2 weeks out time. This option must be discussed and agreed upon with the manager in advance of utilising the opportunity. This time will not count as time worked for the purposes of applying overtime for the shift schedule. A request form must be signed off by the employee and the manager.
9. Those employees assigned on a permanent basis to the Ekati site will receive an isolation travel allowance while working at the mine. The allowance of \$1.00 per hour will apply to employees who have completed their probationary period and will be paid twice per year. The payment will be made in December and June of each year.
10. Lead hand rate will be provided to employees covering for temporary periods.

11. The parties agree to meet to discuss and resolve any issues that have not been anticipated herein.

ATTENTION ALL MEMBERS

Arrears in dues: Excerpt from the IAM Constitution

Quote:" As used in this "Constitution, delinquency is defined as the failure of a member to pay his/her dues..."

"delinquency for 2 months in the payment of dues shall automatically cancel membership and all rights, privileges and benefits incident thereto." Unquote.

DUES ARE DEDUCTED BY PAYROLL DEDUCTION ONLY WHEN A MEMBER IS WORKING.

If a member is not working, for any reason, it is the members responsibility to make sure that his/her own dues are kept up to date.

NOTE: There have been errors in dues check-off remittances to the Union, and with the members cooperation in advising the Union office, errors or non remittance can be rectified.

NON PAYMENTS OF DUES- When a member is laid off, or leaves the Employer for any reason, or simply forgets about his/her unemployed dues, the member is subject to a

PENALTY REINSTATEMENT FEE of six (6) times the current hourly rate when called back to work.

MEMBERS OFF WORK DUE TO LAYOFF - Please notify the Union office immediately. The member will then be entitled to an out of work stamp, for which he/she must remit \$2.00 (two) per month.

MEMBERS OFF WORK DUE TO ILLNESS - Please notify the Union office immediately if you are off anytime during the last two (2) weeks of the month or longer. This is to ensure that members dues are kept up to date.

CHANGE OF ADDRESS - All members must notify the Union office of any change in address (International Association of Machinists and Aerospace Workers Local Lodge 99 - Suite 101, 10471 - 178 Street, Edmonton, Alberta, T5S 1R5, Telephone - 780-483-4103)

LODGE 99 DUES STRUCTURE -

Monthly working dues	two (2) times hourly rate
Out of work dues	two (\$2.00) dollars per month
Reinstatement fees	six (6) times the hourly rate